

January 22, 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 Unaudited Financial Results for the quarter and nine months ended December 31, 2020.**

Dear Sir/Madam,

We enclose herewith a copy of Press Release on the Unaudited Financial Results for the quarter and nine months ended December 31, 2020.

Thanking you,

Yours truly,

For **Genus Power Infrastructures Limited**

**Ankit Jhanjhari**  
**Company Secretary**  
Encl. as above

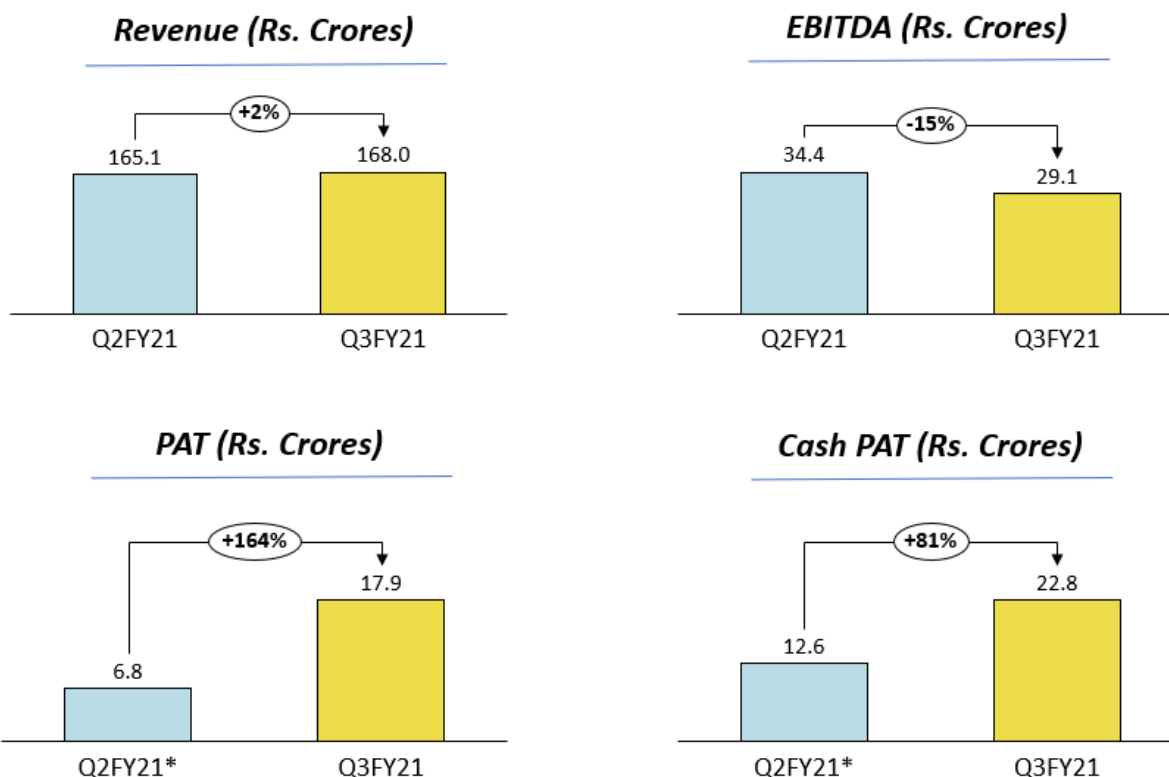
## GENUS POWER INFRASTRUCTURES LIMITED

### Announces Q3FY21 Results

- Order Book at end of 31<sup>st</sup> December 2020 stood at Rs. 1,005 Crore (net of tax)
- Order book to be executed over next 9-12 months

Jaipur – 22<sup>nd</sup> January 2021 – 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 nine months ended December 31<sup>st</sup>, 2020.

#### Standalone Financial Snapshot Q3FY21:



\*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'

Note: Cash PAT includes PAT + Depreciation + Deferred Tax

## Performance Highlights for Q3FY21:

- Revenue stood at Rs. 168.0 crore, up by 2%, as against Q2FY21 revenue of Rs. 165.1 crore. The revenue growth was impacted by subdued volume offtake by SEBs
- EBITDA Profit stood at Rs. 29.1 crore as against Rs. 34.4 crore of Q2FY21. The impact was on account of product mix, higher employee costs and overheads built in anticipation of higher order book execution
- PAT stood at Rs. 17.9 crore, up by 164% viz-a-viz Rs. 6.8 crore in Q2FY21
- Cash PAT stood at Rs. 22.8 crore, recording an increase of 81%, as against Rs. 12.6 crore in Q2FY21

*Note: 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 further by more than 2-3 months than earlier anticipated, as decision making process on part of Government got delayed on account of COVID-19 pandemic led disruptions
  - Currently, only 2 million smart meters have been installed in India vs. the targeted 250 million
  - State Electricity Boards have witnessed that implementation of smart metering is extremely beneficial and all across the country momentum is building up in favour of smart meters
  - We will continue to witness, demand shifting from conventional meters to smart meters. Our order book stood at **Rs. 1,005 crore (net of tax)**
  - The smart meters are expected to play a significant role going forward on following grounds:
    - Government envisages implementation of compulsory smart metering across the power distribution chain, including 250 million households
    - Smart Metering aims to lower aggregate technical and commercial (AT&C losses of DISCOMs to below 12% (from 22%) and eliminate gaps between costs and revenue of DISCOMs, which are plagued by low collections, theft of power etc.
    - Automation of billing process shall result in recovery of AT&C losses, which are about Rs.1 lakh crore per annum
    - The Ministry of Power has begun the process to set up a Rs.2,000 crore joint venture (JV) for providing a common backend infrastructure facility (CBIF) to DISCOMs for faster roll out of smart electricity meters in the country. The JV would have four promoters, NTPC Ltd, REC Ltd, Power Grid Corporation of India Ltd (PGCIL) and Power Finance Corporation (PFC)
    - CBIF will enable the fast-track implementation of smart meters across the country by offering DISCOMs a plug and play architecture with standardized pre-configured, pre-integrated, scalable back end infra

- **Business Restructuring**
  - Board of Directors has approved the Business Restructuring resulting in demerger of Strategic Investment Business Undertaking Division of the Company
  - The process involves the following steps:
    - Wholly owned subsidiaries of Genus Prime Infra Limited - Sansar Infrastructure Private Limited, Star Vanijya Private Limited and Sunima Trading Private Limited - will be amalgamated with Genus Prime Infra Limited (a listed entity)
    - Demerger of Investment Business Undertaking of Genus Power into Genus Prime Infra Limited
    - Yajur Commodities Limited (a group company of Genus Power in which it owns 19.70% stake) will be merged with Genus Prime Infra Limited
    - In lieu of this scheme of arrangement: -
      - Shareholders of the Genus Power will get shares of Genus Prime Infra Limited in ratio of 6:1
      - Shareholders of the Yajur Commodities Limited will get shares of Genus Prime Infra Limited in ratio of 5:3
  
- **Strengthening of Board of Directors**
  - We are pleased to welcome Mr. Subhash Chandra Garg and Dr. Keith Mario Torpy to the Genus Power Board of Directors. These appointments reinforce our ability to attract the most influential leaders from across the industry.
  - Mr. Subhash Chandra Garg (Independent Director) was an IAS officer from the 1983 batch in Rajasthan cadre. He has served as Economic Affairs Secretary (July 2017-July 2019) and Finance Secretary of India in the Ministry of Finance and as Secretary, Ministry of Power (July 2019-October 2019). His appointment provides an important layer of oversight which will help us further strengthen our internal controls, corporate governance and prepare for our next stage of growth. His appointment will strengthen our board and fortify our corporate policies with a commitment to maximize value for our shareholders.
  - Dr. Keith Mario Torpy (Non-Executive, Non-Independent Director) is an established and highly respected professional with over 25 years of global experience in the field of Smart Metering Technology and Product Development. He brings strong domain knowledge of smart metering businesses combined with a deep understanding of how new digital technologies are evolving. He will play a key role in building new platforms of growth, developing new product capabilities, expanding our international footprint and securing our long-term growth.

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

“The effect of COVID-19 led disruptions on business operation has dissipated, but the overhang is likely to remain on business operations for this fiscal year. This is primarily on account of customer-centric nature of our business, which requires human intervention for installation of meters. This has affected the volume offtake from DISCOMs. However, the payment inflows from DISCOMs and SEBs have improved over the last quarter.

The ordering from DISCOMs and SEBs has been delayed by 2 to 3 months against the earlier anticipation. However, the tendering process has been robust. We have participated in tenders about worth Rs. 4,500 crore and expect healthy order inflows within Q4FY21.

There is increased thrust by the government authorities on smart meters as it remains the key catalyst for reducing the AT&C losses faced by DISCOMs. Smart meters not only lead to reduction in theft of power and improved billing efficiency but also enable DISCOMs to undertake end-to-end mapping of load from power grid to end-users, which improves the overall operational efficiency of the entire power industry.

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 are also slowly gaining foothold in gas meter market, where we have recently bagged order for supplying 10,000 gas meters, which we believe is a very good beginning. Also, 80-90% of Indian gas meter market is currently being catered by only one company. This shall provide us an opportunity to make our presence felt and play a key role in the market. We also plan to leverage our connections with government authorities to gain market share in gas metering business.

As part of our efforts to sharpen the focus of the management team, the company has embarked on a restructuring plan. The bank guarantee given by Genus Power to other group companies has also been reduced substantially to about Rs. 22 crore (from Rs. 230 crore earlier), which is expected to be squared off completely by the end of this financial year.

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.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:
 <b>Genus Power Infrastructures Ltd</b> CIN No: L51909UP1992PLC051997 Ankit Jhanjhari Email id: <a href="mailto:cs@genus.in">cs@genus.in</a>	 <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