



GE T&D India Limited

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June 19, 2020

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal
Street
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,

Sub: **Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Further to our communication dated March 23, 2020 and May 5, 2020, please note that due to lock down announced by Government of Tamil Nadu in certain parts of State, the Pallavaram Factory has been temporarily closed from today till June 30, 2020.

Having reference to SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, regarding advisory on disclosure of material impact of COVID-19 pandemic on listed entities, we would like to inform the following in general in reference to the overall Company:

1. Impact of the COVID-19 pandemic on the business

➤ Q4 FY 2019-20

- With the announcement of the lockdown in March 2020 the Company temporarily closed some of its manufacturing facilities, except for essential maintenance and services as reported to Stock Exchanges on March 23, 2020. The Offices including sales offices were also closed and the employees were working from home.
- All manufacturing facilities, Project Sites, and offices were shut for the remaining days of March 2020.
- As a usual pattern, major portion of sales takes place in the second half of any month. In view of the lockdown during the latter part of the month, the sales for the Quarter were impacted.
- This had its impact on the performance of the Company for Q4 as the Company incurred fixed expenses for the Quarter however could not generate planned revenues.

➤ **Q1 FY 2020-21**

➤ **Businesses**

- Since Transmission and Distribution products and Services were classified as 'essential supplies', we were able to commence, with reduced strength, the sale of these products from mid of April 2020. These categories delivered approximately 20% of their regular sales volumes for manufacturing facilities during April 2020. May also has seen similar 20% performance due to skeleton operations at our factories.
- However, there was hardly any sales in respect of other categories like non-essentials, etc. in April/May.

➤ **Profitability**

The Company is taking prompt actions to adapt its operations and cost base to safeguard profitability, it is expected that the results of the quarter will be impacted due to loss of volume and delays in payment from some Customers due to nation-wide lockdown.

➤ **Manufacturing Operations**

Though the T&D factories were allowed to operate during lockdown phase, the production could not be carried out in full swing (despite having pending orders) due to unavailability of skilled manpower, movement of material and other restrictions on the interstate mobility of workmen by the local governments. With the available manpower, partial production/testing and few assemblies including packing of the already produced products could be managed and the manufacturing operations were carried out at a very limited capacity.

➤ **Steps taken to ensure smooth functioning of operations**

- The Company implemented in true letter and spirit full guidelines of Central as well as State governments
- COVID-19 risk is pandemic disease and is impacting lives and business substantially.. Leadership engagement started at the initial stage, by identifying a Site COVID Leader with specific responsibility to ensure health and safety of our employees. Operational cross functional teams were formed to quickly implement risk mitigations with regular progress reviews.
- We also issued COVID guidelines for medical preparedness, sites Response, restart and business continuity plans were developed that followed National, Local & GE guidelines.

- Employee health & well-being is being constantly tracked. Employees located at various project sites were either safely evacuated to their native or placed in safe accommodation locally.
- COVID-19 Awareness trainings are made mandatory for all employees and contractor personnel.
- Necessary precautions like plant hygiene, disinfection measures, cleaning of common touch points, social distancing norms at shop-floor/offices/washrooms/canteen have been implemented.
- Transportation Facility-Employees are allowed to travel either using own transport or Company bus/cabs only, no public carrier, private carrier and share autos are being used. The vehicle disinfection, temperature screening at the time of boarding, hand sanitizing and use of mask along-with safe seating arrangements have been made compulsory.
- Temperature scanning is being done by paramedical staff, while entering and exiting the plant and recorded.. Hand wash facility & sanitizers (both are noncontact type) provided at the main gate.
- COVID-19 PPEs deployed – (1) 3ply surgical mask is issued to everybody (3 nos / employees) who is entering the plant at main gate itself, (2) Goggles are mandatory, (3). Hand gloves are material handling, (4) Face shield when social distancing not able to maintain and (5) for handling suspect materials and suspect peoples at site.
- Ensuring Social distancing: One-way traffic is implemented and separate entry/exits for canteen & shop-floor areas; staggered entry, canteen lunch, break timings implemented; take-away food packets are issued to employees to reduce crowd at canteen.
- Occupational Health Centre is fully functioning with qualified Medical practitioner, 6 medical staff (2 per shift) & 24x7 ambulance. Additionally, isolation wards have been set-up at the plants.
- Additional security office has been created to handle materials in-warding, drivers and courier guys without mingling with plant populations.

➤ **Manpower**

- Consequent upon the announcement of lockdown, all the employees including the field staff were advised to work from home.
- In line with the various relaxations announced by both the Central and State Governments, the employees attached to the factories are attending to work in a staggered manner, in line with the Government directives.
- With respect to the Regional Sales offices, Noida and Kolkata are functioning with limited manpower effective 22nd May & 18th May respectively, in line with the directives of the State Government and local authorities. The remaining Regional Sales offices (Chennai, Mumbai, Lucknow, Jaipur, Chandigarh) are yet to open
- All the field/project site staff have been advised to commence the field work from 13th Apr 2020, in accordance with the relaxations announced by the Central and

State Governments and the same is happening in a very limited way (72 sites operational out of 74 with reduced manpower)

- During work from home period, several training programs have been organized using the video / audio conferencing / Webinar for all the field staff for improving the product / job knowledge.

➤ **Capital and Financial Resources**

The Company does not propose to raise any capital. The Company has short term working capital lines from Bank and other GE Group Companies to meet its short-term liquidity requirements.

➤ **Liquidity Position and Payment Obligations**

- The Company has regularly paid vendor payments including MSME vendors, salary to all the employees, casual and contract workmen and statutory payments on due dates.
- Certain Customers collections are delayed due to lock down at Customer offices and liquidity challenges.
- The Company has met short term liquidity requirements caused by delays in Customer collections availing working capital borrowing from Banks other GE Group Companies.

➤ **Ability to service debt and other financing arrangements**

The Company is having short working capital limits with banks and other GE Group Companies and do not anticipate any issue in servicing the interest commitments.

➤ **Assets**

None of the assets of the Company have been impaired.

➤ **Internal financial reporting and control**

The Company has ERP System and controls in place and all its locations are well networked. Even during lockdown, IT / reporting systems worked seamlessly without any disruption.

➤ **Supply chain**

Though initially there were hiccups, there has been improvement both in the inward and outward supply chain operations, but we continued to have disruption due to import shipments from China/Europe due to local regulation. Additionally, we are experiencing

some cost escalation on freight/logistics. Domestic vendors (based at MH/Gujrat etc continue to remine non-operational creating stress on supply chain.

➤ **Demand for products**

Since there has been no field work for more than a month and the same has just started in a limited way, we expect it would take some time for us to pick up demand for product categories like AIS Products, GIS Products, Transformers and Grid Automation, network Management System, etc.

2. Schedule, if any, for restarting the operations

The plant readiness to re-start the operations are being constantly reviewed by Plant leadership team. Necessary approvals were obtained from state administrations like

- Initial approval for essential services was obtained on 26th Mar'2020 for 25 people / shift;
- Later respective units secured further relaxations to run operations with upto 20%+ capacity.
- Presently the plants are operating at 50% overall capacity.
- As per GE Policy; we are also encouraging employees to work from home wherever possible.
- Further preparations are ongoing, such as additional transport facility, canteen coverage, shop-floor readiness etc are being made ready for 100% operations – as ad when the lock-down is further relaxed by state administration.

3. Steps taken to ensure smooth functioning of operations

Apart from COVID-19 risk mitigation measures stated in the above sections, the following steps taken for smooth functioning of operations;

- Transport assistance was extended to employees who went to native, dormitory accommodation facility created to accommodate 25 employees at Padappai site who didn't have accommodation due to refusal by landlords, employee commuting from far distance and for critical resources.
- Presenting employees are working extended hours (Within statutory limits) to scale up production and support business due to shortage of man-powers.
- Assistancess are extended to suppliers and vendor to obtain local clearance to re-start their operations

4. Estimation of the future impact of COVID-19 on its operations

The real impact on revenue and profitability is being still under assessment. The Company will follow the guidelines of Govt for operation of factories, and any stoppage of operation in future will impact the profitability as Company will incur fixed costs without corresponding revenues

5. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business

None

6. Other relevant material updates about the listed entity's business

None

7. Conclusion

- The Company expects to gradually come back to its original level of Operations, in the coming months with easing of the situation.
- However, the Q1 performance is likely to have its impact on the annual performance for the year 2020-21 also.

This is for your information and records.

Thanking you,

Yours faithfully,

For GE T&D India Limited

Manoj Prasad Singh
Company Secretary