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November 15, 2023

The Secretary
BSE Limited
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Code No. 522275

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

Symbol: GET&D

Dear Sir,

Sub: **Transcript - GE T&D India Limited Earnings Call for Investors held on November 8, 2023**

Please find enclosed a copy of the Transcript of earnings conference call with analysts/ institutional investors held on November 8, 2023, in respect of Un-Audited Financial Results of the Company for the second Quarter and half year ended on September 30, 2023, of the Financial Year 2023-24.

You are requested to take note of the same.

For GE T&D India Limited

ANUPRIYA GARG
Digitally signed by ANUPRIYA GARG
Date: 2023.11.15 14:33:21 +05'30'

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"GE T&D India Limited Q2 FY24 Earnings Conference Call"

November 08, 2023

MANAGEMENT: **MR. SANDEEP ZANZARIA – MD & CEO, GE T&D INDIA LIMITED**
MR. SUSHIL KUMAR – WHOLE-TIME DIRECTOR & CFO, GE T&D INDIA LIMITED
MR. ABHISHEK SRIVASTAVA – HEAD, BUSINESS OPERATIONS, GE T&D INDIA LIMITED
MR. ANSHUL MADAAN – COMMUNICATIONS LEADER, GE T&D INDIA LIMITED
MS. ANUPRIYA GARG – COMPANY SECRETARY, GE T&D INDIA LIMITED
MS. TANVI GUPTA – FINANCE AND INVESTOR RELATIONSHIP TEAM, GE T&D INDIA LIMITED

Moderator: Ladies and gentlemen, good day and welcome to GE T&D India Limited Earnings Conference Call.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask question 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 Ms. Tanvi Gupta from GE T&D India Limited. Thank you and over to you, ma'am.

Tanvi Gupta: Thank you, sir. Good evening, everyone. We welcome you all to the GE T&D India Limited Earnings Call for the 2nd Quarter and Half-Year of financial year ending 2023-24.

I am Tanvi Gupta from GE T&D India Finance and Industry Relationship team. We are delighted to have you all here on this call. During the call, we will discuss the company's financial performance including operational highlights. We will share the key updates and we will address the questions that you have any.

Before we begin, I would like to highlight a few important notes for today's call. Firstly, as we just have declared the results for the 2nd Quarter and Half-Year of the financial year 2024, the said results are now available on our company website. Further, we have also prepared an analyst presentation for the quarter, which will be under discussion during the call. The said presentation we have already emailed to you and is also available on our company's website.

Also, I would like to take a moment to remind everyone that today's discussion may contain few forward-looking statements which are subject to risk and uncertainties. These statements are based on our current expectations and actual results may differ materially from those expressed or implied. We encourage you to refer to our public filings and disclosures for a comprehensive understanding of the factors that could impact our future performance.

With this, now let me introduce the GE T&D India management team available on this call. During the call, we will be joined by Mr. Sandeep Zanzaria - CEO and MD of the company. Along with him, we are also joined by Mr. Sushil Kumar – Whole-Time Director and CFO of the company; Mr. Abhishek Srivastava – Head, Business Operations; Mr. Anshul Madaan - Communications Leader, and Ms. Anupriya Garg - Company Secretary of GE T&D India Limited.

We will be having a detailed question and answer session towards the end of the presentation where you can ask your questions and seek clarification on any topic of your interest. Thank you once again for joining us today. We appreciate your continuous support and trust in GE T&D India Limited. Now, I will hand over the call to Sandeep for his opening remarks. Over to you, Sandeep.

Sandeep Zanzaria: Thanks, Tanvi. Good evening, ladies and gentlemen. Thank you for joining us today. I hope you and your loved ones are doing well. Wishing you a Happy Diwali in advance. Welcome to the quarterly call for discussion on the results of Q2 of Financial Year '23-24. I will be sharing the top highlights, and subsequent to that, my other team members will take you through the numbers and other operational details.

Starting with orders, we are excited to share that continued surge in our order book for Q2 driven by India's energy transition need and the government's focus on the renewable energy scheme. We secured orders worth 11 billion INR compared to an approximately 5 billion INR in the corresponding quarter of the previous financial year registering a growth of more than 100% year-on-year. With this, our backlog at the end of the quarter is quite healthy and has improved from Indian Rs. 37 billion to Rs. 43 billion. While growth is a testament to our capacity to meet the evolving needs of India's power market, a note what we highlight here is that we have received growth in orders in all of our segments, which is like projects, high voltage products, that is GIS, AIS products, power transformers, and also grid automation. This increase in our order reinforces our position as one of the market leaders in the segment.

Apart from our regular inflow of orders from export market, we have received the 225 kV GIS supply order from Senegal. These orders not only demonstrate the trust our customers place in us, but also highlight our ability to deliver high quality, reliable grid equipment that are critical to the strengthening of India's transmission infrastructure. Our sales almost remain flat as same as in the corresponding quarter of the previous financial year at about 7 billion INR, but you will note a significant increase in our profit before tax of approximately Indian Rs. 503 million compared to Indian Rs. 101 million for the corresponding Q2 of FY22-23 and INR 889 Million for H1 23-24 against INR 203 **Million** for H1 22-23. This achievement can be attributed to the service strategy initiatives aligned with the best practices.

Firstly, our continuous focus on adapting a lean mindset and implementing operational efficiencies has allowed us to streamline our processes and optimize resource allocation. Additionally, our unwavering commitment to enhance our execution capabilities has translated into improved cost management ultimately strengthening our bottom-line.

Another highlight was that our net debt as of the quarter ending September 2023 stands as 114 million Indian INR, making a reduction of more than 1 billion compared to June 2023 and a reduction of Rs. 1.6 billion compared to March '23. I would like to stress that cash remains our key focus in all of our business processes. The accomplishment of this quarter not only highlights our expertise, but also, showcase our ability to provide innovative solutions that meets evolving demands of India's energy landscape. At GE T&D, we take pride in being at the forefront of this transformative journey and we look forward to a future where we recognize that the energy sector is evolving at an unprecedented space and our strategy is closely aligned with India's national goals and global trends. As we move forward, our strategic focus remained firmly centered on driving innovation, efficiency and reliability in India's rapidly evolving energy landscape. We are dedicated to co-creating a sustainable and resilient energy future for India and eagerly anticipate the exciting opportunities that lie ahead. Thank you and now I invite Abhishek, our Project Business Head to share further details in operational highlight. Abhishek!

Abhishek Srivastava: So, thanks, Sandeep. Good evening to all. So, I will take you all through the key operational success that we have achieved in the 2nd Quarter of the financial year. So, we added the four key substations to the Indian transmission network. The first one was UPPTCL Sahupuri, which is a 220 kV GIS built in the city of Varanasi and serving the close by area and vicinity.

The second was the Warora Kurnool Transmission Limited Substation Project in which we commissioned two key substations -one was at Warangal and other one at **Chilakaluripeta**. This was a very critical scheme, additional interconnecting link which was formed to import power into the southern region from western region. These are 765 x 400 kV AIS substations and set up of these substations scheme has added 3500 MVA of transmission capacity. So, GE executed was building up the substation along with supply of transformer and reactor. So, this is a very key project and if I talk about the criticality of this, this is the largest 765 kV double-circuit TBCB project done in India and it was great for GE to partner with Adani in building up this substation. And these are seen a lot of challenging times. So, finally, we commissioned two key substations in this.

And the fourth one was KSEB Shornur, in which we set up a 110 kV GIS substation for supplying power to the district of Palakkad. So, these are a few of the key highlights operational success, wherein we commissioned the substation and handed over these substations to the utilities. So, with this, I hand over to Sushil to take us through further details.

Sushil Kumar: Thanks, Abhishek. Good evening, everyone. Wish you a very Happy Diwali. Sandeep talked about our strong financial performance in his beginning speech. I will be taking a few pages on our financial performance to make a deep dive on some of the key numbers that we delivered in this quarter.

First, on the page 5 of the investor presentation, talking about orders, we have delivered more than 100% growth compared to the 2nd Quarter of the last financial year. So, in the last year, we had delivered about INR 5 billion of orders, but this year, in the 2nd Quarter, we have about INR 10.8 billion of orders. This growth is across the board, across all our business segments, and has been quite diverse in nature, meaning we have received orders from private customers, government customers, we have received orders from the export markets, we have received orders from the EPC customers and for various business lines.

The details of the projects are given in the presentation. I will not repeat them, but just wanted to highlight that it is a very strong order growth versus last year across the board. Just one more clarification that we recently made stock exchange declaration of receiving 5 billion order. That order achievement is for the month of October. So, it is not a part of the numbers that we are presenting today. That will be counted as order booking in quarter 3 of the financial year.

Now, talking about the P&L performance in the next page, while the revenues remain flat at around INR7 billion for the quarter, we saw a significant improvement in our operations with the initiatives taken in the last few years as Sandeep highlighted, which included areas like lean, productivity improvement, changing the mix of orders, taking the secure orders with better terms, and so on, all those initiatives have helped us to achieve our EBITDA of about 10% to the extent of INR 698 million in the quarter, representing more than 100% increase versus last year. So, the EBITDA has gone up by two times versus the last year. The same improvement has flown to the profit before tax. We achieved about INR 503 million of profit before tax which is almost 5x of the quarter 2 performance in the last financial year.

At the same time, Sandeep highlighted our net debt coming significantly down. Last year, quarter 2, we had about INR 3.6 billion in outstanding debt and we have made a significant progress in last one year. We have repaid most of the debt and we are at around breakeven, close to a breakeven debt situation. We have about INR140 million of debt as of end of September. It is a very improved liquidity position versus last one year, we have made significant progress.

Similar improvement across the board on H1 performance; H1, the revenues were INR 14 billion, higher by 9% versus the last year H1. EBITDA at INR 1.3 billion, again 2x of the last year performance. Profit before tax is around INR 889 million, 4x of the profit before tax in the last year, first half. So we made a significant progress.

Moving to the next page where we have given the split of our order booking revenue between domestic and export segment. Out of the 10.8 billion INR orders that we booked in the current financial year Q2, we have 24% of the orders coming from the export market and about 76% orders coming from domestic market. On the revenue side, 29% of the revenue is from the export segment and 71% revenue from the domestic market. INR 43 billion orders in hand have about 75% of the orders from the private segment customers, 15% of the orders from the central utility and PSU, and 10% of the orders in hand from the state utilities. So, this is overall the quarter 2 number and now we will be happy to answer your questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Renu Baid Pugalia from IIFL Securities. Please proceed.

Renu Baid Pugalia: My first question is if you look on the execution side, are there any headwinds in the domestic market in terms of stepping up the execution run rate or it is more to go in terms of the entire supply chain and the project timelines?

Sandeep Zanzaria: So, Renu, we are not seeing any headwinds primarily on the supply chain. Definitely, the supply chain is slightly extended, but the orders what we have received are taking into consideration the timeframe, which today our suppliers are committing to us.

Renu Baid Pugalia: Can you share some color in terms of the broad revenue mix for the current quarter in terms of products, projects, automation solutions because that is clearly reflected in the gross margin profile that is reported this quarter?

Sushil Kumar : So, we have about 12% of the revenue coming from the services and software business put together, Rest, 88% between the product and project business.

Renu Baid Pugalia: Secondly, if we see a pretty impressive improvement in the working capital and reduction of debt on books, to what extent we think this improvement is sustainable and is it also a function of the set up an order that we see for the cycle of advances and the entire working capital cycle and cash conversion cycle has seen a pickup in terms of improvement on books?

Sushil Kumar: Yes, so it is a factor of all the improvement actions that we have taken meaning, advances, yes, if we look at the financial statements around in the INR 1.6 billion cash that we have generated in the first half, around INR 0.5 billion or about INR 50 crores is coming from the down payments that we have received on the new order. The rest equipment is mostly from the actions across the board, be it on account of realization of past dues or trade receivables, reduction in the inventory through to be lean initiatives, and also making sure as you have been talking about in our conference call for last many quarters, we talked about selectivity of the order which means secured payment terms, the payment terms with lesser credit period and so on. So, that means the profit which we realize is also getting converted into cash. So, cash remission is a combination of profit converted to cash plus working capital improvement across the board.

Renu Baid Pugalia: And lastly, Sandeep, if you can also share some inputs as in we have been talking pretty positive in terms of the domestic order pipeline improving on a strong note, the GEC projects coming through on exports also picking up, so any comments in terms of how the order pipeline is looking for the next 6 to 12 months? And do we perceive any slowdown in the early part of the next 6 years because of the election?

Sandeep Zanzaria: I think whatever run rate we are maintaining, we are looking at a quite healthy growth or sustainable order intake pipeline, at least from next 6 to 12 months, Renu. That will be, because GEC projects and all, of course, now they have started coming up at a regular interval, and the finalization is also happening, but with the visibility, at least, we are pretty confident of next 12 months, yes, we will be able to maintain the run rate.

Sushil Kumar: Coming back to your first question on the split of revenue between project and product, so around 60% to 65% of the revenue are from the product business, 20% to 25% of the revenue from the project business, and the rest revenue is from the services and software business.

Moderator: Thank you. Next question is from the line of Janak Lotwala, an Individual Investor. Please proceed.

Janak Lotwala: My first question is around the operating margins per se, so while there is a significant operating leverage that seems to be kicking in and helping our net profitability quarter-on-quarter, what is the sustainable margin in terms of EBITDA margin we are looking at or what is our healthy EBITDA margin per se?

Sushil Kumar: So, the current gross profit of around 36%-37% and 10% EBITDA is already healthy if we compare with the past many years of performance. However, having said that, management always endeavored to perform better, and this can have multiple ways of improvement, first, targeting better profitability in the orders, then many execution initiatives that Sandeep talked about including lean productivity, efficiency, and so on and last couple of actions being, first of all, the control over fixed expenses of the structure cost and the working capital improvement which then helps to save the financial cost. So, we will continue to work on the improvement as the management on these numbers.

Janak Lotwala: So, we see going this into double digits, we expect more improvement on this front in quarters to come, you are saying?

Sushil Kumar: No, I am not giving a forward-looking guidance. What I am saying is that our endeavor is to always improve, but the quarter-on-quarter number will always depend on the mix of project, production and services. We will continue to work on this direction.

Janak Lotwala: And my second question is around the order book, while our order book seems to be very healthy, around Rs. 4,000-Rs. 4,500 crores of orders pending, any particular number that we are looking at in executing over the period of the next 12 months?

Sandeep Zanzaria: So, basically, what we do is that we keep on assessing the customer requirement in terms of what are the delivery needs and also that what kind of capacities we have, do we have the slot for that and accordingly we take the order. So, if you really look at our run rate, I think we are looking at an order intake of about close to Rs. 1,000 crores, so eventually the run rate which needs to go in few quarters when it gets stabilized, again, depending on the product and project mix and all, will be somewhere near that number. That is the expectation.

Moderator: Thank you. We have our next follow-up question from the line of Mr. Renu Baid Pugaliya from IIFL Securities. Please proceed.

Renu Baid Pugalia: Sir, if you look at this quarterly run rate of Rs. 1,000 crores of inflows being sustainable and October again, we have a large order of Rs. 500 crores announced in addition to the base orders as we continue, do you think sometimes going ahead in the next fiscal year, we may start feeling a pinch on the capacity side and are we there in the capacity expansion plan, so what are the current utilization levels and you think in the next 12-18 months, if the new order flow momentum sustains, will that trigger some capacity debottlenecking in certain product lines, etc?

Sandeep Zanzaria: So, Renu, we keep on analyzing that in which segment, the orders are coming and then how these capacities can be debottlenecked and of course, one of the main principle of lean is also that how to debottleneck and how to improve the productivity. So, it is basically kind of a mindset change also and under the global directive, we keep on working on that. Depending upon the situation, yes, we will be looking into the timeframe and also, we are also trying to see that which capacities are, like which area in the market is something where you need to target more in terms of improving the margins and improving the margin profile.

Renu Baid Pugalia: So, for instance, suppose the transformer segment of the market, the domestic market is already tight in terms of capacities and we were also expecting larger export orders on this side, do you think at least within the product business line, transformer segment could see some capacity enhancement?

Sandeep Zanzaria: So, it will be very difficult to tell now, but yes, in case if we face such a constraint, definitely that is something we look forward to.

Renu Baid Pugalia: And secondly, can you also share certain updates in terms of progress on the HVDC project, Badla has also seen price-based submission happening there, so where are we in terms of project timelines? Do we expect any delays? And also, on the export opportunity on the HVDC products, how are those developments shaping up?

Sandeep Zanzaria: So, for Badla as you know, the bidding has already started for the developers. Of course, Badla being such a large project requires a huge amount of system studies and also creating a complete bid of an HVDC takes time. So, we are working with two developers who are there and also regarding the export market, yes, definitely we keep on analyzing with our global teams because for HVDC and all those applications, it is ultimately the acceptance of the international customers of our local factories is also a critical point. So, based on that, we will keep on analyzing and wherever it is beneficial for the company, those orders will be targeted and will be taken.

Moderator: Thank you. Next question is from the line of Janak Lotwala, an Individual Investor. Please proceed.

Janak Lotwala: I have a follow up question around the order book business environment that you are operating in, again, while we have a very strong and healthy order book and there are a lot of tailwinds in the business, if you were to describe what is it, certain 3-4 top factors that can give key sources of risk to the execution over the next 12-24 months, what can be the 3-4 areas of uncertainties or risks that we have to keep in mind as investors?

Sandeep Zanzaria: So, I think today one of the biggest risks what we see in today's environment based on our experience of last 1-2 years is geopolitical factors, for example, the Russia-Ukraine war, it kind of disrupted the whole supply chain in a very big way. So, that is one area where we keep on constantly monitoring because that is something which can impact to a great extent the whole supply chain situation. So, that is one and second, also for many of our product on subcomponent side, we are also dependent on single source suppliers. So, that also the company is working to develop alternate sources and try to see that we de-risk ourselves from any such situation where that supplier is not able to perform. And apart from that, also the way the renewable market is now growing and along with that, the private transmission is growing. So, like in the power generation segment, there was a time when a lot of people entered and then there was a challenge on the financial side. So, we try and as Sushil said that we try to make a proper assessment and ensure that with companies which we are entering into and doing business are very robust and under a set of conditions which clearly minimizes the risk for us.

Janak Lotwala: So, similar to what you mentioned about sourcing from single suppliers, do we have any customer concentration risk as well, what are the revenues that our top 5-10 customers are contributing to and are there any measures on that front? What is our customer profile look like in terms of revenue concentration?

Sandeep Zanzaria: So, if I tell you that we don't have this type of a situation for us because as I think you would have seen the presentation also, we have kind of very diversified portfolio of customers. So, like we are doing with generating companies, we are doing with EPC companies, we are doing with private transmission companies, we are doing part with state utilities and industry also, for example, Hindalco and Reliance of the world. So, it is that we have a very diversified portfolio in terms of customers. So, today we don't have any customer where we are dependent like on one customer we are dependent for 25%-30% of our revenue. We don't have any such customer in our portfolio.

Moderator: Thank you. Next question is from the line of Abhijeet from YES Securities. Please proceed.

Abhijeet: So, my question is on the supply demand balance from a slightly longer-term perspective, we have seen demand spurt in the last 2-3 quarters, we have seen increased tendering activity, increased tendering pipeline pertaining to GEC, so the demand is picking up and in line with that, a lot of peers have put up capacities in transformers, switchgear, etc., so going forward, let us say, from a perspective of 2-3 years, so when do you see these capacities catching up with the demand and therefore having an impact on pricing and margins? So, right now we are in the cycle of expanding margins, I am sure the bidding margins are also pretty attractive in this cycle, but sir, since a lot of players are expanding their capacities, how can we look at this scenario going forward in the next 2-3 years?

Sandeep Zanzaria: So, I think going forward, when we look at 2-3 years, of course, we cannot create like, suddenly we cannot decide, for example, when we look at GEC corridors, etc., at one point of time, GEC corridors were taking more than one year for decision making. So, first we have to also see the sustainability of GEC corridor at a regular interval of ordering that. That is one thing what we have to have that confidence. That is the first aspect. Second also, when we try to build up a capacity, it is not something which can be built in like 6-8 months' time. So, we also have to see the kind of new capacities building up, how much time it takes and also it is not only the capacities which have to be built up, but also you have to see that at the backend the supply chain, how you are comfortable with that supply chain in that specific product to support you in terms of those deliveries. That is the second factor. Third and the most important thing, Abhijeet is that we keep on analyzing this thing and then there are a lot of factors how you debottleneck your capacities and try to increase on an incremental basis. So, that is a constant endeavor we keep on doing and in this scenario also, at least that is what will be the focus of the company.

Abhijeet: Sir, if you can point out what is the current capacity utilization for us in the higher kV category like 765 kV? Is it possible to quantify that?

Sandeep Zanzaria: It is very difficult to quantify Abhijeet, but I would only put it as like pretty high.

Abhijeet: You are saying pretty high.

Sandeep Zanzaria: Yes.

Abhijeet: And secondly, sir, on the order book from the state side, so last 4-5 quarters, sequentially, I have seen the state order book decline quarter-on-quarter, now it is somewhere around Rs. 400 odd crores, so is this something a conscious decision that we are going slow on state orders because of certain issues that we are facing?

Sandeep Zanzaria: Yes, Abhijeet, we had taken a conscious decision to move from state and to concentrate more on private sector because of the flexibility it offers and so state is more like L1 bidding reverse auction and other things, so therefore the conscious decision was made to shift more from state towards more from private and I think the improvement in results what we have seen is one of the actions that was taken and resulted into this results.

Moderator: Thank you. Next question is from the line of Harshit Kapadia from Elara Capital. Please proceed.

Harshit Kapadia: Sir, just a clarification on HVDC, so what CA has approved is of Rs. 13,200 crores as a total project size for the Badla part, now how much would be the HVDC portion within that and what would be the EPC portion, and will it be as given to a single company or could there be a multiple companies who would be winning it and if you can highlight how could be the L1 or L2 ratio would be?

Sandeep Zanzaria: So, Harshit, first of all, we are not aware how CEA has reached that budget, so probably that is for them to answer. But CEA has taken out this tender on TBCB route. So, on TBCB route, when it will be awarded, it will be awarded to the developer and the scope of developer will be from acquiring land to building and commissioning the project and running the project which its showing for 35 years including building the transmission line. So, this depends upon which developer wins because that developer, for example, a developer X to developer Y, may have a different model of procurement like somebody can say that if the civil work they will do, somebody might split line into four packages, somebody might split line into two parts, somebody can give the HVDC terminal without construction, somebody can give HVDC terminal with construction, so this is the kind of an individual strategy of each and every developer. So, it will be very difficult for us to comment on that.

Harshit Kapadia: Any understanding on what is the cost of let us say an HVDC line, HVDC terminal or HVDC substation if it is coming up, any rough understanding would be very helpful, sir?

Sandeep Zanzaria: No it will be too premature because we have just started engaging and some at a very preliminary stage so for such a large project, it is very difficult to make assessment on the price as of now.

Harshit Kapadia: And do you expect that every year, there would be one HVDC project which would be coming out for tendering or do you think there will be a span over the next 7 to 8 years? It won't be over every year.

Sandeep Zanzaria: I think for the next 3 to 4 years, yes, definitely there will be one every year.

Harshit Kapadia: And given that Europe is also looking in HVDC pipeline, do you think the aggression among the companies like GE as well as its competitor would be not so aggressive, would be comparatively much softer or what is your perception over there, sir because the pipeline is better in India as well as abroad and players are very handful?

Sandeep Zanzaria: This is too early to discuss the bidding strategy and on a public forum, these things cannot be disclosed, and it will be very difficult to comment on what is going to be the competitive strategy as well.

Harshit Kapadia: And sir, secondly on your strategy on, going more towards private, so is there a number that you have in mind that we want certain amount of business coming from private for the transformer side, right now what is the ratio and what is your target, sir?

Sandeep Zanzaria: I will not use the word private, but I will say that what we are today looking forward to is more, for example, customers where you have assured payment, where you have timely payment coming, where the processes are very well aligned. So, if I look at, for example, Power Grid Corporation, they are like one of the best paymasters with a very defined and a transparent process. So, I think it is not between a private or a public, it is basically more that where the process and payments do come on much faster timelines.

Moderator: Thank you. Next question is from the line of Shyam Maheshwari from Aditya Birla Mutual Fund. Please proceed.

Shyam Maheshwari: Just wanted to understand, you had taken an approval for some related party kind of transactions as per the last annual report, wanted to check if there has been any update on the same, have we been receiving inquiries from those two related parties that you mentioned?

Sandeep Zanzaria: If there will be any update, it will be known through, I think we will be communicating. So, as of today, there is no update.

Sushil Kumar: We have taken one approval for large order and that is still under negotiation. It has not yet finalized.

Moderator: Thank you. Next question is from the line of Tanay Rasal from Philip Capital. Please go ahead.

Tanay Rasal: I just got two questions. The first question, like in the current scenario, are you seeing any competition from the Chinese players? Are there any products been dumped from the Chinese players as such?

Sandeep Zanzaria: No, we are not.

Tanay Rasal: So, what will be your market share presently for the Chinese players in transformers like products?

Sandeep Zanzaria: I think it would be very less because now at least in TBCB and other utility segment, Chinese are not allowed to participate. So, it will be very minuscule.

Tanay Rasal: Sir, and given the integration of the renewable will be in the large scale now, so how do you see the STATCOM opportunity? How big is that opportunity?

Sandeep Zanzaria: So, STATCOM we see as a big opportunity because renewable integration definitely is going to require a lot of STATCOM projects, particularly where the large renewable projects are getting connected. Simply seeing one or two projects which have got finalized, I think going forward, maybe after kind of 6 months, 8 months' timeframe, we will see a much larger volume of STATCOMs getting finalized.

Tanay Rasal: And sir, like if you look at the orders you have from the PGCIL, so what are the areas that you are getting the orders from the PGCIL and how big that package can be from PGCIL?

Sandeep Zanzaria: So, we are getting orders from PGCIL, like for example, we have got orders for transformers, we have got reactors for projects, we have got one for building a 765 kV GIS substation, one for building a 132 kV GIS substation. So, it is basically multiple products and then from the regions we keep on getting orders for products as well. So, it is multiple, and it depends upon what kind of requirements, it can be from Rs. 1 crore to Rs. 200 crores, anything.

Moderator: Thank you. We have our next follow up question from the line of Janak Lotwala, an Individual Investor. Please go ahead.

Janak Lotwala: Sir, my question is around the order book participation, when we decide to bid for a certain business or participate for a certain order or a business, first what is our hit rate and second what is our right to win that order? What differentiates our offering for us from our competition?

Sandeep Zanzaria: So, I think generally it is very difficult to define a hit rate primarily because we have multiple lines of businesses and for example, we might sell a relay also, we might sell control relay, panel also, SCADA also, breaker also, project also, transformer also, so it is very difficult. That is one thing because different products, different systems have different competition, different number of players. So, it is very difficult to capture the hit rate. Second thing again, as I said that it is very difficult to also tell that what is our entitlement to win that order, but like for example, when you go to few utilities, there some utilities will have L1 pricing, some utilities will have kind of a reverse auction, some EPC customers, it is on negotiated basis, at some places it is a pre-bid agreement also like with an EPC player we will say that okay this is a pre-bid agreement, for this scope, if you win, I will be with you. So, this is basically a different market strategy depending upon different market, different customer, different product, so it is a very dynamic evolving situation. So, it is very difficult to explain it like this is the one that which defines that with this bullet we will be able to achieve all our objectives.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Ms. Tanvi Gupta for closing comments.

Tanvi Gupta: Thank you all for joining us today for the GE T&D India Limited Earning Call. We hope the insights provided by our speakers have been informative and valuable to you. We value the trust and support of our investors and analysts and ensure to remain committed to maintain transparent communication and fostering stronger relationships. If you have any further questions or require additional information, please do not hesitate to reach out to me or our Communications Leader Anshul Madaan at the mail ids available at our company website. Once again, thank you for your participation in today's call. I wish you all and your family the Happy Diwali festivities. We look forward to your coordinated support as we embark on our exciting journey ahead. Thank you.

Moderator: Thank you very much. On behalf of GE T&D India Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.