



GE T&D India Limited

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January 25, 2022

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
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 Sirs,

Re: Intimation of decision to sell Global Engineering Operations Division

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that, subject to approval of the shareholders, the Company has, in the meeting of its board of directors that was held on January 24, 2022, agreed to sell its Global Engineering Operations Division (India for Global) (**GEOD Business**) to GE India Industrial Private Limited (**GEIPL**) (a related party) together with the assets and manpower comprised therein along with its corresponding liabilities by way of a slump sale on an "as is where is" basis.

The GEOD Business provides engineering services (including engineering support for tendering, project support and product design) to the global affiliates of GE Grid Solutions. The said business contributes to less than 2.2% of the total revenue of Company and is non-core to the Company's business.

Given below are the particulars of the proposed transaction:

	Particulars of information required	Particulars of information provided
A.	The amount and percentage of turnover or revenue or income and net worth contributed by such unit or division of the Company during the last financial year	The GEOD Business had a turnover of Rs. 725.7 million out of total turnover of Rs. 34,523.7 million of the Company during the financial year ended March 31, 2021 which is less than 2.2% of the total turnover. The net book value of the fixed assets of the GEOD Business was Rs. 103.1 million as at March 31, 2021, which is less than 1% of the net worth of the Company of Rs. 11,226.8 million as on March 31, 2021.
B.	Date on which the agreement for sale has been entered into	Business Transfer Agreement is expected to be executed by January 31, 2022.
C.	The expected date of completion of sale	Expected date of completion of sale is March 31, 2022, subject to satisfaction of identified conditions precedents and approval of shareholders of the Company for the related party transaction with

		GEIPL.
D.	Consideration received from such sale	A lump sum consideration of Rs. 1406 million (Rupees One Thousand Four Hundred and Six Million only), subject to customary completion date adjustments in accordance with the provisions of the business transfer agreement.
E.	Brief details of buyer and whether any of the buyer belongs to the promoter / promoter group / group companies. If Yes, details thereof	GEIPL is a company incorporated under the Companies Act, 1956. Yes, the buyer is a part of the General Electric Group.
F.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at arm 's length basis	Yes, the transaction would be a related party transaction. Based on the independent valuation report, negotiations between the parties, business plans/ commercial reasons and nature of the transaction, the transaction is being undertaken on an arm's length basis.
G.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/ merger, shall be disclosed by the Company with respect to such slump sale	As furnished hereunder:
G(i)	Name of the entity(ies) forming part of the slump sale, details in brief such as, size, turnover etc	GE T&D India Limited – Seller, having turnover of Rs. 34,523.7 million during financial year ended March 31, 2021 and net worth of Rs. 11,226.8 million as at March 31, 2021. GE India Industrial Private Limited – Buyer, having turnover of Rs. 48,875.2 million during financial year ended March 31, 2021 and net worth of Rs. 47,967.7 million as at March 31, 2021.
G(ii)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	As mentioned above
G(iii)	Area of business of the entity(ies)	GE T&D India Limited is engaged in the business of products, projects and systems for electricity transmission and related activities. GEIPL is in the business related to aviation, renewable energy, gas power, digital energy, propellers, other electrical equipment, research and development activity in material science, process technology, engineering etc., software development, engineering design/consultancy services and

		providing necessary support/back end services to all businesses.
G(iv)	Rationale for sale	<p>GE Grid Solutions decided to create a Global Engineering Operations Center (GEOC) expanding its existing capabilities under GEIPL primarily; a) to develop advanced grid technologies and accelerate the energy transition for different parts of the world with a vision to become a leading high voltage technology player; b) to develop advanced product design and complex engineering solutions required by its Global Customers; c) Consolidating its activities under one center of excellence to increase the efficiency and productivity.</p> <p>In view of creation of GEOC and in the best interest of the Company, a proposal to sell the GEOD Business of the Company to GEIPL by way of slump sale, for a purchase consideration of Rs. 873 million, was placed before the shareholders of the Company through a postal ballot notice dated February 4, 2021 which was not approved by the requisite majority of non-related shareholders.</p> <p>The Company was formally notified by GE Grid Solutions that with effect from June 30, 2021 (which date was extended until December 31, 2021 and further extended until March 31, 2022 upon the request of the Company), no new contracts/purchase orders will be issued to the Company in relation to those services and existing contracts/purchase orders will lapse at their expiry date or be terminated by notice.</p> <p>The principal impact of the reduction/depletion of the engineering service orders will be excess manpower in GEOD Business as (a) there will be no service assignments from the GE Grid Solutions group entities going forward; (b) considering the specialized skillsets of the individuals working within GEOD Business, it will not be possible for the Company to place them in its other departments/functions; (c) in the absence of any contracts or purchase orders it will not be possible for the Company to sell the GEOD Business to a third party; and (d) it will also not be possible to source engineering service assignments from other companies outside GE Group, as GEOD Business is not the core business of the Company. In case the Company was to retrench its excess manpower, the retrenchment cost would be approximately Rs. 140 million. The aforesaid decision will also result in excess assets / premises for the Company which will be rendered redundant and will have impairment cost of approximately Rs. 90 million.</p>

		<p>After extensive discussions with GE Grid Solutions, they have once again agreed to acquire the GEOD Business on a slump sale basis through GEIPL.</p> <p>A slump sale will avoid the impacts described above, will enable the Company to realize value for the GEOD Business and will also infuse cash into the Company which can be effectively utilized for repayment of debts, if any, and general corporate purposes.</p> <p>Further, the Company's primary business is manufacturing transmission and distribution equipment and post-sale services. Engineering services are not its main business. A sale of the GEOD Business will help management to focus on its core business.</p>
G(v)	In case of cash consideration – amount or otherwise share exchange ratio	Cash consideration of Rs. 1406 million
G(vi)	Brief details of change in shareholding pattern (if any) of listed entity	Not applicable.

This is for the information of the exchange and the members.

Thanking You,

Yours faithfully,

For GE T&D India Limited

Manoj Prasad Singh
Company Secretary