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Analyst Meeting for Quarter Ended Sept 30, 2012

Disclaimer



Certain statements in this Investors' Forum concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, global economic conditions, the economic conditions of the regions, locations and industries that are major markets for CGL, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in sectors where we operate including those factors which may affect our cost advantage, wage increases in India and worldwide, trends in raw material prices, market acceptance of new products and services, changes in governmental regulations and costs associated with compliance activities, withdrawal of governmental fiscal incentives, political instability and regional/locational conflicts, legal restrictions on raising capital or acquiring companies within and outside India, and unauthorized use of our intellectual property, interest rates, fluctuations in currency exchange rates and general economic conditions affecting our industry.

CG may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Stock Exchanges and Securities and Exchange Board of India and our reports to shareholders. The company does not intend or undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

Laurent Demortier
CEO & Managing Director

Madhav Acharya
Chief Financial Officer

Highlights CG Global

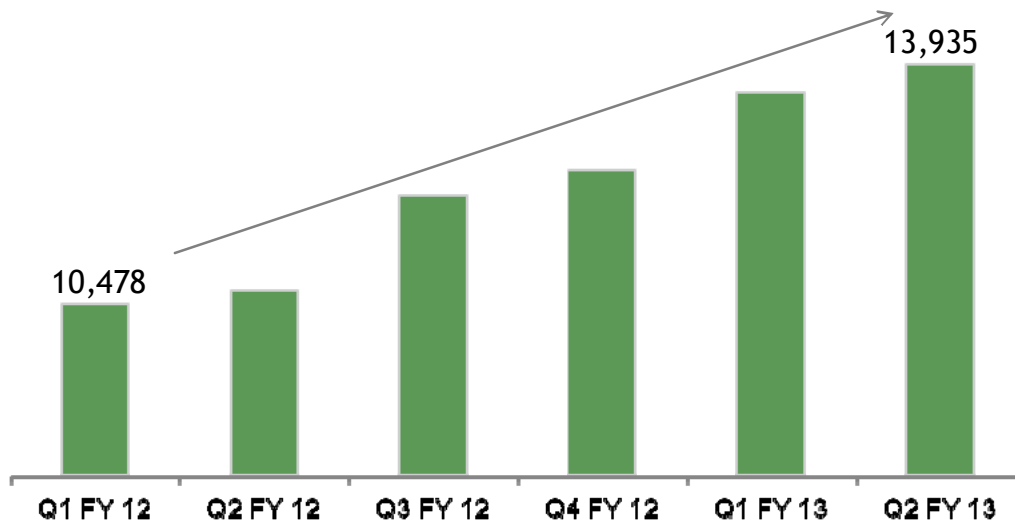


INR Cr.

Strong Order Intake

- H1 Order intake up by 34% Y-o-Y
- H1 Revenue up by 12% Y-o-Y
- Q2 Order intake up by 14% Y-o-Y
- Q2 Revenue up by 8% Y-o-Y
- UEOB at the end of Sept 2012 up by 32% Y-o-Y

Order book- 12 months rolling trend *



Steady growth in order backlog over last six quarters despite challenging market conditions

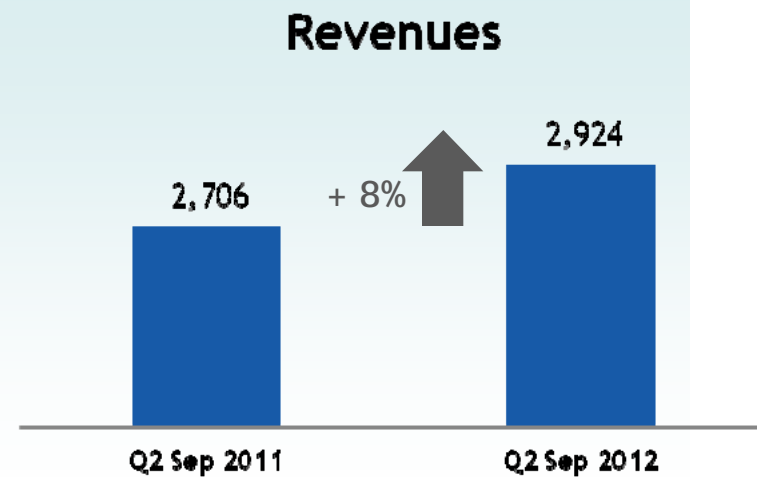
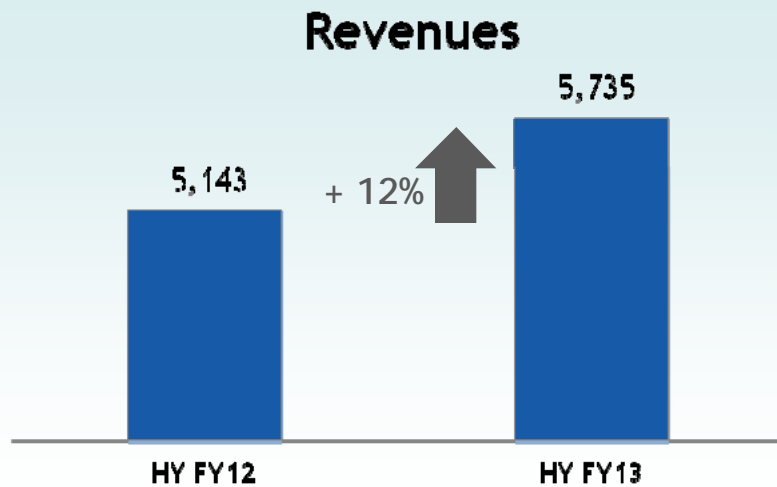
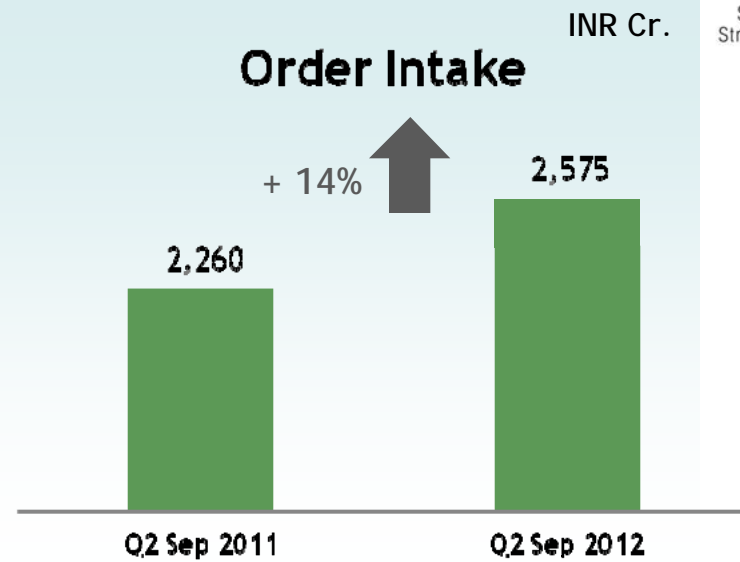
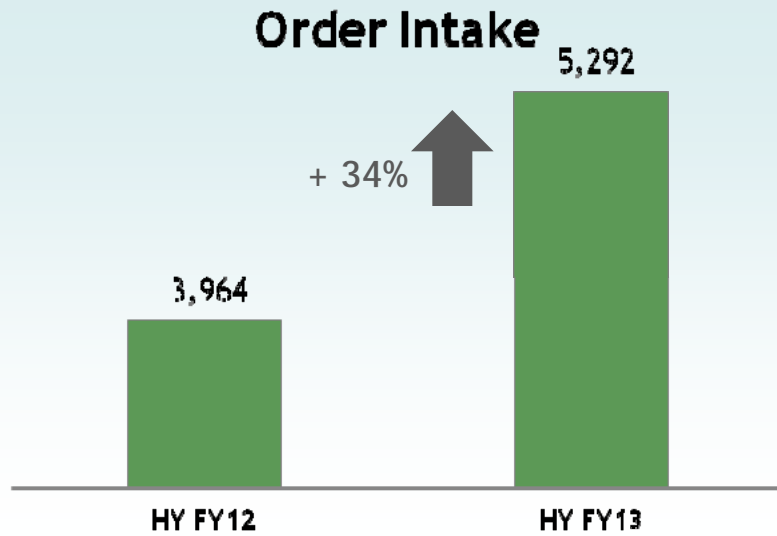
* Including all three business segments

Consolidated Highlights

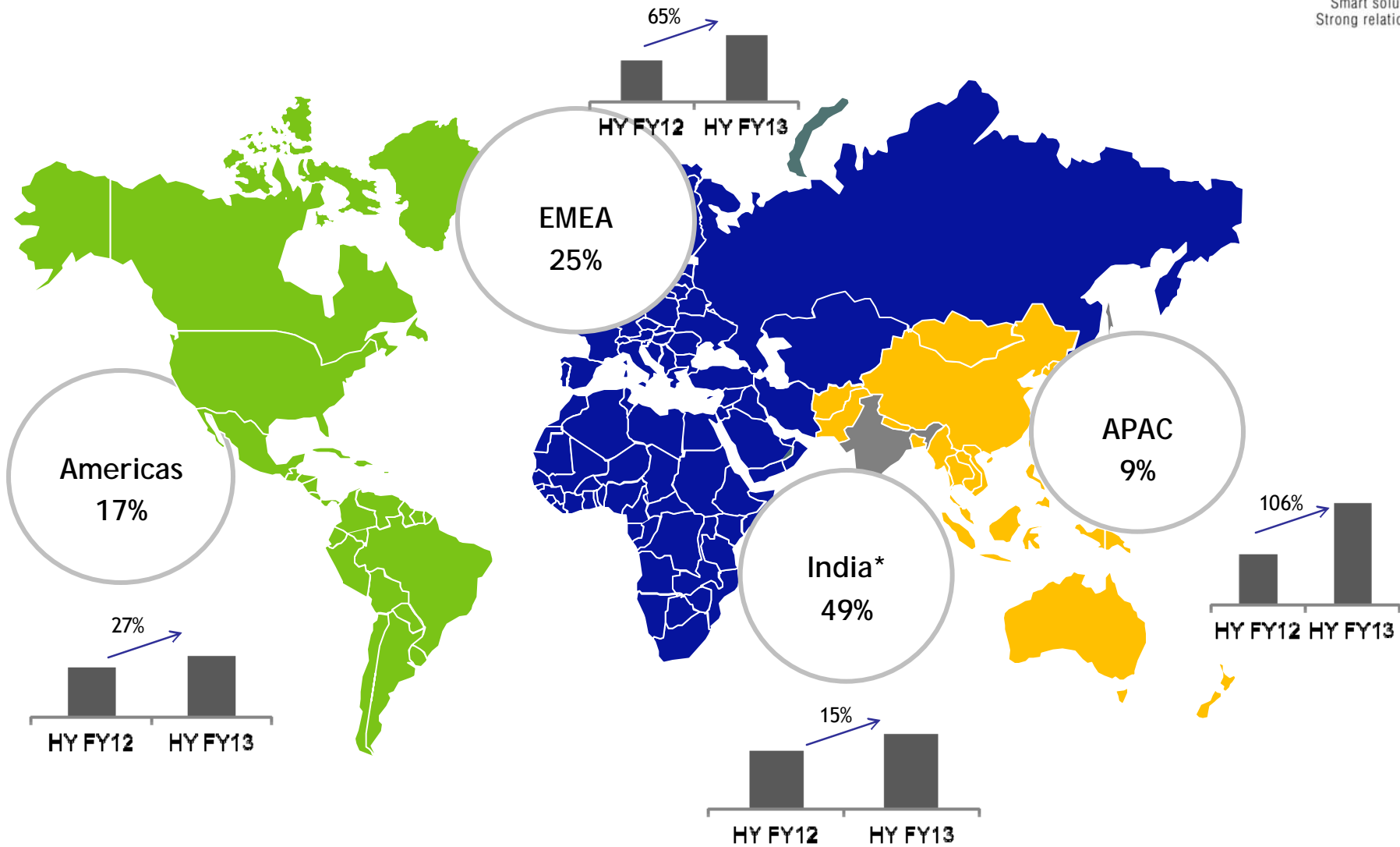
Performance- CG Global



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Orders Split by Region- HY FY 2013



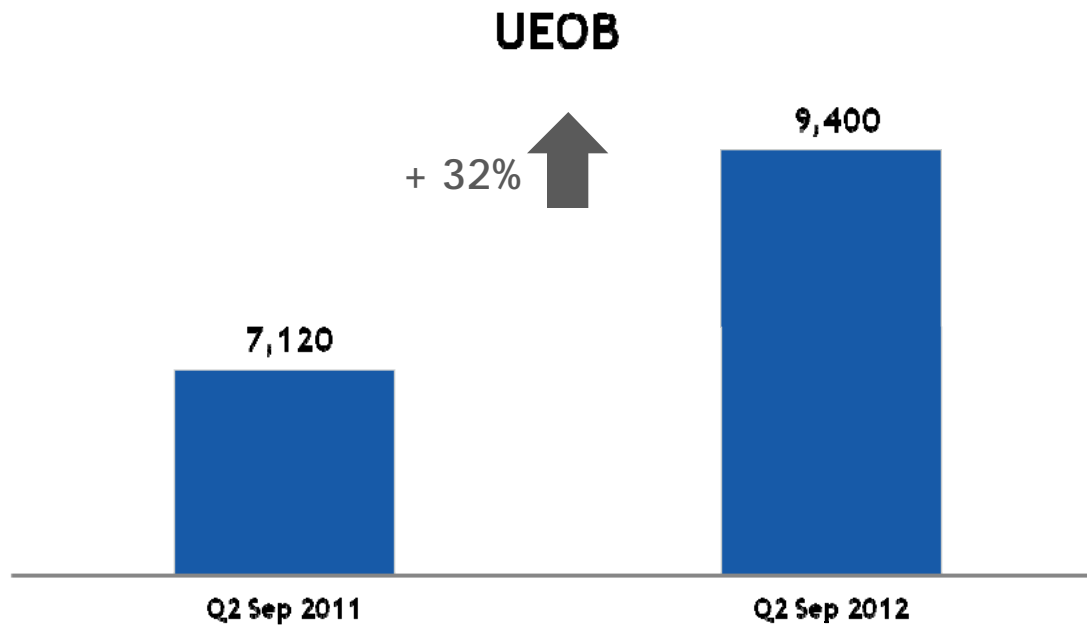
* Includes India consumers Business

UEOB Evolution



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Consolidated Financials - HY 2013



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	HY FY12	HY FY13
Orders Received	3964	5292
<i>Growth</i>		34%
Revenues	5143	5735
<i>Growth</i>		12%
Order Backlog	7120	9400
<i>Growth</i>		32%
EBIDTA (W/O Other Income)	408	303
<i>as % revenue</i>		5%
EBIT	311	242
PAT	196	128
EPS (Rs)	3.06	1.99

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Consolidated Financials - Q2 2013



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	Q2 Sep 2011	Q2 Sep 2012
Orders Received	2260	2575
<i>Growth</i>		14%
Revenues	2706	2924
<i>Growth</i>		8%
Order Backlog	7120	9400
<i>Growth</i>		32%
EBIDTA (W/O Other Income)	226	136
<i>as % revenue</i>		5%
EBIT	175	103
PAT	117	42
EPS (Rs)	1.82	0.65

Consolidated Segment Results - HY 2013



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	HY FY12	HY FY13
Power		
Orders Received	3126	4218
Revenues	3278	3458
EBIT	134	53
EBIT Margin	4.1%	1.5%
Industrial		
Orders Received	838	1075
Revenues	845	887
EBIT	107	107
EBIT Margin	12.6%	12.0%
Consumer		
Revenues	1024	1238
EBIT	130	141
EBIT Margin	12.7%	11.4%

- Strong order growth +35% Y-o-Y
- Revenue growth +6% Y-o-Y

- Strong order growth +28% Y-o-Y
- Revenue growth 5% Y-o-Y, impacted by degrowth in Indian Capital Goods sector

- Revenue growth +21% Y-o-Y, outperforming market growth
- Growth backed up by strong performance across the product segments



AVANTHA
GROUP COMPANY

Consolidated Segment Results - Q2 2013



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	Q2 Sep 2011	Q2 Sep 2012
Power		
Orders Received	1829	2100
Revenues	1761	1782
EBIT	93	10
EBIT Margin	5.3%	0.6%
Industrial		
Orders Received	431	475
Revenues	466	482
EBIT	56	70
EBIT Margin	12.0%	14.6%
Consumer		
Revenues	480	584
EBIT	54	56
EBIT Margin	11.3%	9.5%

- Order intake growth +15% Y-o-Y
- Revenue growth +1% Y-o-Y

- Order intake growth +10% Y-o-Y
- Revenue growth 3% Y-o-Y

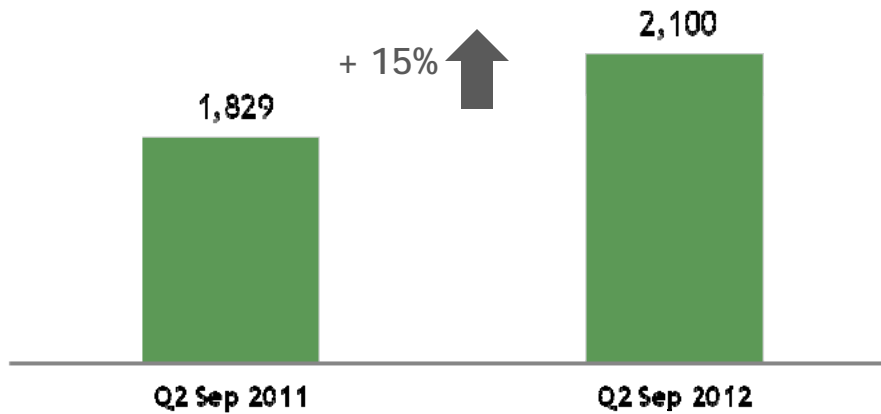
- Revenue growth +22% Y-o-Y, outperforming market growth
- Lower margins due to higher sales promotion expenses

Business Unit Performance

CG- Power

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Order Intake



Order Highlights

MEA:

- GIS 145 kV, 208 bays order from MEW Kuwait (€16 Mn)

Latin America:

- Frame agreement with CEMIG Brazil for supply of 72.5-245 kV Circuit Breakers for three years valued at \$ 3.6 M

North America:

- 50 MVA mobile S/S for NFLD (2.8 M\$).
Largest order for Mobile
- First order from Canada Niagara power PT (1 M\$)

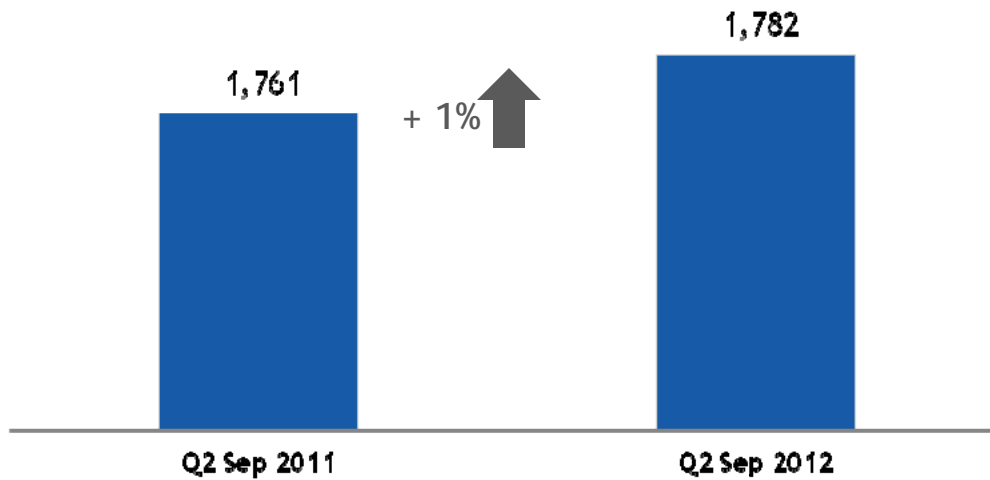
India:

- 765 kV reactor order from PGCIL (INR 810 Mn)

CG- Power



Revenues



Enhancing Product Offering:

New Offerings:

Automation Business:

- Grid Automation
- Distribution Automation
- Smart Metering

Automation Orders:

- €1.5 Mn order for teleprotection from REE, Spain
- €790,000 order from RDF France, for relays
- €335,000 order from SEC, Saudi Arabia, for relays

Systems:

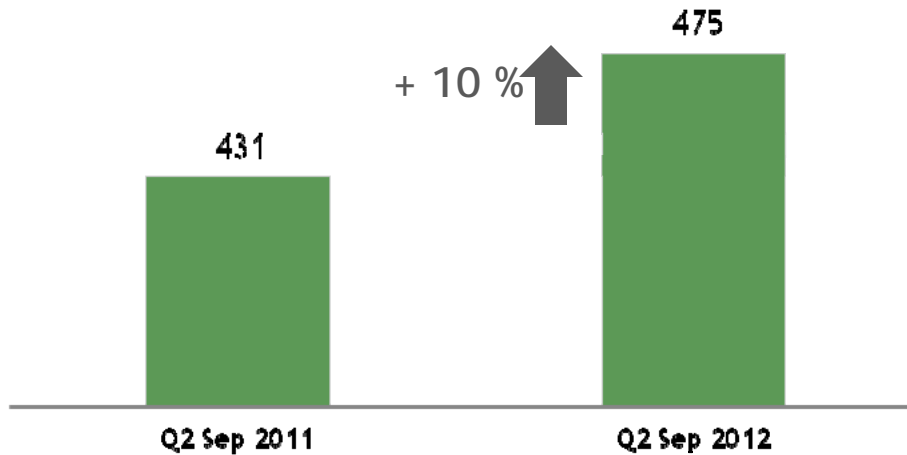
- Bagged substation order from PGCIL for extension substation (400 kV Kishenpur and 765 kV Moga) Northern and Eastern region (INR 367 Mn)

CG- Industrial



INR Cr.

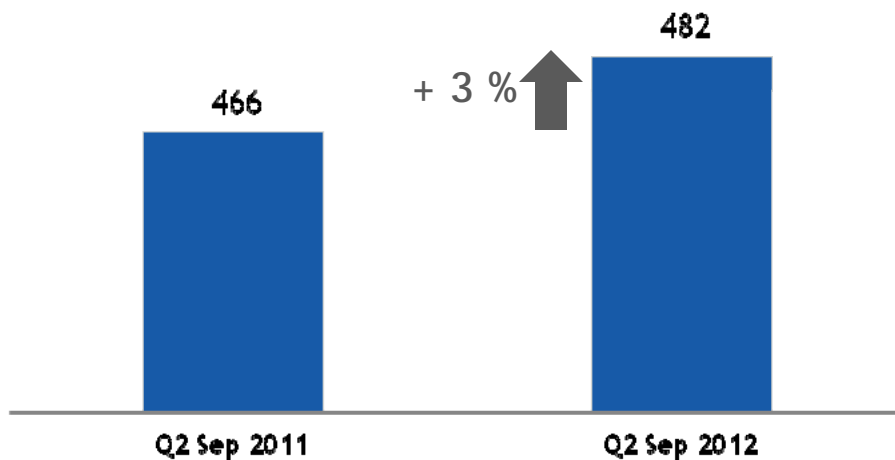
Order Intake



Highlights

- Improved Market Share in LT motors in India to 28%
- Entry in Scandinavian Hydro market
 - Bagged order from Smart Solutions Mavelczech 5.5MVA 22poles generator for Ruskeakoski Hydro Project Finland (€ 660,000)
- Orders served from Europe
 - (\$00kVA 8P B3 generator order from GEA Italy (€ 340,000)
 - , nos. 6.3 MW 2 poles HT motor order from Ganz engineering from Russian Power project (€ 3.2 Mn)
- Exports from India
 - 11 Nos. 560-1500 KW LT/HT motor order received from Hightech engineering corporation in Ethiopia fabtech project (INR 18 Mn)

Revenues

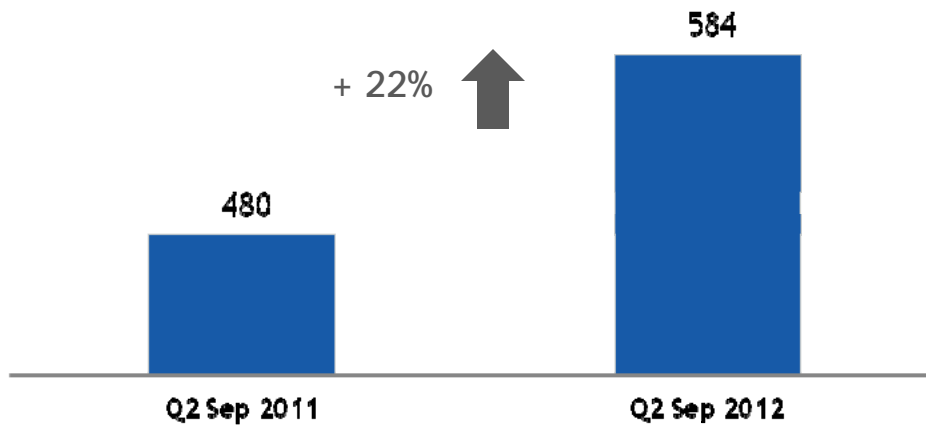


CG- Consumer



Revenues

INR Cr.



Entice Series



Spectrum Water Heater



4" S.S. Submersible Pumps

Highlights

- Sales Channel
 - Strengthening CG's sales network- Added 180 distributors and over 3900 retailers during the quarter
- Launched premium segment products across product lines to address higher end market
- Fans
 - Enhanced market share to 23.5% from 22.5% last quarter
 - Bagged an order from Tamil Nadu government for supply of 800k table fans valuing 750 Mn
- Pumps
 - Launched stainless steel submersible pumps for high end and critical applications
- Lighting
 - Largest highmast order from ONGC (95 Nos)
 - Bagged order for new railway coach factory at Raibareli for induction lighting (INR 12 million)
 - Focus LED: Bagged LED streetlight order from two Municipal corporations in Maharashtra (1,100 Nos)

Strategic Update

Offerings

Manufacturing Footprint

Sourcing

Continuous Improvement

Manufacturing Footprint

Restructuring in PT Europe

- Belgium Operations to be optimized for cost advantages
- Process started by the end of July 2012, expected to end by Dec 2012
- 260 employees are contemplated to be covered under the right-sizing exercise



Capacity Expansion in Hungary

- From 7500 MVA to 15000 MVA by the end of March 2013

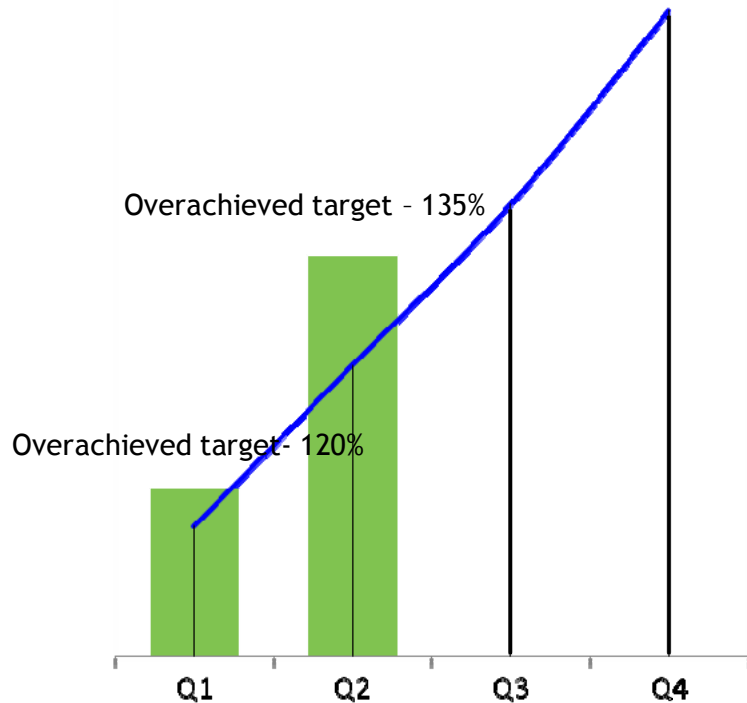


Business Transformation Projects



Business transformation projects Impact on EBITDA

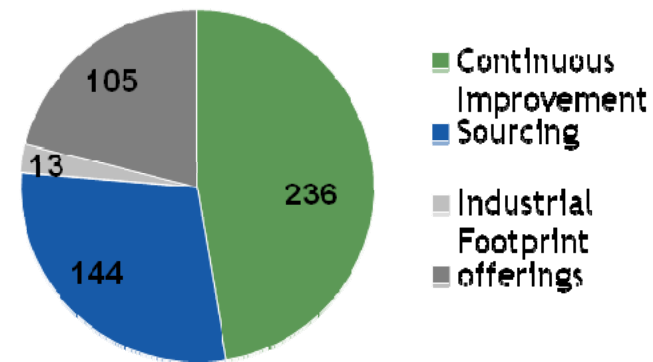
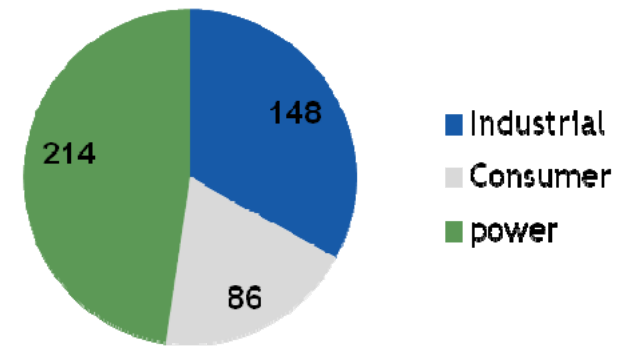
Actual Savings Cumulative Budgeted savings



Breakdown of business transformation projects

Number of projects

As of Sep-12



Continuous Improvement



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Lean at Goa

Before



After



- No WIP in between workstation
- Improvement of TAKT time to 3.05 Min/ Motor
- Completed in Sep'12

At Ahmednagar



- 104 Sq m Area released through this project
- Increase of Assembly capacity from 60 to 80 Nos /day

Conclusion

Key Takeaways



Strong Order Intake of 34% for H1 FY2013, with sustained growth in UEOB at 32% at the end of Sept 2012

Operational performance impacted by one off event related to re-engineering of Power Transformer product line

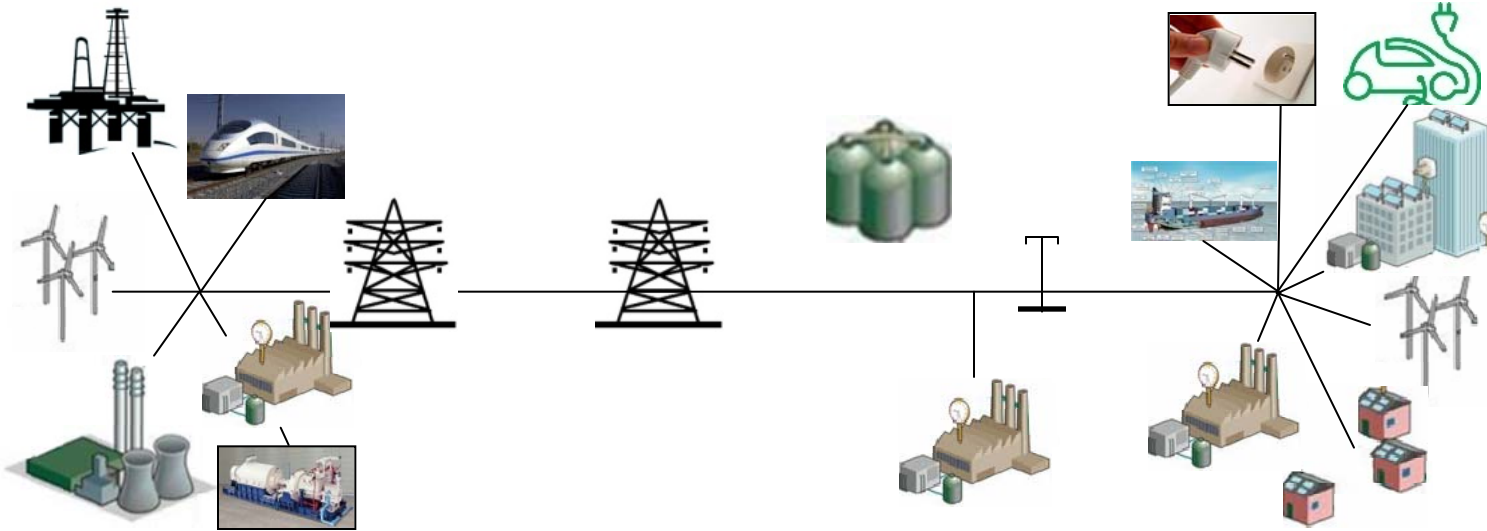
Restructuring project in Power Business on track, expected to be completed in current fiscal

Initiatives on four strategic levers, for restoring value, on track

In India Consumer Business back on track



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We put all our energy
into saving yours