
Genus Power Infrastructures Limited
FY17 Consolidated Results

FY17 Consolidated Financial Snapshot

- Sales stood at Rs. 642 Cr
- EBITDA stood at Rs. 87 Cr
- PAT stood at Rs. 65 Cr
- Total Dividend for FY17 - 45 %

Genus Power Infrastructures Limited (Consolidated Results) – Rs. In Crores		
Particulars	FY17	FY16
Net Revenue	642.4	857.7
EBITDA	86.6	123.6
Margin (%)	13.5%	14.4%
PAT	65.1	91.9
Margin (%)	10.1%	10.7%
EPS	2.8	4.2
ROE (%)	9.7%	15.0%
ROCE (%)	9.6%	13.3%
Net Debt to Equity	0.30	0.31

Jaipur – May 24th, 2017 – Genus Power Infrastructures Ltd., a leading Metering solutions provider & manufacturer for the Power Distribution Industry, announced its Audited Financial Results for the Quarter and Year ended March 31, 2017.

The consolidated revenue stood at Rs. 642.4 Cr for FY17 as against Rs. 857.7 Cr in FY16 recording a decline of 25.1% YOY led by lower tender offtake from the state power utilities and lower execution of orders under ECC segment due to delays in processes and approvals at the customers end.

Order Book:

- Our Consolidated Order Book stands at Rs.685 crores as on 31st March 2017, which was Rs. 385 Crores at 31st March 2016. As explained in the above paragraphs, we were not able to execute substantial portion of our ECC orders in FY17.
- We are slowly witnessing traction in the Metering Business and we believe to add further new Orders in the next couple of months for the current financial year.
- We expect to execute the current ECC order book over period of 4-6 quarters.

The company reported EBITDA of Rs. 86.6 Cr for FY17. EBITDA margin has contracted by 90 basis points to 13.5% for FY17, largely due to lower execution of orders, resulting in unabsorbed fixed costs.

The Profit after Tax has decreased by 29.1% year on year to Rs. 65.1 Cr in FY17.

EPS for the company for the FY17 stood at Rs. 2.8 per share as compared to Rs. 4.2 per share in FY16.

In FY2017, company undertook a capex of Rs. 18 Crores to install a meter manufacturing capacity at Guwahati, Assam. The operations have commenced for March 2017.

Our board has recommended a final dividend of Rs. 0.35 per share on face value of Rs.1 per share. The Company has paid an interim dividend of Rs.0.10 (Paisa Ten) per equity share for the financial year 2016-17, which was declared on January 31, 2017. Thus, the Total Dividend for FY2016-17 will be Rs. 0.45 per share of FV of Re.1 (45%)

Industry Update:

At all India level, the power deficit has significantly decreased from 8.5% in 2011-12 to 0.7% in 2016-17. Both power generation and demand went up during the period. While the supply went up by about 32%, the demand has gone up by around 22% during this period. Power deficit in the western and southern region of the country over a period has come close to zero.

However, the AT&C losses which stood at 21.28% in FY16, continue to be a headache for the DISCOM's. Hence, to gain benefits of power generation, the losses on distribution side needs to be reduced drastically. Low metering / billing / collection efficiency, pilferage and tampering of meters have been the contributors to AT&C losses. Hence, the meter is one of the most pivotal equipment in the entire power distribution chain.

To improve the financial health of the DISCOM's, GOI had come up with a scheme called as "UDAY." However, there was a view that the central government will purchase the meters and other distribution equipment's on behalf of all states. Hence the lack of clarity with regards to procurement policy between the state and the central government, led to slow down in the tendering for the meters. Post resolution of this confusion, there was an offtake in orders during the latter half of the financial year 2016-17.

Uday Scheme update: Till date, 25 states and 1 UT till date have signed MOU's with the central govt. to participate in the scheme. All the major DISCOM's of the country are covered under the fold of UDAY. Progress on operational issues has varied and feeder metering has done better the DT metering. Smart metering has been a non—starter virtually.

Under, the IPDS Scheme, Ministry of Power had rolled out a strategy, for Advanced Metering Infrastructure (Smart Meters), wherein the smart meters are to be installed for the consumers with monthly consumption of 500 units and more and in the next phase consumers with consumption of 200 units or more need to have smart meters by end of 2019.

Meter Industry is highly dependent on demand from power utilities which account for ~71% of market. Demand for tariff meter dominates the market with ~80% market share, however going forward it is estimated that India would need 130 million smart meters.

Commenting on the performance Mr. Rajendra Kumar Agarwal, Managing Director & CEO, Genus Power Infrastructure said

‘There was slower offtake of tenders in FY17, however towards the end of FY17, we have witnessed positive business scenario under the metering business which has gained momentum with an improved pace of tendering. The lower off take in the tenders for meters was primarily due to disagreement between the state and central government on the procurement policy.

FY17 was more of an aberration and with resolution of the procurement issue, we expect better growth in the top line for FY18 backed by the traction of orders from power utilities, various power related schemes initiated by GOI which has resulted in higher funding availability for DISCOM’s and various states targeting 24x7 power supply. States which have increased the power tariffs would be the key drivers of demand in FY2017-18.

Further, strengthening of power sub-stations, rapid urbanisation and industrialisation, replacement of conventional meters with smart meters, smart cities, housing for all etc will further strengthen the demand and help us increase our profitability.’

About Genus Power Infrastructure Ltd:

Genus Power Infrastructures Ltd, started in 1995, is amongst the largest players in India's electricity metering solutions industry, with ~27% market share. Company is market leader in various kinds of meters and has developed 'smart metering solutions', with in house R&D centre. Company also has engineering, construction, and contracts (ECC) division which complements the existing meters business. Company has manufacturing plants across Jaipur, Haridwar and Guwahati with a total installed capacity of over 10 million meters.

Our key customers include the major State electricity boards (SEB's) and private utilities.

For more information about the Company and its businesses, please visit our website

www.genuspower.com

<i>For further information on earnings please contact</i>	
<i>Ankit Jhanjhari</i> <i>Genus Power Infrastructures Ltd</i> <i>CIN No: L51909UP1992PLC051997</i> <i>Email id: cs@genus.in</i>	<i>Rahul Agarwal / Shrikant Sangani</i> <i>Strategic Growth Advisors Pvt Ltd.</i> <i>CIN No: U74140MH2010PTC204285</i> <i>Email id: rahul.agarwal@sgapl.net</i> <i>shrikant.sangani@sgapl.net</i> <i>Tel No: +91 98214 38864 / +91 96195 95686</i>

Safe Harbor: This document may contain forward-looking statements about Genus Power Infrastructures Limited, which are based on the beliefs, opinions, and expectations of the company's management as the date of this press release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.