Genus
energizing lives

INVESTORS PRESENTATION

PRIVATE & CONFIDENTIAL

July 2016

HIGHTLIGHTS

- Company Overview
- Company Capability
- Financial Performance
- Achievements
- Industry Overview
- Genus' Strengths
- Road Map ahead

Company Overview

An integral part of the USD 400 million Kailash Group

Engaged in ….

- Design, Development and Manufacturing of Electronic Energy Meters and Metering Solutions
- Engineering Construction & Contracts
- State of the art manufacturing infrastructure spread across 3 plants in Jaipur & Haridwar and R&D centre at Jaipur.

Mr. I C Agarwal
Chairman

Manufacturing Facilities

R&D Centre Sitapura, Jaipur

Ramchandrapura, Jaipur

Haridwar, Uttaranchal

Haridwar, Uttaranchal

End to End Energy Management Solutions

- Full Spectrum of Energy Metering Solutions from power generation to Distribution
- Proven Capabilities in Design, Technology and Manufacturing, 38+ million energy meters installed

Metering Solutions

- Residential Meters (Single Phase / Poly Phase)
- Commercial, Industrial, Agricultural, Audit Meters
- **Smart Meters /Net Meters**
- Grid & Sub-station ABT Compliant Meters
- **Distribution Transformer Metering**
- Smart Group Metering Solution (LVDS & HVDS)
- **Prepayment Meters**
- AMR Technologies (RF, PLCC, GSM, GPRS)
- Reference Meters
- Smart Street Light Management System
- Meters with APFC
- Gas Meters
- Meter Data Acquisition Software
- Web based Prepayment Software

Engineering Construction and Contracts

- Switchyard / Sub Stations up to 400 kV
- Transmission & Distribution Lines up to 400 kV
- Rural Electrification
- Distribution Lines & HVDS
- Process Industry Plant Electrification

SMT Placement Line

Assembly Hall

Assembly Line

Molding Shop Floor

Company Capability

R & D Profile

- In-house R & D Center recognized by “Department of Science & Industrial Research - India”, under Ministry of Science & Technology, Govt. of India
- **Over 200 technocrats** working towards innovative products & solutions
- Equipped with world class designing equipments and advanced software
- **NABL Accredited** test laboratory as per national & international standards (BIS/IEC)
- Integrated design & development facilities for PCB, firmware/software, mechanical components and mold developments
- In-house products & solutions validation for field reliability & sustainable performance

Manufacturing Capabilities

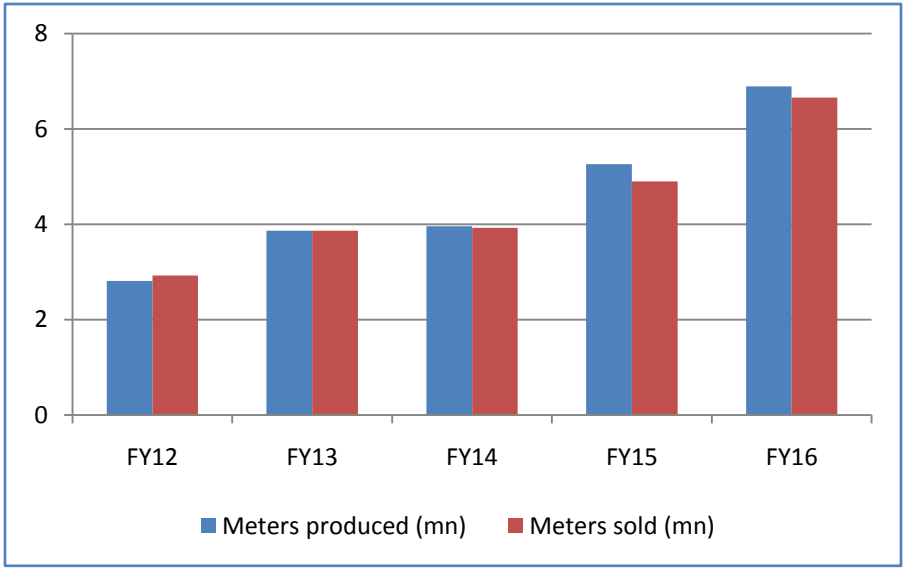
- State of the Art Lean Manufacturing Facilities
- Complete forward and backward integration
- An annual capacity of 10 million meters of different product mix
- Automated SMT Lines capable to handle 1500 different types of components for assembly of PCBs
- More than 50 Injection molding machines
- Fully automated Test Benches i.e. MTE, ZERA, Applied Precision etc

Financial Performance

Meter Volume

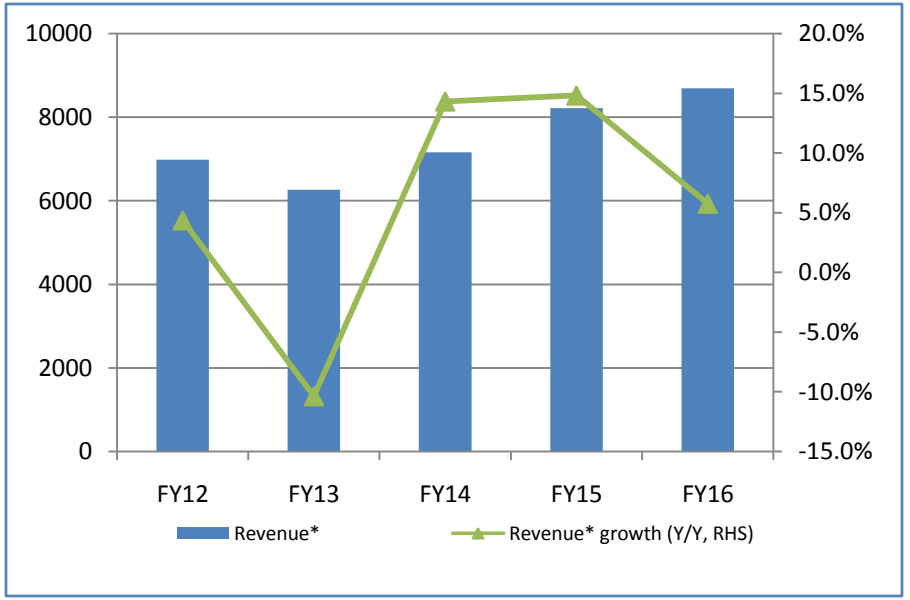
Strong volume growth of CAGR 23% in five years with total installed base of +38mn meters

- 36% Y/Y growth in meters sold in FY16
- 31% Y/Y growth in meters produced in FY16
- Production capacity of 10mn meter per year, can be increased without much capital expenditure
- Recently announced UDAY scheme is expected to increase volume of meters in market substantially



Revenues

- Meter revenue has growth 16% CARG against industry growth of ~10-12% in last 5 years
- Genus is market leader in meter industry and has been successfully maintaining its leadership position
- We are confident of maintaining above industry growth in future as well
- Company has decided to be selective in choosing ECC contracts

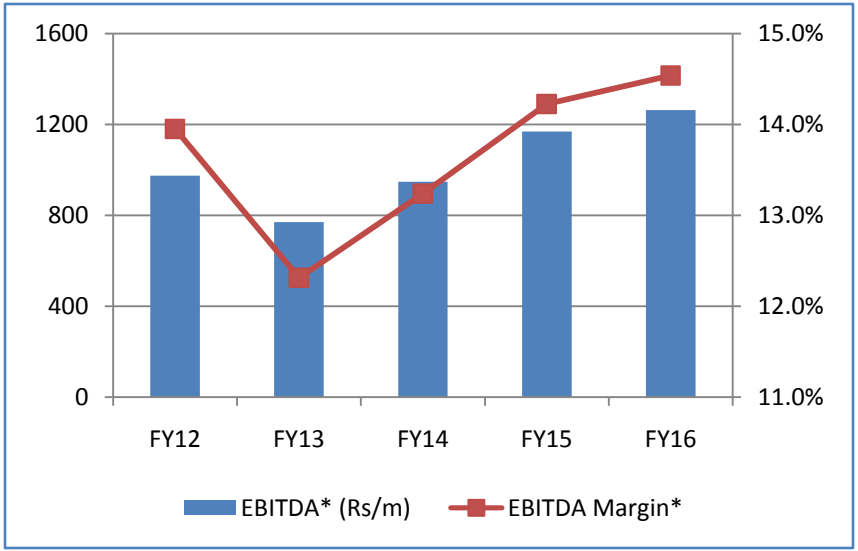


Note: * Adjusted for HIP business

EBITDA Margin

EBITDA margins of +14.5% sustainable; Increased demand of smart meters to improve margins

- Company reported EBITDA margin of 14.5% in FY16, the best in industry
- In base case scenario, this margin level is sustainable
- Can improve EBITDA margins with increased revenue share of smart meters, prepaid meters and net meters



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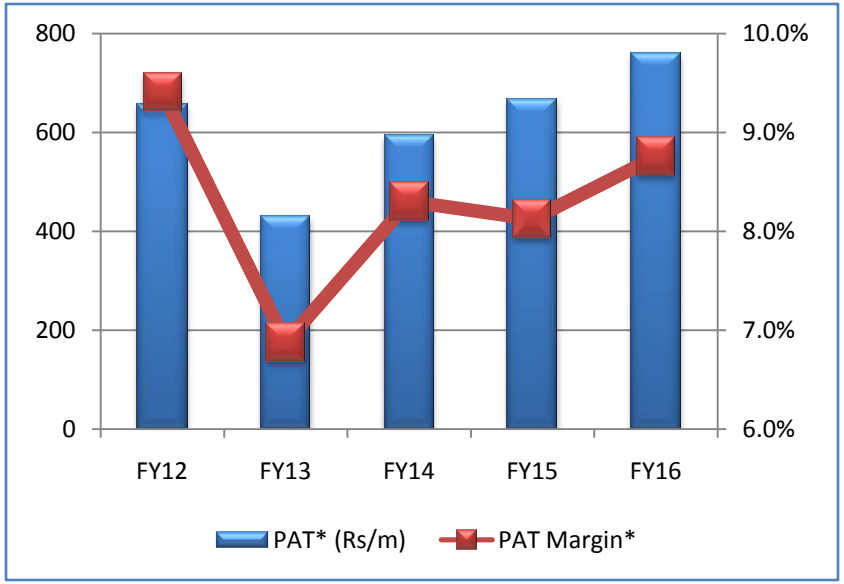
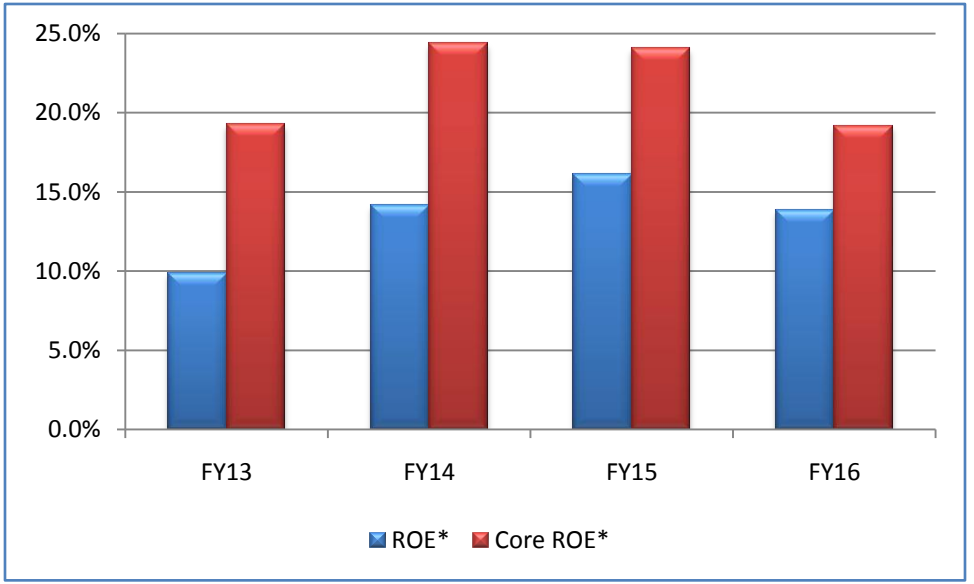
Profitability

High net Profit margin in industry; Core ROE +19%



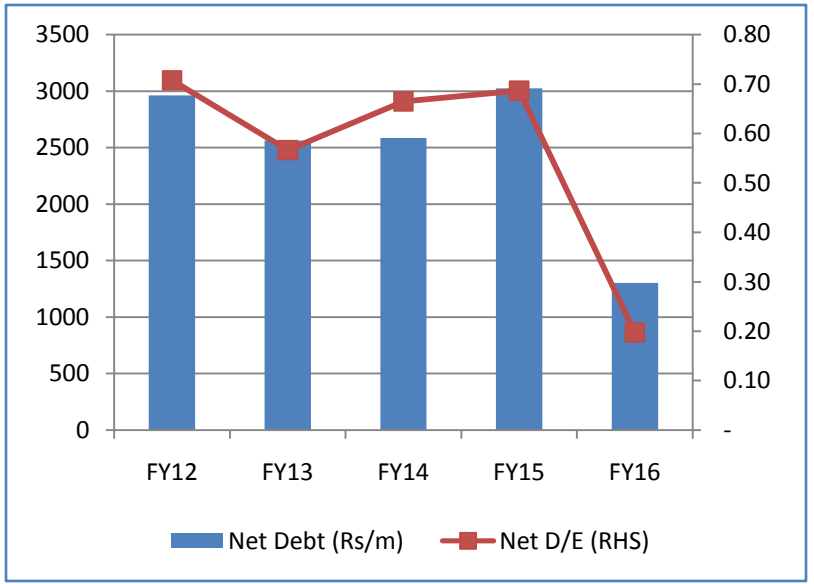


Note: * Adjusted for HIP business, hived off in 2015; Core ROE calculation is based on adjustment for Non core investments and loan & advances

Leverage

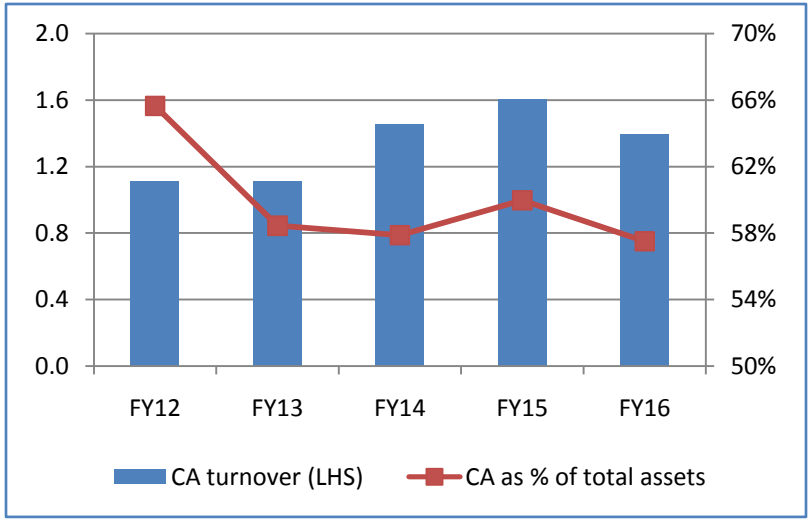
Net debt reduced by 57% in FY16; Net D/E only 0.20x

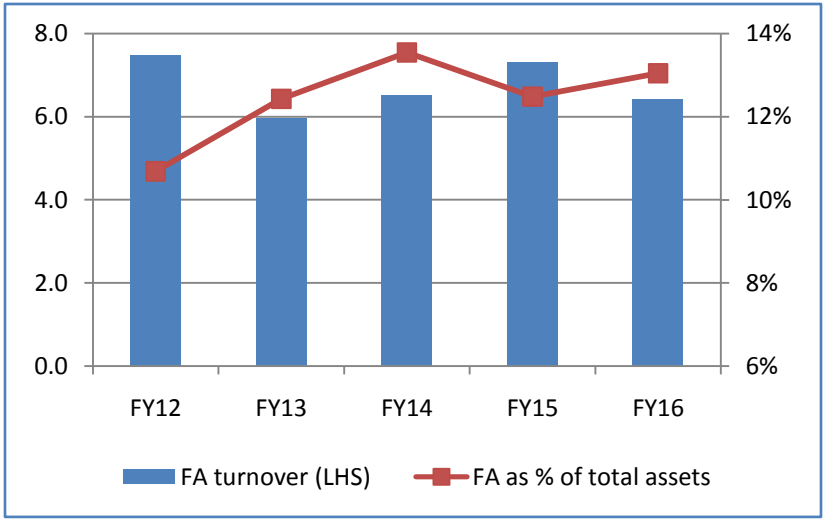
- Company reported Gross debt of Rs2,330m in FY16 against Rs3,513m in FY15
- Cash & liquid investment of Rs1,029m as on 31st Mar 2016
- Gross debt 0.35x of net worth and Net debt only 0.20x of net worth



Assets Allocation

Low fixed assets and high current assets business model





Note: FA- Net fixed assets; CA- current assets (Inventories, trade receivables, cash , ST loans & advances and other CA)

Achievements

Certifications

- R&D Lab recognized by MSD, GOI
- KEMA certification
- IECQ for quality of components
- BIS mark for Energy Meters
- SABS/STS Certification
- ZigBee Certification
- DLMS Certification for Meters
- Life Certification for Meters
- CMMI Level 3 Company
- CE approval for various products
- EMI / EMC certifications

Silver Certificate of Merit for Manufacturing by Frost & Sullivan

FROST & SULLIVAN

INDIA MANUFACTURING EXCELLENCE AWARDS 2015

Silver Certificate of Merit

Genus Power Infrastructures Limited, Haridwar

The Jury and the Executive Committee of Frost & Sullivan
India Manufacturing Excellence Awards 2015
hereby record deep appreciation of the efforts taken by the plant and its personnel in enhancing Manufacturing and Supply Chain Excellence

Aroop Zutshi
Global President & Managing Partner

David Frigstad
Chairman

Y. S. Shashidhar
Managing Director & Partner, South Asia, Middle East and North Africa

Our Major Clients

Industry Overview

INDUSTRY OVERVIEW

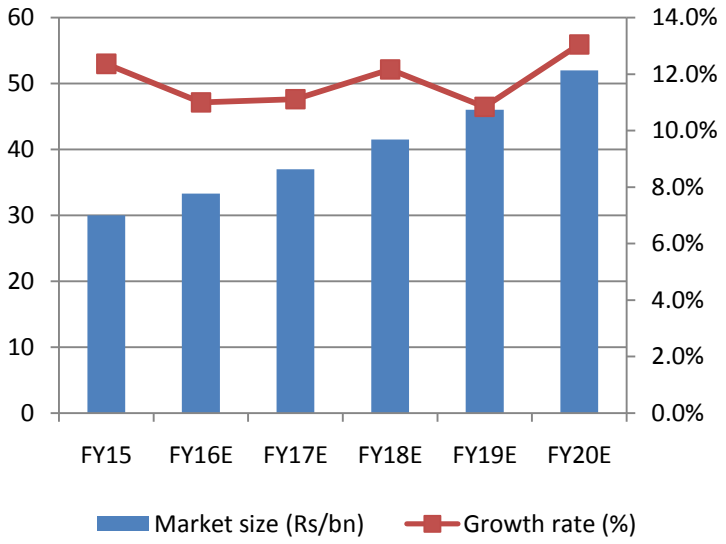
FASTEST GROWING ECONOMY	For the year2016, India's GDP is estimated to grow at 7.9%, fastest in the world. *(Source: World Bank)*
HIGH ENERGY DEMAND	India's energy demand is expected to grow by 130% by 2035 (of this, **electricity demand to grow ~230%)** driven by growth in population, rising per capita energy consumption levels and investments in industrial and infrastructure development.
HIGH ELECTRICITY CONSUMPTION	Electricity consumption for India is expected to reach around 4,500 BU by 2031-32 from 1,100 BU in FY16 driven by growth in the manufacturing sector, heightened residential consumption, rapid urbanization and various rural electrification programmes.
HIGH DEMAND FOR T & D EQUIPMENTS	13th Five year plan estimated cumulative **demand of Rs 10,000-11,500Bn for Transmission & Distribution equipments**
GROWN MARKET FOR T & D EQUIPMENTS	T&D Equipment segment is targeted to **reach a size of Rs 3,750Bn by 2022**
FASTEST GROWTH FOR ENERGY METERS	LT electrical equipment such as switchgears, energy meters and wires & cables are expected to witness a faster growth in comparison to generation equipment

METER INDUSTRY OVERVIEW

A RS 33 BN MARKET	For the fiscal 2016, India's market for meters is estimated to be Rs33Bn and expected to grow at a **CAGR of 11-12% during 2016-2020**
SOME HIGH GROWTH PRODUCTS	Prepayment meters and Panel meters expected to see above average growth during 2016-2020
BRIGHT FUTURE FOR SMART METERS	Smart meters currently have negligible market share which is **expected to grow 5-6% during 2016-2020**, post this smart meters to see double digit growth
A ORGANISED PLAYERS' MARKET	Organized players are contributing almost 80% of the market for meters in India
GENUS POWER LEADING THE MARKET	Genus Power, HPL Electric, Secure Meters, Larsen & Toubro and Landis+Gyr Are major players in the industry
POWER UTILITIES MAJOR CUSTOMER	Demand for meters is dominated by power utilities (71%) followed by industries (17%)

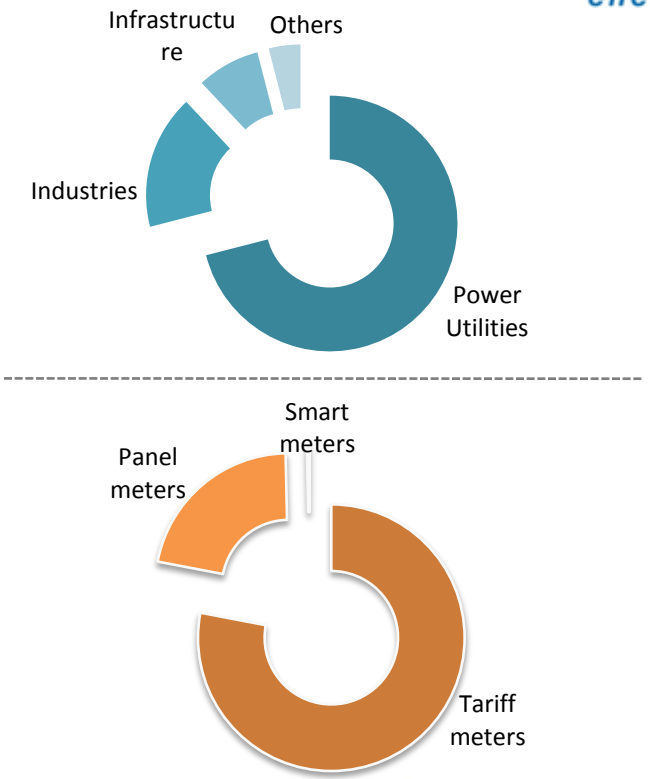
Meter Industry Overview

- The market for meters in India has seen a shift from traditional meters to Metering Solutions
- Market for meters in India has grown at **CAGR of 10-12% from FY12-16**
- In a base case scenario, we expect this growth rate to continue for the period FY16-20
- An **optimistic scenario** suggest **higher growth (>20%)** coming from smart cities and modernization of T&D infrastructure projects.



Industry Overview

- Meter Industry is highly dependent on demand from **power utilities** which account for **71%** of market
- Demand for **tariff meters** dominates the market with **~80% market** share and 90% of this comes from power utilities
- Demand for panel meters, tri-vector meters is expected to grow in coming years



Demand Drivers for Industry

MODERNIZATION OF INFRASTRUCTURE	**Modernization** drive for **existing electricity grid infrastructure** includes substation metering schemes, rural electrification programs, street lighting and smart metering have increased demand for modern electrical equipment like Smart meters
GROWTH IN RENEWABLE POWER CAPACITY	Increase in renewable energy generation has created a **market for net meters** and availability based tariff meters
CAPACITY ADDITION IN POWER SECTOR	Power generation capacity is expected to reach **350GW by 2022** which would fuel demand for T&D equipments as well
AFFORDABLE HOUSING	'Housing for all' initiative plans building of **20mn homes** for the economically weaker sections in India by 2022. This initiative will put a major thrust over the electrical equipment industry including meters.
100 SMART CITIES PROJECT	Investment of Rs 3 lakh crore to improve infrastructure of **100 selected cities** would require variety of LT electric equipment including meters
MAKE IN INDIA INITIATIVE	Growth of the industrial segment is expected to boost demand for power, thereby increasing demand for panel meters.

Domestic Procurement

Domestic Procurement Norms for govt. funded projects

Central Electricity Authority (CEA) has recently asked heads of central and state-owned power generation, transmission and distribution companies to **use locally-made equipment** and material procured through domestic competitive bidding for government-funded power projects.

All projects funded by Ministry of Power, CPSUs, state power utilities PFC and REC including RGGVY, R-APDRP and IPDS will have to **procure equipment and material locally**.

In case of non-availability of equipments locally, **consortium or joint venture with local players** would be required including an Indian manufacturing facility.

These norms are expected to improve capacity utilisation of manufacturing plants.

Planned Expenditure

DeenDayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Outlay of Rs326bn including GoI budgetary support of Rs. 254bn

- Electrification to all villages
- Feeder separation (rural households & agricultural)
- Strengthening of sub-transmission & distribution infrastructure including metering at all levels (input points, feeders and distribution transformers)

Integrated Power Development Scheme (IPDS)

Outlay of Rs326bn including GoI budgetary support of Rs. 254bn

- Strengthening of sub-transmission network to reduce AT&C losses
- Metering & implementation of IT application to reduce commercial losses

Ujwal Discom Assurance Yojna (UDAY)

Discoms accumulated losses Rs. 3.8 trn & debt of Rs. 4.3 trn

- To improve operational efficiency of discoms, smart metering, transformers up gradation, meters etc
- States shall take over 75% of DISCOM debt would improve financial health of discoms
- Lower operating cost and interest expense would provide extra financial for capex

Genus' Strengths

Genus Edge

- Top notch fully equipped R&D facility approved by Govt. of India
- Innovative products & solutions are designed, developed and manufactured in house with end to end integrated state of the art facilities
- Complying and serving needs of more than **40 different utilities** across the country
- Installed base of **38mn** numbers of Electricity Meters in India & counting…
- Major share with private utilities
- Erection of more than 60+ sub-stations of different ratings up to 220 kV
- Rural electrification of more than 1,00,000 villages and counting…

Road Map ahead…

Looking Ahead

Energy Management Solutions

- Ready to provide Smart Metering Solutions for Smart Cities & Smart Grid
- Smart Grid Products – Smart Meters, AMR Solutions, Solar Net Meters
- Penetration in Africa, Middle East, South East Asia market to cater to their requirement of Smart Meters, Prepayment Meters and Metering Solutions.

Engineering Construction and Contracts

- Govt. focus on Smart Grid (Transmission Optimization, Demand Side Management, Distribution Optimization, System Operation) specially to cut high AT&C losses and to improve the financial health of SEBs.
- Power Sector Reforms driving towards 220kV, 400kV turnkey power projects

Ready to Deliver Smart Technologies with the Vision

"Zero Effect …… Zero Defect"


E-distribution
e-Governance
MUNICIPAL CORPORATION
Smart Building
e-medical
HOSPITAL
SMART CONTROL CENTRE
e-Education
UNIVERSITY
MALL
POLICE
Micro Grid
Smart Transport

Thanks

Safe Harbor

Some of the statements in this document that are not historical facts, are forward-looking statements. These statements entail risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our product, market situation for our key inputs, market conditions that could cause our customers to reduce their spending for our products, our ability to create, acquire and build new businesses and to grow our existing businesses and other risks not specifically mentioned herein but those that are common to industry. The Company does not undertake to update these statements publicly to reflect changed eventualities.