

GENUS POWER INFRASTRUCTURES LIMITED**"GENUS BOARD APPROVES RESTRUCTURING PROPOSAL -TO RESULT IN TWO LISTED ENTITIES; ONE FOCUSED ON POWER INFRASTRUCTURE BUSINESS AND OTHER ON PAPER"**

With an objective to create a pure play power infrastructure company and facilitate expansion of paper business, through listing, Genus group has decided to undertake a group restructuring exercise wherein Genus Paper Products Limited ("GPPL"), housing the paper & boards business, will be merged with Genus Power Infrastructures Limited ("GPIL") and subsequently 'Non Power Infrastructure Undertaking' of GPIL will be demerged into a 100% subsidiary of GPIL (Resulting company).

The Board has approved a re-organization plan which will result in creation of a simplified and linear entity structure for housing the distinct businesses. As per the restructuring proposal, GPIL will house the power infrastructures business including its metering, power T&D management projects and power backup solutions businesses and the Resulting Company will house the paper and boards business.

This restructuring proposal is in the interests of the shareholders, creditors and employees of each of the companies as it would result in enhancement of shareholder value leading to operational efficiencies and synergies and facilitate the management of the each company to vigorously pursue growth and expansion opportunities. Investors and shareholders will also have the choice of investing in either the pure power infrastructure business or paper business or both.

The Board has also appointed a committee of directors to take all necessary steps that are required to obtain the requisite approvals for the effectiveness of such a Scheme.

BMR Advisors acted as the transaction and financial advisors to the transaction.

Key features of the restructuring proposal:

- The proposal entails the following transactions:
 - Merger of GPPL into GPIL; and
 - Demerger of 'Non Power Infrastructure Undertaking' of GPIL into the Resulting Company.
- The share exchange ratio for the said restructuring exercise is as follows:
 - **Merger** - 24 (twenty four) equity share of Re 1 each of GPIL for every 100 (hundred) equity shares of Re 1 each of GPPL; and
 - **Demerger** - 1 (one) equity share of Re 1 each of the Resulting Company for every 1 (one) equity share of Re 1 each of GPIL.

The share exchange ratios are based on an independent valuation done by M/s Grant Thornton.



As GPIL presently holds 40% stake in GPPL, the proposed structuring will unlock the value for existing shareholders as they will be allotted equal shares in the company housing paper business.

The proposed restructuring will also lead to the creation of about 18% treasury block in GPIL which will be held in a trust, to be appropriately monetized for the benefit of shareholders of GPIL. The proposed restructuring is inter-alia, subject to the approval of the shareholders, stock exchanges, High Court and other regulatory authorities.

Commenting on the restructuring, **Shri Kailash Chandra Agarwal, Joint Managing Director** said: *"We are now reorganizing business into separate entities and this simpler, more focused structure will consolidate value for shareholders and catalyze the next stage of growth for the Genus group."*

About Genus Power Infrastructures Limited' ("Genus" or "the Company"):

(BSE Code: 530343; NSE Symbol: GENUSPOWER, Bloomberg: GOE@IN, Reuters: GEOE.BO)

Genus, led by Shri I.C. Agarwal, manufactures High-end Programmable Multi-functional Intelligent Single Phase & Three Phase Electronic Energy Meters with in-built advanced security & anti-tamper feature, AMR enabled meters, Industrial/Sub-station/Agricultural/Audit Meters, Group Meters, Grid Meters, Pre-payment Meters, Digital Panel Meters, Distribution Transformer Metering System, Smart Street Lighting System, Solar Hybrid Inverters, Static Inverters, On-line UPS and Batteries. Genus also undertakes turnkey 'Engineering, Construction & Contracts' projects in Power T&D Sector.

The Company has state-of-the-art manufacturing facilities at Jaipur and Haridwar (a tax free zone). It has full fledged in-house R&D laboratory (recognized by the Government of India and accredited with 'National Accreditation Body for Testing Labs' (NABL)) which enable it self-sufficient in technology up-gradation, innovation activities and providing customized solutions to its customers.

Genus, with an installation base of over 150 million meters, is a leader in advanced power metering solutions. Its customers include leading private electricity utilities (Reliance, Tata Power, Torrent Power, CESC, etc.), public sector units (NTPC, NHPC, Power Grid Corporation, etc.) and almost all state electricity boards.

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