

July 30, 2020

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 Unaudited Financial Results for the quarter ended June 30, 2020.**

Dear Sir/Madam,

We enclose herewith a copy of Press Release on the Unaudited Financial Results for the quarter ended June 30, 2020.

Thanking you,

Yours truly,

For **Genus Power Infrastructures Limited**

**Director/Company Secretary**

Encl. as above

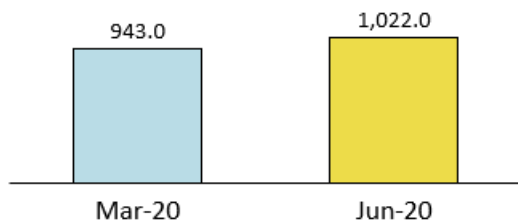
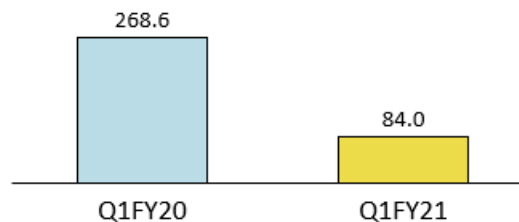
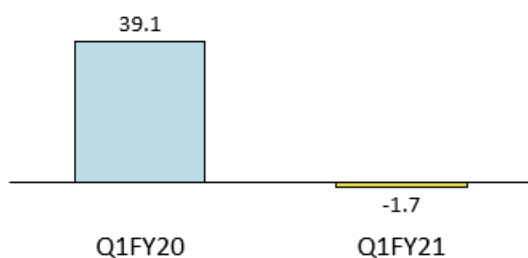
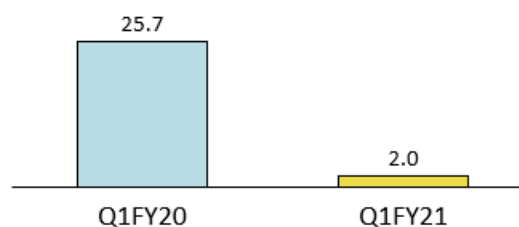
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**GENUS POWER INFRASTRUCTURES LIMITED**
**Announces Q1FY21 Results**


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- Order Book at end of 30<sup>th</sup> June 2020 stood at Rs. 1,022 Crore (net of tax)
- To be executed over next 9-12 months

**Jaipur – 30<sup>th</sup> July 2020** – Genus Power Infrastructures Ltd., a leading Metering solutions provider & manufacturer for the Power Distribution Industry, announced its unaudited financial results for the first quarter ended June 30<sup>th</sup>, 2020.

**Standalone Financial Snapshot Q1FY21:**
**Order Book (Rs. Crores)**

**Revenue (Rs. Crores)**

**EBITDA (Rs. Crores)**

**Cash PAT (Rs. Crores)**


## Performance Highlights:

- Q1FY21 revenue stood at Rs. 84.0 crore as against Q1FY20 revenue of Rs. 268.6 crore. The fall in revenue was on account of loss of production on account of lockdown, which resulted in sub-optimal capacity utilization in Q1FY21
- Q1FY21 EBITDA Loss stood at Rs. 1.7 crore against EBITDA Profit Rs. 39.1 crore of Q1FY20. We witnessed operating loss on account of non-absorption of fixed costs. However, we made every effort to protect our margins by efficiently procuring our raw material requirements, rationalizing our operating expenses and reducing our fixed cost
- Net Loss stood at Rs. 3.4 crore for Q1FY21 against PAT of Rs. 20.2 crore in Q1FY20
- Cash PAT stood at Rs. 2.0 crore for Q1FY21 as compared to Rs. 25.7 crore in Q1FY20

## 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. Also, we have remained very conservative in selecting our clientele, with security of payment becoming a key focal point. We will continue to witness, demand shifting from conventional meters to smart meters. Our order book stood at **Rs. 1,022 crore (net of tax)**
  - The smart meters are expected to play a significant role going forward on following grounds:
    - Government may announce a new SAMARTH scheme (formerly ADITYA Scheme) in the coming quarters, which envisages implementation of compulsory smart metering across the power distribution chain, including 250 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
    - 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
- **Recommendation of Dividend**
  - The Board of Directors have recommended a Dividend of Rs. 0.10 per equity share on face value of Rs. 1/- per equity share for FY20, subject to approval of shareholders at the Annual General Meeting

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

“COVID-19 led lockdown led to disruption in our business operations in Q1FY21, resulting in spillover of our sales to forthcoming quarters. Despite challenging circumstances, we are pleased to have reported positive Cash PAT of Rs. 2 crore. Notwithstanding the washout in Q1FY21 due to COVID-19, we are confident of matching our FY20 financial performance in FY21 too, provided there are no further shocks. There was miniscule order inflow in Q4FY21, as the awarding of contracts which historically tends to happen in the months of May and June, have been delayed by period of 3-4 months on account of COVID-19 pandemic. Thus, we expect robust order inflows to start from the month of November.

Enormous demand for smart meters is coming up, thanks to the thrust which is being provided by the Ministry of Power and State Governments. Also, there are reports, that due to security concerns, Chinese companies may be shut out of the smart metering programme in India. Union Power Ministry is not in favour of state-run Energy Efficiency Services Limited (EESL) using Chinese meters, given that these are connected to the electricity distribution networks, which is a sensitive sector. If Chinese players are forbidden to participate in tenders for smart meters, then it will be a big boost for Indian Smart Metering Industry, as Chinese companies used to enjoy export subsidy support from their government, distorting the level playing field.

Smart Meters are no longer a point of debate or contention for the stakeholders in Indian Power Sector. According to the latest study, the DISCOMs’ average billing efficiency is 83% and collection efficiency is 93% in India. Due to this under-billing and under-recovery of collections, more than Rs. 1 lakh crore of revenue is lost annually by DISCOMs. 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.

Smart Meters have proved their worth during lockdown, as it helped curtailed the losses for the DISCOMs that had adopted them. Smart Meters enabled these DISCOMs to handle their operations smoothly in the time of crisis, as they were able to generate 95% of billing efficiency during the lockdown, as against just 29% for the rest. Smart meters helped DISCOMs in handling the COVID-19 led crisis effectively by enabling auto collection of meters read over the air, reducing the need for manual intervention, remote connect/disconnect and enabling digital payments of bills. The DISCOMs using smart meters have seen 15-20% average increase in monthly revenue per consumer, according to the EESL, showcasing a wide gulf between smart meter users and otherwise, highlighting their remarkable efficacy. 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.

The moratorium on bill payments due to the pandemic has impacted DISCOMs’ collection efficiency and led to delay in the payment of dues by them, stretching our working capital. Under the ‘Atmanirbhar Bharat Abhiyan’ economic package, the Government of India had announced that it would infuse Rs. 900 billion into DISCOMs, which is now likely to be increased to Rs. 1.25 trillion. This enhanced quantum will enable DISCOMs to clear their dues, which may enable us to reduce the stress on our working capital cycle.

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.

### **For further details please contact:**

Company	Investor Relations Advisors
 <p><b>Genus Power Infrastructures Ltd</b>                      CIN No: L51909UP1992PLC051997                      Ankit Jhanjhari                      Email id: <a href="mailto:cs@genus.in">cs@genus.in</a></p>	 <p><b>Strategic Growth Advisors Pvt Ltd.</b>                      CIN No: U74140MH2010PTC204285                      Shogun Jain / Parin Narichania                      Email id: <a href="mailto:shogun.jain@sgapl.net">shogun.jain@sgapl.net</a> / <a href="mailto:parin.n@sgapl.net">parin.n@sgapl.net</a>                      Tel No: 7738377756 / 9930025733</p>