

May 29, 2021

BSE Limited,
(Corporate Relationship Department),
P J Towers, Dalal Street,
Fort,
Mumbai- 400 001

BSE Code: 530343

National Stock Exchange of India Ltd., (Listing
& Corporate Communications),
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051.

NSE Symbol: GENUSPOWER

Sub: Press Release on the Audited Financial Results for the quarter and year ended March 31, 2021.

Dear Sir/Madam,

We enclose herewith a copy of Press Release on the Audited Financial Results for the quarter and year ended March 31, 2021.

Thanking you,

Yours truly,

For **Genus Power Infrastructures Limited**



Ankit Jhanjhari
Company Secretary

Encl. as above



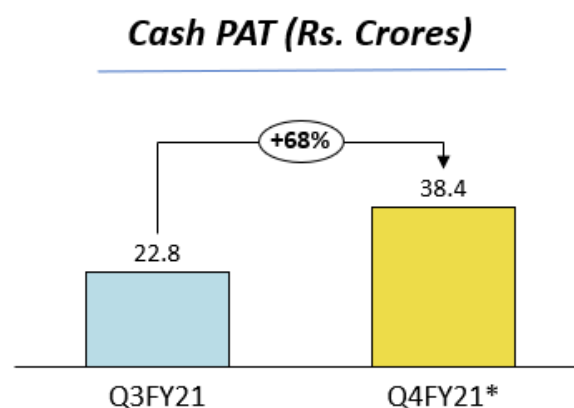
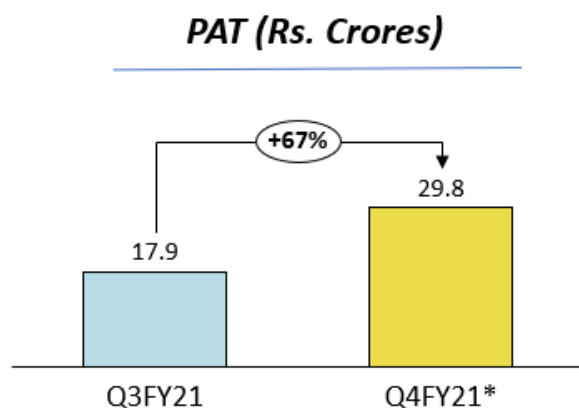
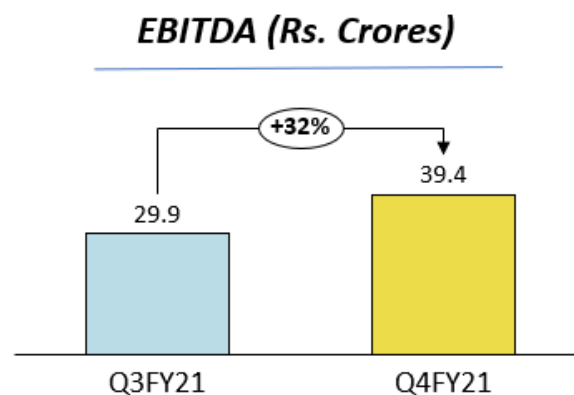
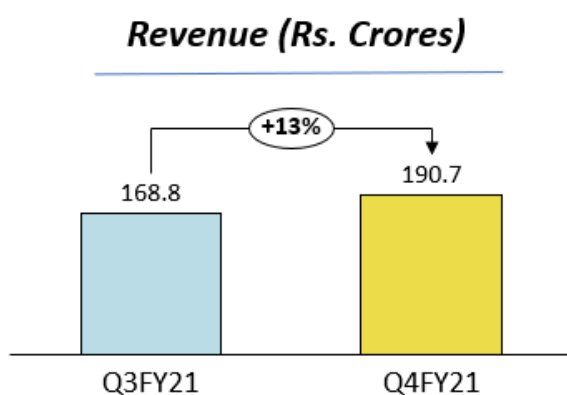
GENUS POWER INFRASTRUCTURES LIMITED

Announces Q4FY21 Results

- Order Book at end of 31st March 2021 stood at Rs. 931 Crore (net of tax)
- Order book to be executed over next 9-12 months

Jaipur – 29th May 2021 – 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 31st, 2021.

Standalone Financial Snapshot Q4FY21:



*Inclusive of Rs. 10.89 crore of reversal of excess tax provisions done by the company in previous period

Note: Cash PAT includes PAT + Depreciation + Deferred Tax

Performance Highlights for Q4FY21:

- Revenue stood at Rs. 190.7 crore, up by 13%, as against Q3FY21 revenue of Rs. 168.8 crore. The revenue growth was lower than the optimal level as volume offtake was impacted on account of disruptions caused by second wave of COVID-19 pandemic
- EBITDA Profit stood at Rs. 39.4 crore, recording an increase of Rs. 32%, as against Rs. 29.1 crore of Q3FY21
- EBITDA margin for Q4FY21 was at 20.7%, up by 299 basis points, as compared to 17.7% in Q3FY21. Margins have improved on account of cost control measures adopted by the management resulting in reduction in other expenses
- Profit before tax grew by 11% to Rs. 30.4 crore as compared to Rs. 27.5 crore in Q3FY21
- PAT stood at Rs. 29.8 crore, up by 67% viz-a-viz Rs. 17.9 crore in Q3FY21. PAT is inclusive of Rs. 10.89 crore of reversal of excess tax provisions done by the company in previous period
- Cash PAT stood at Rs. 38.36 crore, recording an increase of 68%, as against Rs. 22.8 crore in Q3FY21

Key Business Updates:

- **Order Book**
 - Order inflow has been subdued on account of COVID-19 pandemic led disruptions. Our order book stood at **Rs. 931 crore (net of tax)**
- **Reforms-Linked, Result-Based Scheme for Distribution' (RLRBSD)**
 - Government of India has announced new scheme, namely '**Reforms-Linked, Result-Based Scheme for Distribution' (RLRBSD), with an outlay of Rs. 3.5 trillion over next 5 years**, to help reduce losses and improve the efficiency of DISCOMs
 - The scheme will provide assistance to DISCOMs for infrastructure creation including pre-paid smart metering, feeder separation, upgradation of systems, etc., tied to financial improvements
 - Government is expected to contribute around Rs. 60,000 crore of the scheme's corpus, and the rest will be raised from multilateral funding agencies such as the Asian Development Bank (ADB) and the World Bank
 - This new scheme will subsume programmes such as the Integrated Power Development Scheme and the Deen Dayal Upadhyaya Gram Jyoti Yojana
 - The **scheme has compulsory prepaid and smart metering component** to be implemented across the power distribution chain, including in about 250 million households
 - Out of Rs. 3.5 trillion, approximately Rs. 1,50,000 crore has been earmarked solely for smart meters
 - Currently, only 3 million smart meters have been installed in India vs. the targeted 250 million
 - **Importantly, funds under the new scheme will be released to DISCOMs subject to them meeting reform-related milestones**
 - **The scheme is aimed at helping DISCOMs trim their electricity losses to 12-15% from the present level of AT&C losses which currently stand at about 25%**

- The aim is to gradually narrow the deficit between the cost of electricity and the price at which it is supplied to zero by March 2025

IntelliSmart Infrastructure Private (IntelliSmart)

- Energy Efficiency Services Limited (EESL), along with the National Investment and Infrastructure Fund (NIIF), has formed a JV – IntelliSmart Infrastructure Private (IntelliSmart) – to **implement the smart meter roll-out programme of DISCOMs**
- IntelliSmart operates on OpEx model, which is a typical build-operate-transfer (BOT) model – where-in **IntelliSmart will undertake the capex and install the smart meters without charging any money to DISCOMs**
- Once the meters are commissioned the utilities start saving on the AT&C losses to the tune of Rs. 225 per meter per month on an average. IntelliSmart charges anywhere between Rs. 75-100 per meter per month. So, these smart meters become an instrument of pay as you save. **Under this model the DISCOMs are not investing anything and pay the fees through savings they make**
- **Currently, DISCOMs have been pre-dominantly employing the capex model that is not efficient.** As they set up few thousand meters on capex mode, it takes away their valuable funds that can be invested into network correction
- IntelliSmart is proactively canvassing **‘Pay-as-you-save model’** in order to break the inertia of DISCOMs who are resisting the adoption of OpEx model
- The investment is done by IntelliSmart that is backed by sovereign wealth fund NIIF

Commenting on the performance Mr. Jitendra Kumar Agarwal, Joint Managing Director, Genus Power Infrastructure said, “The business momentum was severely affected in the latter half of Q4 on account of disruptions due to second wave of COVID-19 pandemic in India. With cases on decline and the state governments slowly relaxing lockdown measures, the metering business should start getting the necessary impetus going forward.

The rollout of new scheme i.e. ‘Reforms-Linked, Result-Based Scheme for Distribution’ (RLRBSD) by the Government of India - which is to be implemented for next 5 years - to reform the Indian power sector by creating new infrastructure is a very important harbinger for Indian smart metering industry as about half of the total funds of the scheme are likely to be deployed for installation of smart meters. This scheme is being seen to address the core issues of billing-collection inefficiencies and pilferage that cripple the Indian power sector. It is also vital to note that the disbursements under the scheme will be linked to the adherence to the loss reduction trajectory and there will be annual reviews to assess the DISCOMs’ performance. At the same time the ‘Pay-as-you-save model’ devised by IntelliSmart could be the game changer for Indian smart metering business, for it will lead to easier capex funding as well as lower working capital cycle for DISCOMs.

The credit profiles of DISCOMs continue to remain stressed due to higher level of aggregate technical and commercial (AT&C) losses, inadequate tariffs in relation to their cost of supply, and inadequate subsidy support from the respective state governments. Total outstanding dues of the DISCOMs towards power generating firms stood at over Rs 1.35 lakh crore as of December 2020. Such high level of liabilities are

unsustainable for DISCOMs and adhering to the power sector reform measures being undertaken by the central government has become a must.

Smart meters will play an important role in solving this challenge, as installing these meters, will immensely improve the financial situation of power distribution companies. State Electricity Boards have already witnessed that implementation of smart metering is extremely beneficial and all across the country momentum is building up in favour of smart meters. In light of the thrust being given by the central government, the tender activity for smart metering should pick up pace in the second half of calendar year of 2021. Pre-paid smart metering also leads to immediate generation of working capital for DISCOMs which is highly advantageous, as the revenue is generated at the point of sale, which otherwise takes a couple of months.

As smart meters are high-end products (viz-a-viz conventional meters), the profitability is also better. And with end-clients increasingly requesting for end-to-end solutions with Facility Management Services (FMS) leads to increased incentive of recurring revenue. We expect the FMS component of our revenue to constitute about 8 to 10% of our total revenue, in foreseeable future.

Metering Industry in India has also realized that smart meters require a lot of customization and R&D as every SEBs has its own specifications. So smart meters in India cannot be commoditized as it is a custom-built product. Considering the specialized nature of smart meter industry in India and an enormous market, we expect price realizations to remain healthy and the forthcoming period of 6 to 7 years to remain very favourable. Also, as a strategy we have designed our building and manufacturing infrastructure in a way, which will enable us to easily double our manufacturing capacity in short period of 6 months, whenever required.

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 25 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.”

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.genuspowers.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.

For further details please contact:

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