

February 21, 2025

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: Transcript of Earning Call.**

Dear Sir/Madam,

We enclose herewith transcript of Earnings Call held on February 14, 2025 to discuss operational and financial performance for the quarter ended December 31, 2024.

Kindly take the same on your record.

Thanking you,

Yours truly,

For **Genus Power Infrastructures Limited**

**Puran Singh Rathore**  
**Joint Company Secretary & Compliance Officer**  
Encl. as above



## “Genus Power Infrastructures Limited Q3 FY25 Earnings Conference Call”

**February 14, 2025**

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 14<sup>th</sup> February 2025 will prevail



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

**ANALYST: MR. ABHIJEET MUKESH PUROHIT - KAVIRAJ  
SECURITIES**

**Moderator:** Ladies and gentlemen, good day and welcome to Q3 FY25 Earnings Conference Call of Genus Power Infrastructures Limited hosted by Kaviraj Securities Private Limited.

As a reminder, all participants' lines will be in a listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '\*' then '0' on your touchtone phone. Please note that this conference has been recorded.

Please note this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Abhijeet Mukesh Purohit from Kaviraj Securities. Thank you, and over to you, sir.

**Abhijeet Mukesh Purohit:** Thank you. Good evening everyone. Kaviraj Securities Private Limited welcomes you all for Q3 and 9-month FY25 earnings conference call of Genus Power Infrastructures Limited. Today on the call, we have with us Mr. Kailash Agarwal, Vice Chairman and Mr. Jitendra Agarwal, Joint Managing Director. Now without any further delay, I would like to hand over the call to Mr. Kailash Agarwal for his opening comments, post which we would open the floor for Q&A session. Thank you and over to you, Kailash sir.

**Kailash Agarwal:** Good evening, everybody. As I am traveling, I would request to have the question answers. We can start with the question answers because I don't have the details or the numbers, the opening remarks with me. So, sorry for that. And please, we can go for the question answers, please.

**Moderator:** Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask questions may press '\*' and '1' on their touchtone telephone. If you wish to remove yourself from the question queue, you may press '\*' and '2'. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. First question is from the line of Darshil Pandya from Finterest Capital, please go ahead.

**Darshil Pandya:** Yes, sir, congratulations on this great set of numbers, sir. Sir, my first question would be on the EBITDA margin side, since this has been one of the best margins that we have done in the company's history. What led to this margin expansion, and what kind of margins do we expect going forward from this?

**Kailash Agarwal:** Basically, we have given guidance of 15%-16% EBITDA always, 16% EBITDA always, and you have to stick on that. There might be some differences in the margin from quarter to quarter, but we should not see that. It's always we have to see the average margins on the

yearly basis. That is important. So, we are again on the same guidance that we will be doing a 15%-16% EBITDA and that is for sure.

**Darshil Pandya:** I get it. But sir, what led to this margin expansion for this quarter?

**Kailash Agarwal:** Sometimes it happens. It is the quality of meters, the number of meters. There are many things that is not properly explainable. Basically, it's always important to understand the average margins.

**Darshil Pandya:** Got it. And sir, can you please elaborate something on this strategic investment business segment? What is it?

**Kailash Agarwal:** Sorry?

**Darshil Pandya:** Strategic investment business that we have separately shown in our P&L.

**Kailash Agarwal:** So, that's already we are working on that and that's already filed in NCLT. That's a different investment in non listed companies and some group companies and all that is going out. That is already being filed with the demerger of the company and it is taking some time and that is the only thing. It's a very old process going on.

**Darshil Pandya:** And lastly, sir, I'd like to have some update regarding the ED search that happened in the month of December that the company notified on the exchange. What's the update on that? Have they find any material?

**Kailash Agarwal:** We have already given updates on that, that the company that has been searched and we have informed that to the exchanges. And after that, we haven't received anything from the department or from the court or anything. Once we will get that, we will inform for sure.

**Darshil Pandya:** Got it. That actually makes sense, sir. Thank you so much, sir. I will get back into the queue. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Mahesh Patil from ICICI Securities. Please go ahead.

**Mahesh Patil:** Yeah, hello sir. Thanks for the opportunity. So, my question is on the other expenses which have gone up substantially this quarter. So, anything particular, any one off due to which the expenses have gone up. Other expenses I am talking about?

**Kailash Agarwal:** Other expenses you will see in consolidated, that has gone up because as per the accounting policy, I don't know that is because of the auditors only. When they say that MTM or mark to mark, it's all the notional. One thing you have to understand that it is a notional thing. Whenever there is a profit, they take it in other income. And whenever there is a loss in MTM, they take it in other expenses. So, that is being taken in as other expenses because of the MTM

of the Genus Paper, the shares hold by Genus Power because of that, that has been increased. So, otherwise there is no significant increase in other expenses.

**Mahesh Patil:** Okay sir. And sir my second question is on the ordering.

**Kailash Agarwal:** Sorry?

**Mahesh Patil:** On the ordering sir.

**Jitendra Agarwal:** Hello. Can you repeat? I could not take your, could not understand your question.

**Mahesh Patil:** Sir, my second question is on the orderings, smart meter ordering. Any further orders that have been, I guess we haven't received anything in Q3, right? Any further orders that are in pipeline, any tenders that are there?

**Jitendra Agarwal:** Well, there are no major tenders in the pipeline. Yes, there are always few tenders going on, but there are no major tenders in the pipeline and on the ordering side, Genus is fairly good. If you ask me personally, I would rather be more happy when nothing much happens in the next 6 to 9 months, which is definitely not in our hands. But otherwise, yes, there's no major tenders happening in the next quarter at least.

**Mahesh Patil:** And sir, another question that I had on the, so whatever meters that we have installed, that we have executed the orders. There is this payment milestone, right? I think four or five months down the line or 35% of meter, something like that - post which the monthly charges for the meter start, correct?

**Jitendra Agarwal:** There is no payment milestone as such. Whenever you install a meter, then you have to do the operation go live. It works in this fashion. So, I don't know what milestone you're talking about. I don't see if there's any payment milestone. Every tender is different, but there is no payment milestone as such.

**Mahesh Patil:** Okay. From what I understood was after four or five months there was some milestones like 30% of meters or something like that installed. It might vary from tender to tender obviously. Post with, after the testing of those meters, then the monthly service charges.

**Jitendra Agarwal:** See it is for different type of meters that for first six months, you have to install some percentage of DT meters, some percentage of FIDA meters. So, your question is not very clear. So, there's no as such payment milestone.

**Moderator:** Thank you. The next question is from the line of Akash Mehta from Canara HSBC Life. Please go ahead.

**Akash Mehta:** Hi, sir. So, my first question is in terms of the number of meters that have been manufactured during the quarter. I mean if you could just help out with that number first?

**Jitendra Agarwal:** Number of meters manufactured.

**Akash Mehta:** Yes, made during the quarter.

**Jitendra Agarwal:** In the last quarter,

**Akash Mehta:** So, we are supplied. Because our target was about a million, right, a month? So, where are we in terms of that?

**Jitendra Agarwal:** So, last quarter, absolute exact number I don't have in my hand. But we have produced closer to 3 million meters.

**Akash Mehta:** Okay, so it was 2 million in the previous quarter, right? I mean, and then it has increased to 3 million. Is that correct?

**Jitendra Agarwal:** Yes.

**Akash Mehta:** Okay, so we are on track of 1 million.

**Jitendra Agarwal:** But it includes all smart meters and all. It's a complete product mix.

**Akash Mehta:** Okay, but if I were to make a like to like comparison, it's 3 million versus 2 million in the second quarter.

**Jitendra Agarwal:** It was not exactly 2 million, it is not exactly 3 million, but yes, quarter to quarter you can compare like that.

**Akash Mehta:** Understood. And second is on, sorry, if you could, I mean, any specific guidance in terms of FY26, I mean, and in terms of FY25 revenue guidance of Rs. 2,500 crores, we are maintaining that?

**Jitendra Agarwal:** We are 100% maintaining that.

**Akash Mehta:** And any guidance for FY26 on revenue and margins?

**Jitendra Agarwal:** Kailash Sir, if you want to speak on that, generally...

**Kailash Agarwal:** Can you please come again?

**Jitendra Agarwal:** No, he is asking for a guidance for FY26.

**Kailash Agarwal:** FY26, we have already given guidance last quarter that we will be doing another 30%-40% of... This year we have given a guidance of Rs. 2,500 crores and there will be surely an increase of 30% to 40% for next year.

- Akash Mehta:** And the margin would be broadly same that 15% to 16% range.
- Kailash Agarwal:** Yeah, margins already gave you the same.
- Akash Mehta:** Understood. And in terms of new tenders or new orders, that I mean the previous participant also questioned, I mean any specific reason why there has not been any pick up I mean over the past few months?
- Jitendra Agarwal:** If you will see historically also when country move from electromechanical to electronic meters, so there's no pattern as such, but it is becoming a pattern even historically. South was a little slower in moving to electronic meters. Same thing I am seeing in smart meters also. That South is moving a little slow. And if you ask me, frankly, it is good for the industry. You can't eat everything so fast. So, it is good for the industry also. Industry is getting matured. It is good for us, that they are taking their time - because already the order book is very very healthy.
- Akash Mehta:** Understood. That's it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Chinmay Kabra from Emkay Global Financial Services. Please go ahead. Yes, Mr. Chinmay, go with the question, please.
- Chinmay Kabra:** Congratulations for the great set of numbers. So, just wanted to gain an understanding on the net working capital days. Like you have previously mentioned, with the execution of the AMISP orders that we have taken up, net working capital days will see an incline in the initial period. Going ahead, it will see a dip. So, how has the net working capital days played out for us at present?
- Kailash Agarwal:** So, right now it's the initial stage where we are picking up the different projects. There are so many projects and every single project has, we are just picking up on that. So, right now there is no improvement in the working capital cycle, rather it is a little more than what we expected. But coming forward or going forward, it will be surely improved once the SAT (site acceptance test) or OGL (operational go live) of the different projects will start getting up. So, initially for the next six months, you will see that there is no improvement in the working capital cycle.
- Chinmay Kabra:** Any days or any range that we can give sir at which we are operating right now?
- Kailash Agarwal:** It's very difficult to give the range, because as I told you it's again a new business where we are putting the meters and we are getting the OGLs and the SATs to be done and almost there are 25 projects we are working on. So some projects are fast, some are slow - so it's very difficult to give the exact dates. But surely there will be improvement in the working capital cycle, but it will take some time.
- Chinmay Kabra:** Understood, sir. So, since you had mentioned in your press release that the Assam Brownfield CAPEX, the capacity expansion has taken place. I just wanted to understand how is the ramp

up in terms of execution going on over there, sir? Have we started production at the new capacity installed?

**Jitendra Agarwal:** Yes, we have already started production at the new capacity.

**Chinmay Kabra:** Understood, sir and if maybe you could get a capacity utilization level on a holistic Genus level maybe?

**Jitendra Agarwal:** Yeah, holistic Genus level and we are also supplying to all the utilities in the country. Not every utility is only buying smart meters. So, it is overall supporting our complete business.

**Chinmay Kabra:** Understood. So, just had one another question. So, since we did register a good 19% margin this quarter and if I just build in an approximate 15% to 16% margins for the entire year of FY25. So, basis the balancing figures or the estimates, my margins for Q4 come to around 12% to 12.5%. So, should we consider that? Going ahead, we can obviously see an escalation given our trajectory in the last 3 quarters, if we can see an improvement in that as well?

**Kailash Agarwal:** Can you come again with your question please? I am sorry.

**Chinmay Kabra:** Yes sir, sure. So, for the entire year, FY25, we have been going ahead with the guidance of 15% to 16%. Given that we have beaten this estimate in 9MFY25, can we see the similar pattern play out in Q4 in the sense that we could obviously come back in the 15% to 16% range registered in Q4 FY25, sir?

**Kailash Agarwal:** So, every quarter there will be a difference. It won't be a similar every quarter. There are so many things that vary from quarter to quarter. So, sometimes it will be more, sometimes it will be less. But the average you will see that will be 15%-16%.

**Chinmay Kabra:** Understood sir. Yeah, those are my questions. Thank you.

**Moderator:** Thank you. The next question is from the line of Darsh Solanki from Axis Securities. Please go ahead.

**Darsh Solanki:** Thank you. Most of my questions have been answered. Just one question.

**Jitendra Agarwal:** Your voice is not clear, Mr. Solanki.

**Darsh Solanki:** Is it better?

**Moderator:** Yes.

**Darsh Solanki:** I just wanted to ask in the last conference call, we had been informed that three projects in Assam and one in Chhattisgarh were expected to go live in say a couple of months. So, just wanted to check with status if those projects have been got the go live status?



- Jitendra Agarwal:** So, all the four projects in Assam have go live. So, they are all on the operational go live. And in terms of Chhattisgarh, there are two projects running. One should get go live in next week and the other by the end of next week. So, I am expecting both Chhattisgarh projects also go live in next 7 to 10 days, maximum. All the formalities and everything has been done.
- Darsh Solanki:** Understood. And sir my next question is more on the water meter side. So, did we get any order export orders for the water meters this quarter?
- Jitendra Agarwal:** So, currently our water meter business is we are developing the products. A lot of certifications are happening. Certifications takes, especially for the international market, they take 12 to 18 months - in some cases 2 years. So, it is the process, we are in the right direction. So, we will start seeing some numbers on the next financial year onwards, but yes, it will take 2 to 3 years for this business to become significant. But we are in the right direction and we are absolutely moving forward with this.
- Darsh Solanki:** Understood. And this last thing, this is more of a clarificatory issue. So, what I understood from the previous questions is that we don't expect much of a tendering inflow for at least next couple of quarters. So, is that understanding correct?
- Jitendra Agarwal:** Yes, that understanding correct. There's no major tenders happening in next quarter at least.
- Darsh Solanki:** Okay sir, that's it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Devanand Mohan from Avendus Spark. Please go ahead.
- Devanand Mohan:** Great set of numbers. Thank you for giving me the opportunity. My first question, I just wanted to ask how will you be getting payments from the discoms through the JV? Will there be any delays with the monthly payments the JV is supposed to get or is it like fixed? Will it come every single month without fail?
- Jitendra Agarwal:** There are so many technical processes which you have to complete, like site acceptance test (SAT), operational go live (OGL). And then only it comes on the OpEx side. Once the project becomes OpEx, then it happens every month automatically. So, that has been the DDF (Direct Debit Facility) signed with all the utilities. So, they are, all the projects are currently in the initial stages. Yes, the initial stages have taken some more time than what everybody was expecting. That is everywhere across the country and for all the AMISPs - it is not something unique for Genus. So, once it is operational go live (OGL), then DDF will come into function. And once DDF is into function, everything will happen automatically.
- Devanand Mohan:** Okay, just on average, what kind of tariffs are you looking at from the discoms? Like what kind of collections per month, per smart meter would you say you are getting?
- Jitendra Agarwal:** Collections, it's a fixed price what we have to charge them. I could not understand what. Their collection, we are not tracking that. But what we have to take from them is a fixed charge.

- Devanand Mohan:** Okay, so how much would the smart meter go for then?
- Kailash Agarwal:** It is different to project to project. It's very difficult to say.
- Jitendra Agarwal:** Every project has a different price. Every product has a different price. So, it has a huge variation.
- Devanand Mohan:** No, on average?
- Jitendra Agarwal:** On average, consumer meter for a DT meter is different for different state electricity boards.
- Devanand Mohan:** Okay, fine. Thank you. Just one more question. There are about 12 crore smart meters that are yet to be awarded, right, for the RDSS. What kind of market share are you looking to achieve for the next wave of orders that are coming? Like, are you still looking to hover around the 20% or do you think there's any chance to go up or something like that?
- Jitendra Agarwal:** Currently, our order book is very, very healthy. According to the tenders coming, we will be making our strategy. But yes, Genus will always be a very significant player in the market that I can assure you.
- Devanand Mohan:** So, market share will broadly stay stable?
- Jitendra Agarwal:** As I said, Genus will be a significant player in the market.
- Devanand Mohan:** Okay. Thank you. That's all.
- Moderator:** Thank you. A reminder to all participants, you may press '\*' and '1' to ask questions. The next question is from the line of Chandresh Malpani from Niveshaay Investment Advisors. Please go ahead.
- Chandresh Malpani:** Yes, thank you for the opportunity, sir. So, my question is on the working capital and overall capital requirement for the business. So, when we are saying that we will be executing about Rs. 3,500 odd crores of revenue, so what are we anticipating on the working capital front? And also, I would like to know the fund infusion that a Genus entity would be required to do in the Platform this year and going forward. So, how are we managing that?
- Kailash Agarwal:** So, basically as I told you that working capital will surely be improving and we don't see any more debt increase to the company. And regarding the investments in the JV, basically the total investment that Genus has to do is almost \$200 million and that will be in 3 to 4 years. Next year, whatever there will be internal accruals that will be sufficient for the investment in the JV. We don't need any debt or anything to invest for the JV.
- Chandresh Malpani:** Okay and sir what would be our gross debt and net debt as of December?

**Kailash Agarwal:** So, gross debt is right now is around Rs. 1,200 crores and net debt will be around Rs. 300-400 crores.

**Chandresh Malpani:** And then secondly, on the imports side, like what we understand is majority of our electronic components are imported. So, any challenges Genus as an entity or the industry seeing in terms of the execution that is lined up or and secondly, on the same line, since any impact on the Forex side, because and how are we hedged on this side?

**Jitendra Agarwal:** So, in terms of component availability, we don't see any major challenge. So, this execution is going very smooth. And in terms of Forex, we have a hedging policy, and we follow that.

**Chandresh Malpani:** So, no major impact we are seeing, right?

**Jitendra Agarwal:** Yes.

**Chandresh Malpani:** Okay sir, thank you.

**Moderator:** Thank you. The next question is from the line of Milind Karmarkar from Dalal & Broacha. Please go ahead.

**Milind Karmarkar:** Hi sir, congratulations on a good set of numbers. Just wanted to understand that now that we can see traction coming into sales, I hope that this continues, the growth continues for some time. But I had one question on the opportunity because what has happened is that if I look at the data, take for example, Maharashtra, the number of meters which have been approved and number of meters which have been installed, there is a huge difference. And then they have not even installed 10% of the meters. And there are many other states where a similar thing we can see. So, what is the reason for that, I wanted to know. And as you rightly said, that currently the capacity is not very large. So, it's better that it happens over a period. But my question is more on, since your business is B2G, that is your main customer is government, do you see any difficulties or any type of hindrances in the final completion of the, so orders you have got, but execution of orders or the final go ahead by the government?

**Jitendra Agarwal:** If you will see, almost every state is picking up, now. This is a big consumer subject - that you have to install meters to each and every consumer. So, it is not that simple. And it is a change of mindset from utility to the consumer for everyone. And you will see numbers are going up for not only for Genus or for every AMISP. So, quarter-on-quarter, you will see that improvement across the country. Being a new concept, it takes some time for the utilities to seep in, for the local administration to seep in, for the local consumers to seep in, that from tomorrow onwards, suddenly from post-paid, my meter will become prepaid. And there's a very good program being run by all the AMISPs under the guidance of Government of India, under the guidance of local utilities, where the consumers are also welcoming it. So, you will see these numbers growing up every quarter, every month, there is improvement. And yes, this is a major change. Such kind of change will take some time, but yes, it is picking up. You will

see your own state, Maharashtra. Next quarter, you will be surprised what will happen in Maharashtra from Feb, March, April onwards.

**Milind Karmarkar:** Okay, interesting. One more thing, which I wanted to know, like you just now said that you're moving from postpaid to prepaid, but is it so that all the meters which will be installed are will be prepaid or it's at the option of the utility?

**Jitendra Agarwal:** No, no, it will be prepaid. Over the period of time, it will become prepaid for everyone as per the guidelines currently. These meters are smart enough to be used as prepaid and postpaid both. At the end of the day, it is the choice of the utility. But as per the current norms, every meter has to become prepaid.

**Milind Karmarkar:** And as far as the growth is concerned, we have already seen a good growth in this quarter. So, traction seems to be taking. But if I look at the order book which you have, even this growth seems to be small. So, do you think that the growth can accelerate going forward? Or do you think that, say, 25%, 30% growth, what because it looks like that what the government wanted to finish in probably 3 years is likely to take 6, 7 years. So, your growth may be at say 30% year-on-year can continue for a long period of time. Am I right in that or you will see a significant difference?

**Jitendra Agarwal:** You are right in that. This is what we have been maintaining, because it was a very ambitious project to be completed in 3 years. Practically, it will take its own time, which is good for the industry also.

**Milind Karmarkar:** Thank you.

**Moderator:** A reminder to all participants, you may press '\*\*' and '1' to ask question. The next question is from the line of Aditya Welekar from Axis Cap Securities. Please go ahead.

**Aditya Welekar:** Thank you sir for this opportunity and congrats for the great set of numbers. So, for Q3, we have delivered great numbers, but if we look for the overall FY24 numbers, so Q4 we require a steep growth in the topline. So, will it be possible to achieve that or some of it will spill to next calendar year?

**Jitendra Agarwal:** So, we are maintaining the same guidance what we gave earlier and we are confident of achieving the numbers what we have already given in the guidance.

**Aditya Welekar:** Okay. And next question is this order book, means you said that couple of quarters we may not see much of a tendering activity. But post that...

**Jitendra Agarwal:** Your voice is not very clear.

**Aditya Welekar:** Yes, what I was asking is see couple of in the next couple of quarters we may not see much of a tendering activity as you said. So, post that, do we see the order book to pick up or this is a peak for us now?

**Jitendra Agarwal:** So, as I said, I don't see any major tenders happening in next quarter. And thereafter, there are many states who have still not gone for smart meters. Eventually everybody will have to go for smart meters. So, you will see tenders coming. So, next financial year, I see states from down South also becoming active in the smart metering. So, I don't see major tenders happening for next quarter, at least.

**Aditya Welekar:** And this RDSS scheme, this will continue right? Means whatever the government support is there through this scheme, this will be continuing to involve all these states and the focus of the government, any macro color you can give?

**Jitendra Agarwal:** So, macro Government of India is very clear and it is a necessity for the country to go for the meters because the way the energy transition is happening across the globe, not only in India, across the globe, smart grids is a must. And for smart grids, smart meters is a must. So, I don't see any chance of going back from smart meters to your conventional electronic meters. So, it has to happen. It's just a matter of time.

**Aditya Welekar:** Perfect sir, thank you. Thanks a lot and all the best.

**Moderator:** Thank you. The next question is from the line of Rohan Vora from Envision Capital, please go ahead.

**Rohan Vora:** Hello, sir, thank you for the opportunity and congratulations on the numbers.

**Jitendra Agarwal:** There's some phone is ringing on the background. I don't know why people are doing multiple things at a time.

**Rohan Vora:** Sir, there's a problem with the line, I think. I will get back in the queue.

**Moderator:** Yes, thank you. The next question is from the line of Pranjal Mukhija from Growthsphere Ventures, please go ahead.

**Pranjal Mukhija:** Thank you for giving me this opportunity and congratulations on a good set of numbers. So, I have a couple of questions on the policy part of smart metering. So, just like building upon one of the previous participants' question on prepaid versus postpaid. So, recently there was an article in the news saying that how MSEDCL is sort of planning to scrap the prepaid billing for consumers and propose time of the day billing. And like how this would sort of benefit the consumer in terms of like their consumption. And basically they will be able to save some 80 paisa per unit. And this policy is like, I mean, they're planning to sort of start it from April 1st. So, I just wanted to understand, sir, like, what do you think of this policy? Like what kind of material impact can it have on us? And generally, like how would a consumer react to it?

**Jitendra Agarwal:** Can you repeat what you are saying that MSEDCL is planning to come with a policy where they will give discount on the prepaid?

**Pranjal Mukhija:** Yes sir.

**Jitendra Agarwal:** What you are saying is that MSEDCL is planning to give discounts on tariffs for the prepaid consumers. Is this what you are saying?

**Pranjal Mukhija:** No sir, basically they were saying, the article that I was reading and it was basically mentioning that they were trying to scrap the prepaid billing and introduce the time of the day billing. Through which like consumers would, the tariffs would be based on consumption in different time slots throughout the day?

**Jitendra Agarwal:** So, these are two separate things, prepaid whether MSEDCL wants to continue it or scrap it. It is definitely the choice of MSEDCL, but to the best of my understanding, currently all the smart meter tenders are on the prepaid mode. So, if they, and meters are smart enough to be prepaid or postpaid, I don't know what that article says. I have not read that. So, MSEDCL can easily shuffle between the two. Time of day use is one of the biggest features of the smart meters. Not only MSEDCL, almost every state electricity board in the country. And if you will go, if you will read the article, almost 18 months back, central government has also given a guidance that how time of day use has to be implemented in the country over the period of time. So, you will see, once the smart meter usage will happen rampantly across the country, time of day use has to come, which is a very important feature of smart meters for the consumer. Assam government has already declared that we will go for time of day use. MSEDCL is already talking about it, because tariff change and tariff structure is a very state subject, central subject and regulatory commissions also get involved - so it takes its own time. But eventually it has to happen.

**Pranjal Mukhija:** Okay, so given in the last couple of months, we've also seen the meters installation, like the pace of it has increased. So, like a couple of months back, we were at 1.3 crores, now we've crossed 2 crores in meters installed. So, I just wanted to understand, like again, like from a policy point of view, I read that there's a new policy called the direct debit facility (DDF), through which like basically ensures like 5x of the monthly estimated AMISP's service charge and like how this will sort of boost like faster rollout of smart meters in FY26. So, just wanted to understand this policy from you a little bit better and like again like the implications of it?

**Jitendra Agarwal:** So, I don't understand, I don't know which article you are talking about and what does this 5x means. For AMISP, it's a fixed charge for 10 years. This is what we are going to charge the utility per meter per month. And direct debit facility has always been a part of the tender. So, this whole RDSS program is based on the direct debit facility. So, there is no change in the policy. There's nothing which is new.

**Pranjal Mukhija:** Alright, so one final question a little bit on the competitive scenario. Any comments on that?

**Jitendra Agarwal:** Any business which will grow will always have a competition. But at the same time, if you do your work correctly, you will be always ahead of the competition. This is what we are trying to do, and this is what we have been doing. So, competition will get more and more fierce. Genus is well placed to take care of everything.

**Pranjal Mukhija:** So, the point of asking this question was I just wanted to understand, like are we still in that nascent stage of competition where new players are entering? Or maybe 2 years down the line, we might see some consolidation also happening in industry.

**Jitendra Agarwal:** Currently, I am not seeing a lot of new AMISPs. Already, there are a very large number of AMISPs already in the market. So, as such I am not seeing any significant new players coming in the market now.

**Pranjal Mukhija:** Okay. Thank you, sir. Thank you for giving me this opportunity. All the best for the future results.

**Moderator:** Thank you. A reminder to all participants, you may press ‘\*’ and ‘1’ to ask questions. The next question is from the line of Sohan Joshi from ASC Consultants. Please go ahead.

**Sohan Joshi:** Congratulations about this great set of numbers. So, my first question is since you said that you will be able to achieve this year's guidance of Rs. 2,500 crores which requires ..., just wanted to understand will the entire growth will come from the new Assam facility only? Is this 50% of the incremental revenue to achieve the guidance of Rs. 2,500 crores?

**Jitendra Agarwal:** New Assam facility is not giving major. So, it is not from new Assam facility, it is from the overall growth of the business.

**Sohan Joshi:** Got it. So, have we added additional capacities to the existing facilities as well to achieve this guidance of Rs. 2,500 crore and thereafter for the next year, 30% additional topline growth?

**Jitendra Agarwal:** So, we are continuously adding. In the past also we have maintained that adding capacity for Genus is not very difficult because we do complete backward and forward integration and the manufacturing of meters is such that you can ramp up your capability and capacity in 3 to 6 months. There's a lot of past, the long term time taking things have been taken care in the past. So, Genus has the capability to ramp up its production. With the addition of new facility in Guwahati to further add it to our strength. So, capacity will not be a problem, it was never a problem in the past and it won't be a problem in the future. It is more execution and generally, the last quarter of the year is the best time of the sale. So, we are maintaining our guidance that we are confident that we will achieve what we have committed earlier.

**Sohan Joshi:** So, there won't be any constraint with regard to the tightening working capital condition as well, right? I mean, that won't be a constraint for achieving a topline growth right, even for this quarter?

**Jitendra Agarwal:** That won't be a constraint. We are confident about that.

**Sohan Joshi:** My next question is with regard to the raw material cost. Since most of our contracts are fixed price contracts, how are we seeing the raw, I mean, we won't be able to pass the raw material cost escalation. So, how are we seeing the raw material cost in the upcoming quarters and upcoming years? Is it rising or is it stable?

**Jitendra Agarwal:** If you see the past history of Genus, the maximum raw material increase was during the COVID period. Still we were not impacted very badly. Though it makes a difference, but not very badly because we are a high technology product. We are not a very high BOM (bill of material) product. So, when you have a very high technology product and not a very high BOM, there is a difference that comes due to from there, but not major. So, if you see the history of Genus, you will understand it better.

**Sohan Joshi:** Okay, one last question is, regard to this MTM loss, which has hit the P&L this quarter, do you expect that to be hit even in upcoming quarter? Because that ultimately has the impact on the EPS growth. So do you expect that to be hit even in the next quarter as well i.e. in the upcoming Q4 quarter? Okay, so we will just wait for Kailash sir to respond.

**Moderator:** Kailash sir has been connected, sir.

**Kailash Agarwal:** Sorry, I just got disconnected. Can you repeat the question?

**Sohan Joshi:** Yes, did the MTM loss which has hit our P&L this quarter, do you expect the loss to be further widened in the next quarter, because ultimately it drags the EPS?

**Kailash Agarwal:** It's absolutely a notional loss only, notional profit or notional loss. We have to understand that it is dependent all on the market, whether it is going up, it is going down, share price going up, share price going down. So, nothing to do with the actual profit or loss. So, this is MTM absolutely, it may go further, more losses, it may go to the profits and all, but that is not affecting in any ways to the company, because it's absolutely a notional loss only.

**Sohan Joshi:** Okay, all the best for the upcoming quarters.

**Moderator:** Thank you. The next question is from the line of Smita Mohta from Kredent InfoEdge. Please go ahead.

**Smita Mohta:** So, I had two questions, basically. One is, because of the Trump tariffs, since most of our products are imported, so will that impact our bottom-line or topline in the coming time? And second of all, we have seen that the government orders have slowed down in many segments in many industries. Since majority of our income comes from the smart meters itself, which is dependent on government. So, is this ordering delay from the government going to impact us in coming year or in the next 6 to 9 months?

**Jitendra Agarwal:** So, this tariff has no major concern to the company. As I have spoken earlier also, though we import electronic components, but it is not only from, it is not from US, it is from different parts of the world. And that is not a very major impact on the raw material cost. First thing. Second thing, what is the second question? Can you repeat?

**Smita Mohta:** Yes, the second question was regarding that we have major orders for smart meters.



- Jitendra Agarwal:** Yes, I got your point. So, as I said earlier, also, ordering of government has slowed down - has nothing to do with the RDSS segment. It is primarily some of the utilities have taken more time in getting onto RDSS by then and start ordering smart meters. And if you ask me, frankly, it is good for the industry.
- Moderator:** Thank you. Ladies and gentlemen, in order to ensure that management is able to address questions from all the participants in the conference, please limit your question to two questions for participants. Do you have a follow-up question? We request you to rejoin the queue. The next question is from the line of Rajesh Vora from Jainmay Ventures. Please go ahead.
- Rajesh Vora:** Good evening, gentlemen. Congrats on good set of numbers. For the guidance of Rs. 2,500 crores for this financial year, what is the number of meters we are achieving that?
- Jitendra Agarwal:** So, number of meters always, these numbers have a lot of dependence on the variety of meters. So, numbers will be around 3-3.5 million. I don't want to specify on the numbers because then it becomes very confusing. So, that is why I want to specify on the overall guidance. So, it is not only dependent on the number of meters. So, there is a big mix of meters that makes a big difference.
- Rajesh Vora:** Sure. So, you are saying 3-3.5 million meters in that range?
- Jitendra Agarwal:** Yes.
- Rajesh Vora:** And could you give that idea? Are you giving any guidance for next financial year?
- Jitendra Agarwal:** So, we spoke during the conference only. What we have told earlier, we will maintain the same. That we are maintaining the same 30%-35% growth in the next financial year.
- Rajesh Vora:** 35% revenue growth?
- Jitendra Agarwal:** Yes.
- Rajesh Vora:** And what is the biggest challenge since most participants are trying to understand, you have a massive order book and there are reasons for slow, anything new and huge order takes longer time, I understand. So, in your opinion, what are the biggest hurdles to improve the installation rate. From the company side, what are the issues and what is the customer side, discom side, government side - issues, if you can give some good idea?
- Jitendra Agarwal:** I would say it's an overall ecosystem, it's just picking up. These are very consumer centric infrastructure projects. These are not greenfield infrastructure projects where you just go on the ground and start implementing the things. So, it's a complete change of ecosystem, complete change of mindset for everybody in the country. This is one project which will touch each and every human of this country. So, that is why it is an ecosystem which is getting built. But

things are absolutely in the right direction. You will only see numbers growing significantly quarter-on-quarter for the whole country.

**Moderator:** Mr. Rajesh, I just request you to rejoin the queue for the follow up question, please. Thank you. The next question is from the line of Reet Ranawat from Aventus Capital, please go ahead.

**Reet Ranawat:** So, I had two questions for you. So, is Genus shifting towards software-driven models? So, what share of revenue can be expected from in the coming years from the software services?

**Jitendra Agarwal:** Software-driven model means what, can you explain?

**Reet Ranawat:** As you mentioned in the annual report of Genus in 2024, so you are focusing more on software solutions now. So, could you expect higher revenue from that and less from the manufacturing?

**Jitendra Agarwal:** So, currently, it is a backward integration for us. All the software services which we were buying from outside, like head end system, meter data management, MDM software, so it is not going to impact the topline. Your topline is going to be same. So, it is like, it is more of a backward integration currently, but moving forward, we will make software as a major business for us. This is what we plan to do, but currently it is not visible on the deadline.

**Reet Ranawat:** Okay. And another question I had that, could you touch on more details on the contract payment terms like how does the contract, how does the payment is received by Genus likely in a contract?

**Jitendra Agarwal:** How does the payment received by Genus? It's a tender. So, process is clearly written down that once we install the meters, we have to do the site acceptance test (SAT), then the operation go live (OGL) happens and then initial funds come from the utility. Then DDF comes into place. What exactly you want to understand in this? I could not understand.

**Reet Ranawat:** So, the timeframe of every contract is like 8 to 10 years only.

**Jitendra Agarwal:** Yes, timeframe of every contract is 8 to 10 years.

**Moderator:** I just request you to rejoin the queue for the follow up questions. Thank you. The next question is from the line of Mahesh Patil from ICICI Securities. Please go ahead. Yes, Mr. Mahesh, go with the question, please.

**Mahesh Patil:** Sorry, my question has been answered. It was regarding the Assam facility. Thank you.

**Moderator:** Thank you. The next question is from the line of Darshil Pandya from Finterest Capital. Please go ahead.

- Darshil Pandya:** Hello. Sir, just wanted to confirm as far as I remember the last call we did, we guided for a 50% topline in FY26 and right now we are saying about 30%-35%. So, are we reducing the guidance or just wanted to understand from your side?
- Jitendra Agarwal:** We are not reducing the guidance as such. I would say Kailash sir if you want to answer this.
- Kailash Agarwal:** No, it's nothing like that, that we reducing the guidelines. When we say 40%, it's almost we are on the track. So, nothing on that. We are absolutely on the track. Guidance for this year is also the same, and for the next year also is the same.
- Darshil Pandya:** Got it. Alright. Thank you so much, and all the best.
- Moderator:** Thank you. The next question is from the line of Paras from Avener Capital. Please go ahead.
- Paras:** First of all, thanks for the opportunity and congratulations for such a good set of numbers. I have just two questions. Sir, if you could please provide the breakup of the order book as in meter installation and O&M part. And also the second question is, if you could just give us an update on the gas meter. Has the company won any contract on the gas meter and what is the company's strategy around it?
- Jitendra Agarwal:** So, on the breakup of order book, I don't have up front with me and I don't want to give any approximate numbers. So, you can reach out to SGA, we will provide you that. On the gas meters side...
- Paras:** Yes, sir, in terms of percentage also, it's fine. We don't want exact numbers.
- Jitendra Agarwal:** I don't want to comment anything vague, very frankly. So, we'd not like to speak over it. And on the gas meter side, it is like a conventional electronic meter business. It will have a decent growth. It won't be very large numbers. It won't be very small numbers. It will have a decent growth. It will be like a conventional electronic meter business for us.
- Paras:** Okay, thank you so much and all the best.
- Moderator:** Thank you. The next question is from the line of Sohan Joshi from ASC Consultants. Please go ahead.
- Sohan Joshi:** Yes, thank you for taking my follow-up question. One just last question. Even in the worst case scenario of the response from the ED search, it won't in any way hamper our manufacturing and maybe a constraint to achieve our target revenue of Rs. 2,500, crores right? It won't be any constraint, even if the worst case response comes from the ED right?
- Jitendra Agarwal:** Kailash sir, you want to respond on that?
- Kailash Agarwal:** Can you come again with the question?

**Sohan Joshi:** Even in the worst case response from the ED with respect to the search which has taken place, it won't hamper our manufacturing and it won't be a constraint to achieve a target of Rs. 2,500 crores, right?

**Kailash Agarwal:** If you see that the search happened on 3rd of December, it's almost 2.5 months. So, nothing to do with the manufacturing, nothing to do with our business. It's a normal course. There is some inquiry and it happens. So, there will be no effect on the business of the company.

**Sohan Joshi:** Thanks a lot sir. Thanks a lot. That is it from my end.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Kailash Agarwal for closing comments. Over to you, sir.

**Kailash Agarwal:** Thank you very much, dear friends, for your confidence in the company. And we assure you that absolutely the company is doing great and it will be going upwards. And don't worry about the ED -that has happened 2.5 months back and nothing going on and absolutely fine with the company. Thank you very much.

**Jitendra Agarwal:** Thank you everybody. Thank you.

**Moderator:** Thank you. On behalf of Kaviraj Securities that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.