

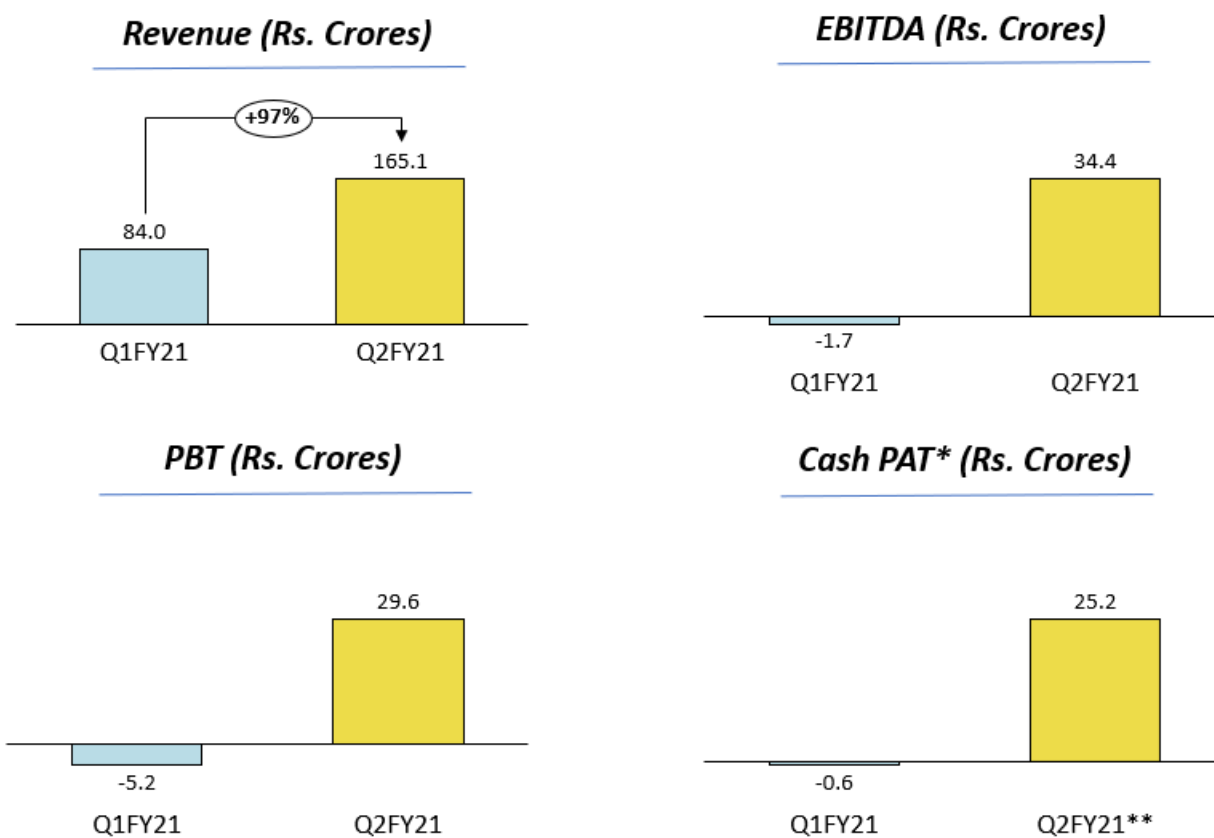
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**GENUS POWER INFRASTRUCTURES LIMITED**
**Announces Q2FY21 Results**


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- Order Book at end of 30<sup>th</sup> September 2020 stood at Rs. 1,068 Crore (net of tax)
- Order Book to be executed over next 9-12 months
- Achieved record EBITDA margin of 20.6% in Q2FY21 due to better product mix

**Jaipur – 26<sup>th</sup> October 2020** – Genus Power Infrastructures Ltd., a leading Metering solutions provider & manufacturer for the Power Distribution Industry, announced its un-audited financial results for the quarter and half year ended September 30<sup>th</sup>, 2020.

**Standalone Financial Snapshot Q2FY21:**


\*Cash PAT includes PAT + Depreciation + Deferred Tax

\*\*Cash PAT for Q2FY21 also includes One-time provision of Rs. 12.6 crore made towards settlement of past litigations under the 'Vivad Se Vishwas Scheme 2020'

## Performance Highlights for Q2FY21:

- Revenue stood at Rs. 165.1 crore, up by 97% as against Q1FY21 revenue of Rs. 84.0 crore. The improvement in revenue was on-account of improvement in capacity utilization, better price realization along with improved product mix
- EBITDA Profit stood at Rs. 34.4 crore as against EBITDA Loss of Rs. 1.7 crore of Q1FY21. EBITDA margins stood at healthy 20.8% on-account of benign raw material prices, better product mix, and better absorption of fixed costs
- PBT stood at Rs. 29.6 crore as against loss of Rs. 5.2 crore in Q1FY21
- One-time provision of Rs. 12.6 crore related towards settlement of past litigations under the 'Vivad Se Vishwas Scheme 2020' impacted PAT which stood at Rs. 6.8 crore for Q2FY21

## Key Business Updates:

- **Order Book**
  - Order inflow has been deferred on account of COVID-19 pandemic led disruptions and is likely to pick-up from the month of November 2020
  - State Electricity Boards are in transition phase to draw out the detailed processes for shifting from procurement of conventional meters to smart meters. We will continue to witness, demand shifting from conventional meters to smart meters. Our order book stood at **Rs. 1,068 crore (net of tax)**
  - The smart meters are expected to play a significant role going forward on following grounds:
    - Government is expected to announce a new scheme in the coming quarters, which envisages implementation of compulsory smart metering across the power distribution chain, including 280 million households, with capital outlay of Rs. 3.5 trillion
    - The scheme aims to lower aggregate technical and commercial (AT&C losses of DISCOMs to below 12% (from current 18.9%) and eliminate gaps between costs and revenue of DISCOMs, as the theft of power becomes detectable and thus is difficult to carry out. Automation of billing process leading in recovery of AT&C losses, which are about Rs. 1 lakh crore p.a.
    - The PFC and its subsidiaries would be the nodal agency for implementation
    - The implementation of the scheme will be a must for State Electricity Boards, if they want to secure funding from Central Government
    - It is possible that the scheme may be re-tooled to help the power sector cope with impacts of the COVID 19 crisis
- **Recent Achievements**
  - The Company became the First company in ASIA Pacific to supply 1.5 million Smart Meters
  - Genus Power's indigenously developed Vending Software Agrim™ was recently accredited with STS certification

**Commenting on the performance Mr. Jitendra Kumar Agarwal, Joint Managing Director, Genus Power Infrastructure said,**

“Our business operations have recovered to a great extent viz-a-viz the previous quarter, though it will take some time before we reach pre-COVID capacity utilization levels. Despite challenging environment, we are pleased to have reported significant improvement in financial performance as compared to the last quarter. The order inflow has remained sluggish as the tendering process has been slightly delayed and spilled over to the second half of this financial year. We expect robust order inflows to start from the month of November. We are confident of significant improvement in our business operations in H2FY21, provided there are no further shocks.

Smart Meters are no longer a point of debate or contention for the stakeholders in Indian Power Sector. The issue of under-billing and under-recovery of collections is resulting in more than Rs. 1 lakh crore of revenue loss annually for DISCOMs. A recent report by the Energy Efficiency Services Limited (EESL), the agency responsible for the implementation of smart meters across the country, showed that all states where smart meters were installed, had good results with an average increase in billing of nearly 25%. Utility Companies are estimated to recover their entire investment in smart meters in just 2-3 years, by way of huge savings from decrease in power theft and increase in collections.

Ministry of Power is likely to make installation of smart meters a component of regulatory requirement, as it will be a part of the proposed National Power Tariff Policy, making the installation of smart meters compulsory.

We provide end-to-end metering solutions to clients with metering communication, services and solutions. India’s energy consumption is set to grow 4.2% a year by 2035 – fastest among all major economies. More than 28 crore consumers are grid connected, whose conventional meters will need to be replaced by smart meters. Thus, there is a tremendous growth prospect for us in the years ahead and we are fully geared up to capitalize on this enormous opportunity. Also, as proportion of smart meters in the overall pie of meters increases, the margin profile of our business will gradually improve. We also plan to create inroads, in areas where we have robust avenues of earning recurring revenue in form of facility management system (FMS), providing our domain-related software to clients etc.”

## **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](http://www.genuspower.com)

## **Safe Harbor:**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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