

Dear Shareholders,

In response to the SES and IIAS feedback on the AGM notice of your company, the management has chosen to give clarification to its shareholders as below:

**Adoption of financial statements for the year ended 31 March 2021**

Management has already evaluated the availability of sufficient funding to meet Company's obligations and for such evaluation, the management has considered various factors which include estimated future cash flows, availability of working capital facilities sanctioned by the banks and borrowings sourced from group companies. Basis such evaluation, the management is confident that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

Further, SEIL is part of Schneider Electric Group, a global company.

The contingent liabilities of the company have decreased from previous year, mainly because of reduction of demand in direct tax matters. Moreover, in Indirect tax matters, 39 cases were closed during the financial year (18 cases for Sales tax and 21 cases for Excise and Service tax). The Company is working towards closure of the old cases of contingent liability.

**Approve related party transactions with Schneider Electric Sachsenwerk GmbH, Germany up to Rs. 2,500 Million in any financial year**

GIS is an advanced technology switchgear product which is space compact and its demand is increasing in the Indian market. Currently, SEIL is purchasing this product from SE group company at transfer price and selling the same in the Indian market. Based on current market feedback and revenue opportunity, your company is seeking shareholders' approval to increase the purchase volume to support higher revenue of the product in India.

**Schneider Electric SE** is a French multinational company providing energy and automation digital solutions for efficiency and sustainability. It addresses homes, buildings, data centers, infrastructure and industries, by combining energy technologies, real-time automation, software and services. The company has operations in over 100 countries and employs 135,000+ people.

Schneider Electric is a Fortune Global 500 company, publicly traded on the Euronext Exchange, and is a component of the Euro Stoxx 50 stock market index.