



GE T&D India Limited

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August 17, 2022

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MUMBAI 400 001

The Manager
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla
Complex, Bandra (East)
MUMBAI 400 051

Code No. 522275

Symbol: GET&D

Dear Sir/ Madam,

Sub: **Transcript - GE T&D India Limited Earnings Call for Investors held on August 12, 2022**

Please find enclosed a copy of the Transcript of earnings conference call with analysts/ institutional investors held on August 12, 2022 in respect of unaudited financial results for the quarter ended on June 30, 2022.

The audio recording of the earnings call is also made available on the Company's website at:

<https://www.ge.com/in/sites/www.ge.com.in/files/2022-08/investor-call-audio-recording-aug-12-2022.mp3>

You are requested to take note of the same.

Thanking you,

Yours faithfully,

For GE T&D India Limited

Manoj Prasad Singh
Company Secretary



“GE T&D India Limited Q1 FY23 Earnings Conference Call”

August 12, 2022



**MANAGEMENT: MR. PITAMBER SHIVNANI – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER, GE T&D INDIA LIMITED
MR. SUSHIL KUMAR – WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER, GE T&D INDIA LIMITED
MR. SANDEEP ZANZARIA – COMMERCIAL LEADER, GE T&D INDIA LIMITED
MR. MARIASUNDARAM S ANTONY – PROJECT BUSINESS LEADER, GE T&D INDIA LIMITED
MR. ANSHUL MADAAN – COMMUNICATIONS LEADER, GE T&D INDIA LIMITED
MR. SUNEEL MISHRA – HEAD, INVESTOR RELATIONS, GE T&D INDIA LIMITED**



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Moderator: Ladies and gentlemen, good day and welcome to GE T&D India Limited First Quarter Ended 30th June 2022 for FY'22-23. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Suneel Mishra, Head of Investor Relations, GE T&D India Limited. Thank you and over to you.

Suneel Mishra: Thank, you, Irene. Good day to all of you. Welcome to today's conference call with the GE T&D India Limited Management Team here. This conference call has been organized to present and discuss audited financial results for the first quarter-ended 30th June 2022.

Now, let me first introduce my management team available on this call. We have with us Mr. Pitamber Shivnani who is the Managing Director and Chief Executive Officer. We have with us Mr. Sushil Kumar who is the CFO and Whole-time Director. We have with us Mr. Sandeep Zanzaria who is our Commercial Leader we also have with us Mr. Mariasundaram S Antony who is our Project Business Leader and we have with us Mr. Anshul Madaan who is the Communications Leader.

Please note that this conference call is scheduled up to 6 p.m. I hope you would have received the Investor Presentation and the same has been uploaded on our website. I hope you have also read out the disclaimer as per slide #2.

I would now request Mr. Pitamber Shivnani to begin this conference call, Highlighting Key Events of the Quarter, thereafter Mr. Maria Updating us on Operations, then Mr. Sandeep Zanzaria will take over and take us through Order Book as well as the T&D Grid Market, lastly, Mr. Sushil Kumar will be Presenting the Financials.

So, I now invite Mr. Shivnani to begin the conference with his opening words. Over to Mr. Shivnani.

Pitamber Shivnani: Thank you, Sunil. Ladies and gentlemen, good evening. Thanks for joining the call. We hope you and your families are healthy and safe.

I would like to start this call by giving you a "Brief Overview about the Last Quarter" and then would request our other colleagues to speak on the call. In the first quarter of financial year '22-23, globally, commodity inflation and volatile coupled with supply chain disruption continued to pressurize our operations. However, despite the headwinds, our teams were able to deliver a net profit. We are doing our best to gain a better competitive advantage in all relevant T&D market segments by building a strong lean foundation and taking various initiative to control the cost and improve margins.



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During my latest visit to one of our factories located in Pallavaram, Chennai that manufactures grid automation equipment, I witnessed several of the Kaizen processes being implemented. Across the company, there is a huge thrust on using lean to improve Safety, Quality, Delivery and Time, (SQDT).

We continue to believe the improvement underway are built on a stronger fundamentals and thus are sustainable.

I am pleased to share that we recently released our annual report for financial year '21-22 which reflects how we are tackling India's biggest power transmission challenges through innovative solution, advancing grid modernization, while leading the energy transition for the country. The copy of the report is available on our website.

We also concluded our annual general meeting with our shareholders on 10th August. The recording of which will be made available on our website soon.

The growth of power sector has been continuous focus area for the government of India. While a lot needs to be done, it's good to see that power sector is finally getting due attention from policy makers. This is evident by the renewed push being given by the government of India on reforming the distribution sector through the Electricity Amendment Bill. Additionally, in the National Investment Plan of Rs.102 lakh crores to help make India 5 trillion economy by 2025. The power sector has received 25% of the total budget. Moreover, there is a lot of focus on green energy corridor and that is how our Prime Minister has announced 500 GW of Green Renewable Energy by 2030.

Initiatives like this will ensure that T&D market will gradually start picking up and so will opportunities for us. However, we will continue to pick orders strategically. Our priority will be to pick orders that will help us grow and grow profitable. We strongly believe in profitable and sustainable growth.

Before I hand over to Maria to talk on operation, I would like to quickly update you on GE's global plan to launch three independent investment grid industry-leading companies which you would have heard our recent announcements. A few weeks back we unveiled the new branding of three companies GE Aerospace, GE Healthcare and GE Vernova which will comprise the portfolio of energy business, including renewable energy power and digital. GE T&D India will be aligned with GE Vernova business. The name GE Vernova leverages GE multi-billion dollar global brand and deep customer thrust, giving us continued competitive advantage in the region.

With that, I will request Maria to provide further insights on the operation during the quarter. Over to you Maria.

Mariasundaram S Antony: Thank you, Pitamber. Good evening, ladies and gentlemen. It is my pleasure to share with you the operational activities which we did during the quarter. And during this quarter, we were



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successful in commissioning new substations across the country as well as extending some of the existing substations.

To give a brief update on some of the key commissioning which we did during the quarter, on the southern side of the country in KSEB, actually we commissioned two substations; one in **Vizhinjam** which was a 220 and 110 kV GIS substation as well as in Ettumanoor which is also in (KSEB) Kerala State Electricity Board, we commissioned a 220 and 110 kV GIS substation there as well. As well as in Thiruvalem in Tamil Nadu, we actually commissioned a PGCIL 400 kV bus reactor in the Thiruvalem substation. And then also in Andhra Pradesh in HPCL, Vizag, we commissioned five bays of 220 kV GIS substation in the refinery, along with the 220 kV line as well as associated AIS equipment.

On the eastern part of the country including Bhutan, we commissioned the Dagapela substation which was at the elevation of more than 2,000 meters, we commissioned the 40 MVA reactor as well as 33 kV substation in Dagapela, Bhutan. And then in JUSNL in Jharkhand, we commissioned 250 MVA reactors as well as 132 to 33 kV substation in Naudiha in JUSNL. And in Bhubaneswar, we made extension of an existing substation in OPTCL which is Orissa Power Transmission Corporation Limited. And on the western side of the country, we actually extended the bays in MSETCL at Nashik, the 220 kV AIS base. So, with this, I think we continue to make strides in terms of enabling the energy transition as well as grid modernization in the country.

With that, I will hand over to Mr. Sandeep Zanzaria to take you over through the Commercial Update.

Sandeep Zanzaria:

Thanks, Maria. The order booking for the quarter stood at Rs.599.5 crores which was a 27% growth as compared to last year first quarter, and if you look at, as compared to the last quarter which is the Q4, there's a growth of about 9%.

The major orders which have been secured are the 400 kV Transformer Package from Aditya Group. They are going in for an expansion from the site in Odisha, and the 400 kV GIS bays with reactor for NHPC at Parbati. And from EPC, we have taken the 245 kV and 145 kV GIS orders from Kalpataru from KEC and from BHEL. This is mixed between the end users of state utility and hydro projects. Apart from that our services group has taken few orders from the MPPGCL for putting up bay extensions and of course the service contract for 400 kV upgradation at NTPC, Kahalgaon.

So, with this, I will hand it over to Sushil.

Sushil Kumar:

Thanks, Sandeep. Good evening, everyone. Moving to the financials, this quarter was a better quarter for the company. After four quarters of loss in the last year, mainly because of volatile commodity prices and significant supply chain disruption, In this quarter, we have been able to generate profit.



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If you move to the page on financials, this quarter we had about Rs.593 crores of revenue compared to Rs.638 crores of revenue in the last year. This was 7% lower, mainly because of the lower orders in hand; however, on the profitability front, we did better. Our EBITDA was at Rs.22 crores compared to Rs.1.5 crores in the last year and the EBITDA stood at about 3.8% of revenue. Similarly, on the profit before tax, we generated about Rs.10 crores of profit before tax compared to a loss of Rs.25 crores in the last year.

Overall, in terms of our cash positioning, this quarter our debt increased by about Rs.110 crores and the net debt stood at around 1.9 billion compared to 0.8 billion end of March. This increase is mainly on account of increase in working capital which is necessary for execution of the backlog in the subsequent quarters. Generally, as a trend also, in the first quarter of the financial year in terms of an increase in working capital as it has our business practice.

Moving to the next page which shares the split of orders revenue and order in hand. So, out of about Rs.600 crores of orders, around Rs.421 crores of orders were from the domestic market, and this represented 70% share, and rest 30% of the orders were approximately Rs.179 crores were from the export market. Similarly, on the revenue side, out of the total revenue of Rs.593 crores, a major share of 66% or about Rs.393 crores was from the domestic market and 34% of revenue which is Rs.199 crores was from the export market. End of 30th of June, we had Rs.3,600 crores of backlog approximately, of which about 61% was from the private sector, about 21% from state utilities, and 14% from central utilities and rest from the others.

So, with that, we'll now open for the questions.

Moderator: We will now begin the question-and-answer session. Our first question is Jigar Shroff from Financial Research. Please go ahead.

Jigar Shroff: Can you give some update on the HVDC Adani order that we have put in our bids which in last call you had mentioned was under evaluation and if you could share some light on the Leh Ladakh HVDC opportunity?

Sandeep Zanzaria: So, the Adani HVDC project is what we were talking in the last quarter that we have lost to the competitor, so that is no more on the radar now. And as far as the Leh Ladakh project is concerned, the power grid is still looking into the technical feasibility part of the project because there's a lot of adverse conditions, the weather conditions and the altitude, etc., So, those studies and other aspects are being taken up. so once these are formalized, then the Leh Ladakh project will move forward. As of now, it's slightly deferred.

Jigar Shroff: So, should we look as an FY'24 opportunity?

Sandeep Zanzaria: I think so that it might go to FY'24, but parallely there is one more HVDC project which is like the Champa-Gurukshetra which we have executed, a similar HVDC project might come up in next two to three months which would be from Rajasthan to UP for evacuation of renewable



power. So, that project, we are expecting the approval of the transmission planning committee to happen sometime in next two to three months, and then the ordering we expected to happen in maybe next financial year for that project as well.

Jigar Shroff: What would be the opportunity size in terms of our scope of work for the Rajasthan-UP green energy corridor?

Sandeep Zanzaria: I would say slightly more than a billion dollars will be the total value. So, we will have to just see once the opportunity comes, then we have to see the scope split between our principles and us. But even safely think about 60% to 70% will come from Make in India initiative from our local factory and our project groups.

Jigar Shroff: Any other opportunities are you looking for?

Sandeep Zanzaria: Apart from HVDC, presently, there are many TBCB opportunities which are there in the horizon. So, there are Khavda packages which are there in Gujarat, there is a pipeline of projects in Rajasthan as well, so Badhla-Fatehgarh. So, multiple projects are there which are example under bidding now.

Moderator: Our next question is from Aniket Mittal of FDI Mutual Fund. Please go ahead.

Aniket Mittal: Just a few questions. Firstly, we've seen a fair amount of improvement in the gross margins for the current quarter. So, if you could just highlight on what is leading to that improvement and how do you see this number going ahead?

Sushil Kumar: This quarter the gross margin was quite better; it was around 34%. Generally, when we book the order and we have been communicating in earlier calls, quarter may be a shorter period to look at the gross margin. This quarter margins are better because of the better mix of projects executed during the quarter. Overall, if we have to take a long-term view, let's go back to the financial year 2021, where we had generated about 27% of the gross margin. Last year was lower because of commodity prices as I explained earlier. So, generally when we book the order, 27%, 28% gross margin is a range and during the execution, we try to improve it by further a couple of percentage points. So, I'll say that around 27% to 29%, maybe going up to 30%, that's the range where we aim to execute on a long-term like a year kind of perspective.

Aniket Mittal: For the past couple of quarters, we've been seeing a decent amount of impact of commodity prices on our margins. Has that come to an end, would you restate given the way your current order book is lined up is where commodity prices are, are you fairly confident of remaining within that gross margin band?

Sushil Kumar: Last three quarter have been quite challenging in terms of the volatility or increase in the commodity prices. I'll say that every quarter, we evaluate the overall impact of commodity prices and take necessary cost approval in our financials as a part of the accounting policy., This has



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been the case end of March, end of June also. So, as of now on the entire backlog, necessary commodity prices impact has been taken. The environment actually remains quite volatile. We have seen for the certain commodities, the prices have come down in last couple of months, but there are specific processed commodities and specifically the oil where the price is going up. Recently, some of the commodities have also started to pick up in terms of the trend. And a lot of this is happening because of the changes in the geopolitical environment, global economic progression and so on. So, I believe it's still a time where volatility exists. We'll have to wait for few more months to see what is the final trend in terms of the commodity pricing. But in terms of our financials, we have duly provisioned for the commodity prices existing today or as of end of 30th of June.

Aniket Mittal:

The other question was on the order book that we have on our books. If I look at, close to 36.6 billion number that we have, how do I look at the execution period for this? And on the execution necessity, are there any challenges that you see currently ongoing in terms of any of this order backlog being stuck or not as flowing as you want it to be?

Sushil Kumar:

We do not have any significant struck project in the backlog. Most of the projects are under execution. Depending on the timeline of execution of these projects, then it gives us the visibility of 15-months of execution in terms of revenue, but at the same time the new orders that during the next few quarters will also come and executed. So, we have a backlog of 15 months and our further endeavor is to continue to focus on increasing the order book and the backlog.

Aniket Mittal:

The other question was just to understand a bit more on the ordering front, especially on the utility T&D side. I think the ordering on the TBCB has been fairly lackluster for at least for the past one year or so. Just on your understanding in terms of going forward for the next one year, how do you see the ordering shaping up and what are the impediments because of which a lot of these orders have not yet been realized?

Sandeep Zanzaria:

Aniket, there are basically two areas where most of the TBCB projects are today concentrated. So, one is Rajasthan and one is Gujarat. So, the Rajasthan has now started moving. Rajasthan was primarily stowed because of the GIB issue. But now with the decision coming from the Supreme Court, we are seeing now the traction happening in the TBCB projects of Rajasthan. So, the bidding dates are now coming in and probably in next one, two months whatever Rajasthan projects are there, the reverse option for the developers are going to happen, and then subsequently all those projects will come for decision-making in the EPC space as well or the OEM space as well. Regarding Gujarat, yes, the projects have been announced and the specific tenders have been floated, but still there is some delay in the Khavda area, and, of course, we are also waiting for the requisite clearances to come. I think the matching between the generation and transmission needs to happen. So, probably that is slightly delayed, but I think in next one quarter even Gujarat should also start moving.

Aniket Mittal:

What would largely be the opportunity size for you within Gujarat, Khavda specifically?



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- Sandeep Zanzaria:** There are multiple packages for Khavda which is coming from generation side and transmission side as well, but I would say that there would be multiple packages which will be coming. So, depending upon who wins, the opportunity size changes, because there are some developers who are EPC players also. So, if they win, then for us the opportunity size is only limited to a product. But if a company like Power Grid wins, then the opportunity size becomes equivalent to the project value. Depending upon that, I think the opportunity value also keeps on changing.
- Moderator:** Our next question is from Aashna Manaktala of ICICI Securities. Please go ahead.
- Aashna Manaktala:** In your brief, you mentioned that you booked the GIS package for NHPC feedstock. So, how would be the opportunity going forward for the hydroelectric power plant? Are you looking for any other projects similar to this?
- Sandeep Zanzaria:** So, yes, there are actually multiple opportunities which are coming for hydro sector including the renewable part where hydro is also used as basically to supply the 24x7 power requirement. So, there, yes, we are engaged with various customers for the hydro opportunities.
- Aashna Manaktala:** Any key project you would like to highlight?
- Sandeep Zanzaria:** No, nothing specifically that we would like to highlight, because there are multiple projects which we are parallely working.
- Aashna Manaktala:** Our net debt has increased by 1.1 billion, but revenue has remained at a similar level over the previous quarter. So, is it the entire amount attributable to the working capital or -?
- Sushil Kumar:** Yes, the amount is attributable to the working capital. Most of the increase is in the inventory which is necessary as per the project life cycle for execution of revenues in Q2 to Q4.
- Aashna Manaktala:** So, would we be looking at a similar number for net debt for the full year?
- Sushil Kumar:** No, our endeavor is always to improve, and if we go back a couple of years, at end of March 2020, we had a debt position of about Rs.480 crores. In last two years, we have been able to improve our debt position by about Rs.300 crores, and that continues to be the endeavor for the management to improve it further. But during the execution cycles of the project, quarter-on-quarter, there are increases in a few quarters and then reduction in the subsequent quarters. So, we'll continue to focus on improvement from this level.
- Moderator:** The next question is from Parikshit Khandpal from HDFC Securities. Please go ahead.
- Parikshit Khandpal:** My first question is on the Adani order which you lost. So, if you can just highlight it was just on account of pricing or anything else like specification and also was the reason, so if you can just touch upon that?



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- Sandeep Zanzaria:** It was an international competitive bidding. So, finally we have been communicated that we are not the lowest bidder there. But I don't think that after the technology, everybody is at par today in the market. So, presuming it's mostly in the price part of it.
- Parikshit Khandpal:** Was the difference quite stark or it was a very close bid, any idea if you want to comment that?
- Sandeep Zanzaria:** We do not know what is the difference, because it was not a public opening.
- Parikshit Khandpal:** The second question is on the market side. I think in the AGM, you had highlighted that pre-COVID, the market size was about Rs.14,000 crores which is now expected to go up to Rs.22,000 crores. So, just wanted to understand how much would be our market share typically which we look at in this overall opportunity?
- Sushil Kumar:** Just a small correction or update on this. I think what Pitamber communicated yesterday was that market dipped to Rs.14,000 crores during COVID from a level of Rs.21,000 crores, that's about 30% de growth, and now we expect the market to be back to Rs22000 crores which will be at the pre-COVID level. Sandeep to update and Pitamber to update on the specific question that you asked with this clarification.
- Pitamber Shivnani:** Yes, so basically the market is obviously going to grow and this 22,000 or 21,000 crores is the entire market of transmission segment including transmission lines and all actually. So, that is how it is actually.
- Parikshit Khandpal:** But the kind of inflows which has been lagging for us, almost Rs.600 crores this quarter, which also reflects in the reduced phase of execution this quarter similar kind of a number which is near like if we go back to 27%, 28% gross margin, it will just be maybe some minor loss at the PBT level. So, how do we expect these two things to ramp up for rest of the year or maybe from it to near to midterm, how do you see this operating leverage kicking in on account of better order inflows and better revenue visibility and profitability?
- Sandeep Zanzaria:** I would say that, thing is that as the TBCB projects are going to pick up, I think we expect even the order flow numbers also to be slightly better quarter-on-quarter because the TBCB projects which are there in the horizon are of much larger value, because many of the projects are like 765 kV GIS, etc., So, I think the striking of such orders will improve the visibility of even sales of the revenue as well in the coming quarters.
- Sushil Kumar:** In terms of improvement in the profitability, besides the good quality of order being the focus of the company, we have also been focusing on the improvement in the cost at various level, if you see all the main components of cost like employee cost, other expenses finance cost, in all the areas, we have been able to improve compared to last year and that will continue to be an endeavor of the management to further improve the profitability.



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- Parikshit Khandpal:** Earlier in the call, you spoke about GE Vernova. You had harped a bit on that change in the global company for three segments. So, for GE India, GE T&D India, what are the big changes which may happen here if you can touch upon whether we can get access to more export markets or whether we'll introduce more products, if we can just touch?
- Pitamber Shivnani:** GE Vernova is largely GE Energy which includes renewable, power, digital and grid solution. And we are a part of grid solution, so automatically we become the part of GE Vernova. And with a passage of time, we will come to know how it shapes. This GE Energy segment is going to spin off in the beginning of 2024 and after that once it is formed officially and it is a spin off, we will see how it shapes actually. It is too early to comment anything on this.
- Parikshit Khandpal:** Spin off means what will happen after that, just that different legal entity or –
- Pitamber Shivnani:** It will be a different legal entity basically traded separately on the US stock exchange and with different board of directors. So, there will be three entities; GE Aerospace, GE Healthcare and GE Vernova.
- Parikshit Khandpal:** Any new products we plan to introduce in India besides the current portfolio of products which you have?
- Sandeep Zanzaria:** So, we are basically looking into the market. so one of the product is APM, which we are connecting with various customers, that's basically the digitization product on the maintenance side and supporting the customers in terms of digitally enhancing the availabilities and the reliability of the system, so that is one. And globally, of course, we have introduced a number of projects on green gas which is called G3. We are discussing with various customers in India, but we are not seeing a large market as of now, but with now the carbon trading, opening up in India, we expect this also to create a new opportunities because once you have the SF6-free products, I think in the CAPEX cycle itself because of carbon trading, etc., the companies would get advantage in buying higher CAPEX product like G3, because they will be able to get the certificates. So, these are the two new areas where we are looking for expansion.
- Parikshit Khandpal:** Just lastly on the exports, if you can just touch upon, how do we see the exports market panning out and then we further increase our share in export markets and get more orders to supplement the performance on the domestic market?
- Sandeep Zanzaria:** Definitely, the focus is there on export market as well and of course what we are also targeting a few countries as well as also the geographies which are there, for example, whether it is Africa, CIS, even Latin America, so we are expecting the markets to grow everywhere because of the addition of renewable energy is coming globally as one of the new mantras which is there in all the geographies. As the transmission market globally is going to pick up, definitely we will be benefited from this thing.
- Moderator:** Our next question is from Rahul Modi of ICICI Securities. Please go ahead.



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Rahul Modi: Just one question as most of the others have been answered. On the cost front, we've seen some reduction this quarter. So, can you elaborate a little more on the measures taken there and what kind of numbers we can see on the cost front going forward?

Sushil Kumar: We have been continuously working to improve the cost. One of the improvements area which has also been communicated in the last quarter financial was the sale of Naini factory which finally got concluded in the month of June. That has helped us in a bit of reduction of the cost. We have optimized the office space at a couple of locations to reduce our other expenses. We have been continuously working to improve the working capital and reducing the borrowing, at the same time reducing the non-fund base limit which helps to improve the finance cost and so on. So, multiple measures have been taken. We will continue to further improve of work in this direction to make sure that the cost levels continue to be in line with the revenue that we trade during the quarter.

Moderator: Our next question is from the line of Amit Mahawar from Edelweiss. Please go ahead.

Amit Mahawar: Now since it was from the public we declared tender, but one thing you showed that we are not L1, I don't know if we are L2 or L3, but if there are three to four or five bidders, how do we ensure that in the next HVDC project, whether Power Grid or otherwise, our cost sheet makes us convincing L1 in the next upcoming few projects, making healthy gross margins. So, my question is more on time bound initiative both on the gross margin product side and on the overhead side. Maybe do we have yearly target to understand how are we going to cut that because if this contract has to be gone by, if you go by this, maybe the next contracts we might also fall in L2 or L3 bracket, so some color on that side?

Sandeep Zanzaria: I think the HVDC is a technology where the projects are quite different one to the other, for example, if Adani is like a VSC-based project, Rajasthan one is going to be LCC-based project and Leh Ladakh is again going to be a VSC-based project. So, the technology is different, the project size is different, the competitive strength in terms of for example the localization is also sometimes different, for example, HVDC projects are more dependent to some extent dependent upon even global loading also because of the competent centers of the three players. So, there are multiple factors which are there, which determine the price and the gap of an HVDC project. It is not like a very matured kind of a market like transformer or a AC substation type of a package where the predictability will be very high, that okay, the final price is going to land between this value and this value only. But definitely based on our global experience and all, we do a target costing and then try to come as near as the target costing as possible.

Amit Mahawar: Second question is on approach and target that the parent has for maybe GE T&D India or the mandate. So, specifically what is the near to medium term target corridor we have for what kind of export and specific product, the GIS range we have, that you're targeting at least for not more than maybe one to two years?



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- Sandeep Zanzaria:** So, basically we have whatever is manufactured in India by us, so whether it is relay, whether it is, for example, GIS whether it is circuit breakers, instrument transformers, some part of our transformer capacity, so even the project business also, everything is used for export. So, it's not that we have kind of a limitation in that we will be using only this much of our capacity for export. It also depends upon that in the global market wherever the customers to whom we are selling, where India should for example as a country, should be an acceptable geography also because of many regions, they don't accept products from India and would like products to only come from either Europe or US or many countries have their own, for example, restrictions of buying the product locally. So, in those circumstances, yes, but the company keeps on trying to get approvals in more and more utilities globally so that the area can be expanded.
- Moderator:** The next question is a follow-up question from Jigar Shroff of Financial Research. Please go ahead
- Jigar Shroff:** Are the margins back in the export business or domestic business, if you could shed some light?
- Sandeep Zanzaria:** It's better in the export segment.
- Jigar Shroff:** There is a potential. It may go up. I think we are consistently hitting 30% of order booking and execution. Do you think this can be pushed up further proportion of exports?
- Sandeep Zanzaria:** So, the endeavor is to push up the exports, you are right, to take it as a higher percentage of the overall volume.
- Moderator:** As we have no more questions from the participants, I now hand the conference back to Mr. Suneel Mishra for closing comments.
- Suneel Mishra:** Thank you, Irene. Thank you everyone for your participation. With this we conclude today's conference call. In case if you have any other question, then please feel free to contact me or Mr. Anshul Madaan on the e-mail id given at our website. Thank you once again.
- Moderator:** On behalf of GE T&D India Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.