



“Genus Power Infrastructures Limited
Q2 FY24 Earnings Conference Call”

November 10, 2023

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**MANAGEMENT: MR. KAILASH AGARWAL – VICE CHAIRMAN
MR. JITENDRA AGARWAL – JOINT MANAGING
DIRECTOR**

Moderator: Ladies and gentlemen, good day, and welcome to the Genus Power Infrastructures Limited Q2 FY '24 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations of the company as on date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during the conference call, please signal an operator by pressing star then zero on your touch tone phone. Please note that this conference is being recorded.

Today on the call, we have Mr. Kailash Agarwal, Vice Chairman of Genus Power Infrastructures Limited. Mr. Jitendra Agarwal, Joint Managing Director of Genus Power Infrastructures Limited. I now hand the conference over to Mr. Kailash Agarwal, Vice Chairman of Genus Power Infrastructures Limited. Thank you, and over to you, sir.

Kailash Agarwal: Thank you. Good evening, ladies and gentlemen. A very warm welcome to Q2 FY '24 earnings call of Genus Power Infrastructures Limited. Along with me on this call is Mr. Jitendra Agarwal, who is the Managing Director of the company; and SGA, our Investor Relations Advisor. The results and investor presentation are uploaded on the stock exchange and company website also. I hope everybody had a chance to look at it.

Let me begin by first wishing everyone a very happy Dhanteras, a very have Diwali and a very happy prosperous new year.

Since July 2023, our company has showcased an exemplary track record in terms of order inflow, successfully procuring a series of six notable orders. The aforementioned orders, which carry a significant value of approximately INR15,160 crores (net of taxes), are related to the procurement and installation of about 1.72 crores smart prepaid meters. The present aggregate order book of our company stands in excess of INR19,000 crores (net of taxes), thereby reflecting a highly positive outlook for revenue growth in the forthcoming quarters.

However, it is important to note that the execution of these orders will commence only after the time frame of approximately six months to seven months from the date of order receipts. That significant amount of time is required to complete various essential formalities, like regulatory approvals, contractual negotiations and logistical arrangements.

Our team is dedicated to meticulously addressing every aspect of the execution process to ensure a seamless and successful execution process. The execution cycle of the current order book is about 27 months. Thus, it provides healthy visibility for our top line growth for next at least three years.

Many state electricity boards have initiated the process of inviting proposals for the deployment of smart meters, demonstrating the positive effects of the 'Reform-based Result-linked Power Distribution Sector Scheme'. We expect a robust order flow to continue through the remainder of this fiscal year.

Our strategic partnership with GIC marks a crucial milestone in our journey, bringing together the expertise and resources of both entities to drive innovation, sustainability and efficiency. The formidable presence and robust financial position of GIC, combined with our proven track record in delivering cutting-edge meter solutions, create a powerful synergy that will propel us to new heights.

The company has also signed a commitment letter with the United States International Development Finance Corporation to obtain a loan of \$49.5 million to scale up the deployment of electric smart meters across India.

Our working capital cycle is expected to improve going forward, as payment terms are better and going forward, most of the business will come through either the Platform or AMISP.

Coming to the quarterly results, the sales of Q2 FY '24 stood at INR259 crores, up by 18.4% as against Q2 FY '23, revenue of INR219 crores. For Q2 FY '24, EBITDA stood at INR25 crores, up by 46% as compared to INR17 crores in Q2 FY '23.

The company has experienced a notable uptick in employee expenses and other expenses. This can be attributed to the ongoing expansion of our workforce and the implementation of system enhancements. These strategic initiatives are being undertaken in anticipation of effectively executing the significant order book that has been successfully secured.

Profit after tax stood at INR11 crores for Q2 FY '24 as compared to INR10 crores Q2 FY '23. The company's profitability for the Q2 FY '24 was affected by notable surge in financing expenses, which was primarily due to the obligation to furnish fresh bank guarantees in order to secure substantial influx of orders.

Based on our analysis, we anticipate a notable resurgence in revenue commencing in Q4 FY '24, coupled by the strength of our order book and consistent stream of new orders. We expect to record total revenue of about INR1,200 crores in FY '24.

The Indian metering industry will see strong order inflows, healthy top line growth, higher operating margins and then improved working capital cycle going forward. We maintain a positive outlook regarding the substantial enhancement of our business operations starting from the fiscal year '25 and beyond.

I will now request for question and answers, please.

Moderator: We take our first question from the line of Mohit Kumar from ICICI Securities.

Mohit Kumar: Sir, my first question is on the -- on your L1 position. Is it possible to tell us how the L1 position also within the pipeline?

Jitendra Agarwal: L1 position is now mostly all the tenders where we were in L1 position, we were selected. Very few are remaining, which are not yet decided and which we feel should be decided in the next...

And regarding the pipeline, primarily there are two large tenders, which are to be quoted in the next couple of months and few other evaluations are going on. So the pipeline is also robust in terms of numbers, almost 25 million meters, are either quoted or to be quoted in next couple of months.

Mohit Kumar: Understood, sir. So my second question is what is the status of Platform with GIC? And have you entered into any pricing arrangement -- in the transfer pricing arrangement with the Platform?

Jitendra Agarwal: That was definitely part of our JVA with them, and that has already been done.

Mohit Kumar: Okay, it's already done. Sir, my last question is on the order book. So when you say the order book, this order book is the total summation of the 90 or 120 months of revenues. Is that right? This is not the order book which is available to Genus, right? Because this is the order book, which is available to the Platform, not to Genus? Is it possible to segregate the amount which is available the Genus by -- is it possible?

Kailash Agarwal: So basically, we can say like that, that this is the total order book. You are absolutely right. And out of this, almost 70% will be available to Genus.

Mohit Kumar: Understood, sir. So is there any way we can say that out of 18,000, 70%, 12,000 is available to Genus?

Kailash Agarwal: Basically total order book is around 19,500. Of that, 70% will be available to Genus.

Jitendra Agarwal: It will be more than 70% because 19,500 includes some orders, which are only -- for Genus only around...

Kailash Agarwal: Basically, we are talking about the Platform, JK. That's -- out of Platform what will be available to us.

Jitendra Agarwal: 19,500 includes the orders which are only for Genus. These include the export orders also.

Moderator: The next question is from the line of Milind Karmarkar from Dalal & Broacha.

Milind Karmarkar: One of my questions was the previous -- was answered previously. My second question is, basically, I just wanted to understand, if I look at, say, INR3,000 per meter. I think roughly out of the total order about INR3,500 crores will be for the production of meters. And the balance will be for the installation and maintenance. So out of this maintenance -- would it be the maintenance part, which will go to the joint venture? And the realization of that will be over a period of time? Or how does it work? Could you please explain?

Kailash Agarwal: Sorry, can you repeat the question, please?

Milind Karmarkar: Okay. So if I divide the order into three parts. One is the production or supply of meter, second is the installation and third is the maintenance. So production, of course, will entirely come to Genus which probably at INR3,000 per meter will be -- of the current order book will be about INR3,000 crores, INR3,500 crores.

And then we have the installation, which probably also will be done by Genus, which will be maybe another INR4,000 crores, INR5,000 crores. And then the balance, which will be maintenance -- which will be spread over a period, that will go to the joint venture. Am I correct in assuming this?

Kailash Agarwal: No. Even the maintenance will also come to Genus. But that will be on the annuity basis.

Milind Karmarkar: Correct. So what is the portion which goes to -- or which is funded by the joint venture?

Kailash Agarwal: So the total will be funded by joint venture only, even the meter installation, but the whole work will be done by Genus, the meter supply, the installation and the maintenance also.

Milind Karmarkar: Correct. But what I'm trying to sort of gather is, that the maintenance turnover out of the current order book will be spread over a period of seven years, eight years. Am I right?

Kailash Agarwal: Correct.

Milind Karmarkar: So production revenues will come immediately. Installation revenues will come post that. And the maintenance revenues will be spread over a period of 6, 7, or whatever the period is.

Kailash Agarwal: Absolutely, yes.

Moderator: The next question is from the line of Nikhil Abhyankar from ICICI Securities.

Nikhil Abhyankar: Sir, are we having any problems in sourcing of certain key components for the smart meter production?

Jitendra Agarwal: Currently, we're not finding any difficulty.

Nikhil Abhyankar: We are not having any -- And sir, also other players are also winning smart meter orders. So they were expected to order from us as well. So have you already started receiving inquiries? And have you already started booking orders from them?

Jitendra Agarwal: Yes, we are receiving inquiries from all the AMISP players. We are also booking orders through the...

Nikhil Abhyankar: Sorry, I did not get that.

Kailash Agarwal: So we are already getting inquiries from all the AMISP providers. People who have won the order, and we are working closely with them. Few orders have been closed, and few will get closed over a period of time.

Nikhil Abhyankar: Okay. Few are already closed. So are they also included in this 19,000 order book?

Kailash Agarwal: Some are. Yes, they are included in this.

Nikhil Abhyankar: Okay. And sir, again back to the products. And sir, of the smart meter, what do we expect to produce in-house? And what all things do we outsource?

- Jitendra Agarwal:** So all the key components are outsourced like any typical manufacturing, we don't manufacture semiconductors. Most of the things we do in-house all assembly lining, assembly of the product, molding tools, are all done in-house.
- Nikhil Abhyankar:** Okay. And sir, just a final question. We have already got an order of INR19,000 crores. And during the SPV was formed, you mentioned that the target would be somewhere around INR30,000 crores of orders. So are we capable of taking in orders beyond that? And -- so just want to understand about that.
- Jitendra Agarwal:** So we are well above our target what we decided in the SPV. So we are very well within the target and within the...
- Kailash Agarwal:** Absolutely, we are open to take more orders. It depends how it works and how the things moves out. We had a target of INR30,000 crores in three years' time. So already, we have reached that 2/3 level within six months or seven months' time. So once it happens, we will see in the future how it works and how it goes.
- Nikhil Abhyankar:** And sir, just a follow-up on that. If we get orders beyond 30,000, will our equity requirement investment in the SPV will also go up?
- Kailash Agarwal:** It may. It may go up. It may go up.
- Nikhil Abhyankar:** It may go up. Okay.
- Kailash Agarwal:** But then there will be accruals also. It won't go up by a very big number.
- Moderator:** The next question is from the line of Mr. Manan Poladia from MKP Securities.
- Manan Poladia:** First of all, sir, congratulations on posting a good set of numbers. Sir, what I wanted to understand was, first, on the margin side, historically, from what I can see, in the recent past, we may not have done it, but say, March 21, et cetera, we used to do about 15%, 17% type operating margin as well.
- And in the recent past, we've only done about 10%, 11%. Is there some specific sort of margin pressure with respect to component prices or something or the other that is restraining us from doing higher margins? Or do we see that coming into force with operating leverage going forward?
- Kailash Agarwal:** So here, you will see that if you even compare from June quarter to September quarter, you will see that margins are almost same, but the expenses -- other expenses, the finance expenses, the employment expenses, everything has increased. And it has increased by almost 4% to 5% from June to September quarter.
- So that -- once the revenue will grow, these all expenses have grown because of the preparation that is happening to execute all the orders. So basically, employment, you will see there is a gap of almost 2% there. Other expenses, you will see there is a gap of almost 1.5%. 0.5% to 1% is a gap in finance costs also. So that will be all covered once the revenue will grow. And this additional thing will directly come to the margins only. So you can calculate

that the margin immediately will reach to 15%, 16% level once -- even these costs are taken care.

Manan Poladia: So my second question is on the order book. Sir, like the previous participant also pointed out, you spoke about how the order book is divided into production and maintenance and installation, right? So if you could give us a sense of how the INR19,000 crores is broken up in these three segments? And what would be the implementation time line for each of the segments?

Jitendra Agarwal: Can you repeat your question...

Manan Poladia: So what I'm trying to ask is, sir, out of this INR19,000 crores order book, what portion of it would be manufacturing? What portion of it would be installation? And what portion of it would be maintenance? And what would be the time line that these order books would play out over in terms of manufacturing, installation and maintenance?

Jitendra Agarwal: Whole INR19,000 crores does not come -- again, there is AMISP orders. So this INR19,000 crores, you can break them in four portions. One is the manufacturing and installation. It will be some 50%. Then around 25% to 30% will be your maintenance and FMS for certain years.. And the remaining 20% is the value of -- is the cost of financing, which will go to the Platform. So this is how you will see the revenue of this INR19,000 crores.

Moderator: We'll take the next question from the line of Srijan Sinha from Future Generali.

Srijan Sinha: Yes. So first of all, let me wish you a very happy Diwali. And I wish you a very prosperous year for you ahead. Sir, I had a couple of questions. One, if you could help me with your current capacity. Is it INR1 crores meters, if I remember correctly?

Jitendra Agarwal: Yes. We have always maintained that in the current situation, we can manufacture around 10 million meters annually.

Srijan Sinha: Okay. So sir, in that case, I mean, we have already booked orders for, let's, say about INR1.75 crores meter, executable over the next 30-odd months, right, 2.5 years.

Then -- on requirement basis, our current order book itself is closer to INR70 lakhs, INR75 lakhs meters a year, right? So in that case, are we open to taking orders from other AMISPs as well because then we are crunch for capacity. And how quickly can we increase our capacity to manufacture these meters?

Jitendra Agarwal: So we are definitely open, and we are taking orders from the other AMISPs. So we don't want to be looked in the market that we are not supporting as a meter manufacturer. So we are playing our role as a meter manufacturer absolutely properly.

And we have been saying this in the past also. For us to ramp up the capacity from 10 million to 15 million, and from 15 million to 20 million will take six months. So as and when we are seeing the requirement, we are going to increase our capacity. We are definitely capable of supplying to the market and catering the market whenever they require.

- Srijan Sinha:** Is there any specific capex requirement to increase your capacity?
- Jitendra Agarwal:** Not major, but definitely some capex will be required. It is already -- we are continuously building our capability. And some capex will be required, but it won't be immediate.
- Srijan Sinha:** Okay. And sir, my second question is with respect to this quarter's revenue. What would be the ballpark contribution from the AMISP? I mean with specific Bihar AMISP that we have been executing?
- Jitendra Agarwal:** Most of the revenue coming from the AMISP project and from the other old orders that we are executing. In terms of percentage, it's very difficult for me right now, specifically comment, okay, that this much of percentage comes from the AMISP.
- Srijan Sinha:** Okay. I mean the reason why I wanted to understand this was a, what is the legacy order book that is left, which is a drag on our margins? And b, what gives us the confidence that we'll be able to achieve INR1,200 crores top line this year? Because -- I mean bulk of the order inflow has happened post July end. Even assuming six month to nine months of pre-execution phase, I mean, the bulk of the revenue should start accruing from next fiscal year itself.
- So then -- because we have only done about INR500-odd crores in H1 of FY '24, about INR700 crores is required in H2. That's a INR350 crores quarterly run rate, which at the moment seems quite far-fetched because of the lack of contribution from these new projects, right? Then what is giving you that confidence that INR1,200 crores is an achievable number?
- Jitendra Agarwal:** So the two reasons...
- Kailash Agarwal:** Here you have to understand that we have orders before six months also like Bihar, Chhattisgarh and all.
- Jitendra Agarwal:** No, Bihar and Assam.
- Kailash Agarwal:** I'm sorry, Assam
- Srijan Sinha:** Yes, that's what I wanted to understand. What has been the Bihar's contribution?
- Jitendra Agarwal:** There's been a lot of contribution. There will be a lot of contribution coming from Bihar and Assam projects in next two quarters. So that is why we are 100% confident that we will achieve this INR1,200 crores mark.
- Srijan Sinha:** Okay. Sir, I mean what is the legacy order book still pending with us? What would be the size of it?
- Jitendra Agarwal:** Around INR400 crores, INR500 crores and lot of -- even conventional meter orders are also coming, if not that they are completely stopped. We are also getting some -- and we are doing some export business also. So all these are getting added..

Srijan Sinha: Okay. And sir, secondly, my question is on margin. How soon do you think we can revert back to that 15%, 16% kind of margin trajectory? Is it second half this year itself? Or does that spill over into next fiscal year?

Kailash Agarwal: So here, basically, as I told to the earlier answer also that you can see the numbers. That the numbers itself reflects that the margin is going to increase. Because whatever the expenses that has been increased, that is increased for the execution of this order book only.

To get the order, we have given a higher finance cost because of bank guarantees and all. A lot of employees have been recruited. So their salaries also will increase. So you will see that there is a clear set reflection from the June number to the September number, that if the revenue increases, like we are talking of INR700 crores revenue instead of INR500 crores in next half.

So that's purely made the margins to -- go to a level of 13%, 13.5%. And then another jump in the revenue will go up to a level of 15%, 16%. So once the revenue will be growing, the margins will automatically be growing.

Srijan Sinha: Okay. Fair enough, sir.

Kailash Agarwal: So you just compare the June numbers quarter and the September number quarter. You will see that the margin has increased, but the expenses have also increased. The revenue has not got to a level where they can justify the expenses. Once the revenue will go to that level, with a justification to the expenses, the margin will automatically increase.

Srijan Sinha: Fair enough, sir. I mean looking slightly further ahead, for FY '25, what is the kind of top line number that we can potentially look at? Because all these orders should ideally start contributing in FY '25, right? And FY '25 should be a really big year for us.

Kailash Agarwal: Srijan basically, when we are sitting on an order book of INR19,000 crores, and we say that almost 70% will come to Genus, including maintenance and all. And even if we remove maintenance business out of it, which is the annuity business, almost 60% we have to execute in the next three years. So there will be a big -- substantial big numbers coming in FY '25, '26, '27.

So right now the projects are under consideration, and we are just evaluating that how much time we will take to start these projects along. So you give us one new quarter, so that we can give you the proper numbers or exact numbers for '25 and '26. But there should be a multifold increase that we can say. There will be a multifold increase that we can say.

Srijan Sinha: Okay. And sir, my final question is, given your current capabilities, given your current capacity, what is the kind of peak order book that you are looking at?

Kailash Agarwal: Earlier also discussed that we made a target of INR30,000 crores. And already, we are sitting on INR20,000 crores. So let us first reach to that level, and then we shall revise our numbers and all, and see how that we can revise that.

- Moderator:** The next question is from the line of Soniya Varnekar from Dalal & Broacha PMS.
- Soniya Varnekar:** Sir, previously, you mentioned that if we look at the total order book breakup, manufacturing and installation should be around 50% and maintenance should be around 30%, and the rest 20% goes through the financing.
- So when you said that execution of -- execution cycle of the current order book is around 27 months. So does that mean that this manufacturing and installation, which is 50%, is likely to come in your revenues in the next 27 months? And the remaining next 30% of the maintenance that comes in 9, 10 years, and the remaining 20% goes on the books of AMISP that SPV, which we have made recently? Is my understanding correct?
- Jitendra Agarwal:** Yes, your understanding is correct.
- Soniya Varnekar:** Okay. Okay. And sir, my second question...
- Jitendra Agarwal:** A little bit here and there. But, yes, mostly it is correct. And maintenance is not 9, 10 years. Total project is 93 months. So this is how we would have to see it.
- Soniya Varnekar:** Okay, sir. Okay. And sir, my second question is on the orders, which we are receiving or we might receive from the other AMISPs. Like, for example, Tata Power also got some orders. So when they give their orders to players like us, so do they give the whole package of manufacturing, installation and maintenance and everything? Or they keep -- they just give the manufacturing portion, and the installation and maintenance part is done by them? How is the structure generally?
- Jitendra Agarwal:** Different clients have different requirements. Lot of them want us to do end-to-end, but we at Genus, we are going to be only a technology provider. This can be meter. This can be software. This can be communication. But yes, we are not going to take their installation services. We have enough in our own company. So for them -- for the other AMISP players, we will be a sole technology provider.
- Soniya Varnekar:** So sir, when you say a technology provider, so from the overall piece, what percentage roughly of that pie would come under that like 20%, 30% roughly?
- Jitendra Agarwal:** That will be around 35%, 40%. So it will be meter. We can also provide the software with communication, without communication. It depends on the requirement of the client, with mostly meters.
- Moderator:** The next question is from the line of Mr. Rahul Kothari from Grit Equities.
- Rahul Kothari:** Just to further understand on the selling of meters to other AMISPs. I just wanted to understand, on a broader note, how is the company's approach towards it? Whether it's more of considering that there are limited large players in India to manufacturing smart meters. So it's more of an inbound inquiries that we are entertaining. Or with large houses participating as AMISP, for the long term, we are also marketing smart meters to them to secure product -- to

secure tie-ups with them. And secondly, also, please help me understand the competitive landscape when it's about selling only product to other AMISPs?

Jitendra Agarwal:

We have to understand one simple thing, Genus has always been an electronic energy meter, and we continue to do the same. So we are approaching all the AMISP project owners and doing our marketing to sell meters to them.

So with that full commitment. It's not that we have become an AMISP and now we are not serious about selling our meters or technology to our customers.

So that business, what we have been doing in the past and which is going to continue in the future also. So now it's a kind of competition also and collaboration also. During tender, sometimes we compete with them -- but when it comes to - once the tender is decided, once orders have been placed, we work with them as they are our customers, and we work very closely with them.

When it comes to competitive landscape, is like every business has a good competition, and meter business has equal competition. What it used to have earlier also - some three, four good companies in the country are major players in this smart meter.

Rahul Kothari:

Yes, sir. Just to understand, more on that. Considering the flow of orders across the AMISP, do we foresee that over the period, next one year or two years, there would be a demand and supply gap or more on the -- towards meter manufacturers like almost capacity utilization for us, full capacity, either for our...

Jitendra Agarwal:

I feel it will be full capacity utilization. Demand and supply side, I don't want to comment right now; maybe after 12 months, there will be some picture in front of us, but currently, I don't see any demand and supply gap.

Rahul Kothari:

Okay. And sir, just last one. So what is the current order book that we are having as of now? Considering 27 months' time line, it is safe to assume that for this FY '23, '24, '25, '26, almost all this order has to be installed -- product has to be supplied and installed in the market, right?

Jitendra Agarwal:

Yes. From the date of agreement, we have to complete these in 27 months. Mostly by the end of '26, we will also complete this project.

Moderator:

The next question is from the line of Mr. Narayan Singh from Nuvama Securities.

Narayan Singh:

I just have one -- two questions actually. In the smart meter as OEM, so how many OEMs do we have in India? Because -- I am tracking another company, HPL. So they also say that they have a market share of 22 -- 30% or 25%. And from Genus also, I read that 27% of market share. So where is this other approximately 50% of supply coming from? Do we have some other manufacturers in India? Or are they imported? So -- if you can cover these details.

Jitendra Agarwal:

So there are no imported meters in the country. They are all Indian manufacturers. And there are companies like Schneider, Secure Meters, HPL, Avon meters, they are a few good manufacturers who are in the market.

- Narayan Singh:** Okay. I have next question, actually, it's more of your organization long-term vision. So I mean do you see that now you are in front of this massive order book, which probably brings a lot of cash flows in the next two years, three years.
- So -- what is your vision for the company? So what do you want to do with this cash, sir? I mean it's too early probably to speak about these things, but just I want to understand, are we just about this only one way? Or you plan to use cash to maybe build organization for bigger things in future? Would be really helpful to know from your view, sir?
- Jitendra Agarwal:** Definitely, I want to build an organization for the very long term. But beyond that, I don't want to make any statements right now.
- Moderator:** The next question is from the line of Milind Karmarkar from Dalal & Broacha.
- Milind Karmarkar:** Yes. So a couple of things. One was around the debt or the money that you plan to raise, I think, \$40 million or \$50 million. What will it be -- what will be the end use for that?
- Kailash Agarwal:** It will be for the Bihar project we will be doing in the company. That will not be transferred to the Platform.
- Milind Karmarkar:** Okay. The second question would be something similar to what the previous participant asked, which was, I know that next four years, five years, the company has got its hands full. Beyond that, I just wanted to understand what kind of opportunities do you see in this field of metering, sir?
- Jitendra Agarwal:** See, electricity has become most important thing for the human kind. So with the way the use of electricity is increasing, the future of metering companies or the companies involved in this kind of work is very, very bright. There will be a lot of opportunities beyond metering also, which will get opened up for people like us in the times to come.
- Milind Karmarkar:** One last question from my side was about these meters. So I'm told that especially in Maharashtra what is happening is that the smart meters are being installed, and the money is being recovered from the consumer by increasing his or her electricity bill. So there's a charge which comes in addition to the normal charge. How is it happening across India? Are each state is different? That is how much does the consumer have to pay? And how much is contributed by the government and the state electricity board? How does it work?
- Jitendra Agarwal:** Nothing is to be paid by the consumer. Even in Maharashtra, I'm pretty sure there's nothing to be paid by the consumer. You have some confusion in there. Further, get your data corrected. But as per my understanding, no electricity board or no utility...
- Milind Karmarkar:** Sorry, sir, your voice is inaudible. Could you please repeat?
- Kailash Agarwal:** Basically, there must be some confusion to you. There is nothing like that even in Maharashtra also. Nothing is being charged by the consumer in any of the states, what we know of.
- Milind Karmarkar:** Okay. Because I was reading the newspaper report which said that or maybe they have got it wrong?

- Kailash Agarwal:** So there might be some confusion in understanding or something like that.
- Moderator:** We'll take the next question from the line of Nikhil Abhyankar from ICICI Securities.
- Nikhil Abhyankar:** Just one question. Sir, prices for -- that you get for the AMISP are fixed -- once we win the order. So who takes the pricing risk for the smart meters? Do we take it? Or does the Platform take it?
- Kailash Agarwal:** We will take that.
- Nikhil Abhyankar:** We will take it. So okay. So in case we are not able to supply or any case there are delays, so whatever the cost escalations, we wouldn't get any price hikes for it right?
- Kailash Agarwal:** No, no. But it will be through the utility only, there will be any mistake of utility, then it will be passed to us.
- Nikhil Abhyankar:** I'm sorry, sir, can you repeat that.
- Kailash Agarwal:** If anything, Platform will get you from utility because of their delays. It will be passed to us.
- Moderator:** The next question is from the line of Mr. Rahul Kothari from Grit Equities.
- Rahul Kothari:** Sir, now that a good amount of tenders are in the market, so do you see there is any change in the pricing at the AMISP level or on the smart meter level - since it's more of large volume orders are being discussed? Compared to six months before that was explained?
- Jitendra Agarwal:** Nothing much. It is almost in the same range.
- Rahul Kothari:** Okay, okay. And sir, secondly, now that it's almost a quarter end we are into -- we have secured the orders, how is the ground execution front with regards to the team bandwidth and execution there -- with the -- on the ground front, are we facing like how -- at the organization level, how are we gearing it up -- gearing for it?
- Jitendra Agarwal:** We knew this 12 months back, what we are entering into, which was not something absolutely alien to us because in the past also we have done some key projects in large numbers.
- So we have been building our capability significantly to make sure that all these projects are executed well within time. And I'm very confident that, yes, we will be able to execute these projects well within time.
- Rahul Kothari:** Sir, one more thing, with regards to the technology front. One is meter and another is the communication technology. So is it our own built technology? Or we have some kind of joint venture with some technology service providers?
- Jitendra Agarwal:** No, we don't have any kind of joint venture. Most of the technologies are in-house. And then they are -- Telecom is, of course, Reliance Jio and Airtel are the 2 largest telecom players in the country. And there are some very good software vendors in the country. We work with TCS also very closely. So we have our vendor there and then a lot of things we do in-house.

Moderator: Ladies and gentlemen, that was the last question for the day. I would now like to hand the conference over to Kailash sir, for closing comments.

Kailash Agarwal: Thank you, everyone, for joining this call. As we continue to strengthen our position in the smart metering industry, we are grateful for the hard work and dedication of our team members who have made this achievement possible.

We remain committed to our core values of innovation, sustainability and customer satisfaction. And we are excited about the opportunities and challenges that lie ahead.

In case of any further queries, please contact SGA, our Investor Relation adviser.

I wish you all a very, very happy Deepawali and happy prosperous New Year. Thank you.

Jitendra Agarwal: Wishing everyone a very happy Diwali. Thank you everyone. Thank you.

Moderator: Thank you, sir. On behalf of Genus Power Infrastructures Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.