

Date: 31st July, 2020

To,

BSE Ltd.

Department of Corporate Services

Corporate Relation Department

14th Floor, Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400001

SUB: Submission of Press/Media release for the quarter and year ended 31st March, 2020

BSE: Scrip Code: 539407

Dear Sir,

Kindly find enclosed herewith the press/media release for the quarter and year ended 31st March, 2020. Requesting you to kindly take the same of records.

Thanking you,

Yours Faithfully,

For Generic Engineering Construction and Projects Limited

SD/-

Jayesh Rawal

Executive Director

DIN: 00464313

Place: Mumbai

Q4FY20 Earnings

Generic Q4FY20 Revenue at Rs. 49.8 Crore

Order backlog stands at Rs. 965.6 crore

Construction Industry to Revive in H2FY21

Mumbai, July 31, 2020: Generic Engineering Construction and Projects Limited (“Company”), a fast-emerging construction company offering general contracting, design-build; engineering, procurement and construction (EPC); and project management consultancy (PMC) services for residential, industrial, commercial and Institutional buildings with presence in Navi Mumbai and Mumbai Metropolitan Region (MMR) announced its audited financial results for the quarter and year ended March 31, 2020.

Key Financial Highlights are as follows:

Particulars (Rs. Cr.)	Q4FY20	Q3FY20	Q4FY19	FY20	FY19
Total Income	49.8	40.7	55.8	200.4	202.0
EBITDA	6.3	7.0	9.3	29.2	29.3
EBITDA Margin (%)	12.6%	17.1%	16.7%	14.6%	14.5%
PAT	3.9	2.8	4.5	14.5	15.6
PAT Margin (%)	7.7%	7.0%	8.0%	7.3%	7.7%
Cash PAT	5.6	4.2	5.6	20.0	19.7
Cash PAT Margin (%)	11.2%	10.4%	10.1%	10.0%	9.7%

Performance highlights for Q4FY20 and FY20

Revenue from Operations for Q4FY20 stood at Rs. 49.8 crore as compared to Rs. 55.8 crore in Q4FY19. The de-growth was due to shutdown of operations in the month of March coupled with deferral of revenue recognition on account of pandemic led lockdown.

EBITDA for Q4FY20 was Rs. 6.3 crore as compared to Rs. 9.3 crore in Q4FY19. **EBITDA margin** for Q4FY20 was at 12.6%, as compared to 16.7% in Q4FY19. EBITDA margin witnessed a fall due to decrease in operating leverage and higher raw material cost.

PAT for Q4FY20 stood at Rs. 3.9 crore, as compared to 4.5 crore in Q4FY19. Diluted EPS for Q4FY20 stood at Rs. 0.90 per equity share.

Revenue from Operations for FY20 stood at Rs. 200.4 crore as compared to Rs. 202.0 crore in FY19. **EBITDA** for FY20 stood at Rs. 29.2 crore as compared to Rs. 29.3 crore in FY19. **EBITDA margin** for FY20 was at 14.6% viz-a-viz that of 14.5% in FY19. **PAT** for FY20 was Rs. 14.5 crore as compared to Rs. 15.6 crore in FY19. Diluted EPS for FY20 stood at Rs. 3.52 per equity share.

The Board of Directors have recommended a **Dividend of Rs. 0.05** per equity share on face value of Rs. 5/- per equity share, subject to approval of shareholders at the Annual General Meeting.

The **Debt/Equity ratio** as at March 31, 2020 stood at 0.23x. The company has cash and cash equivalents of Rs. 9.47 crore.

During FY20, the company received the following orders: -

- Order worth **Rs. 181.95 crore** (including GST) from **Maharashtra State Police Housing & Welfare Corporation Limited (MSPHWCL)** for construction of Type II – 448 staff quarters for C.P. Mumbai at Marol, Mumbai. The project is to be executed in 30 months
- Order worth **Rs. 60 crores** (including GST) from **MSPHWCL** for construction of 118 police quarters, Dy. Commissioner of Police office building and Nizampura Police station at Bhiwandi, District Thane of C.P. Thane. The project is to be executed in 18 months
- Order worth **Rs. 15.21 crore** (including GST) from **Milagro Infrastructure Private Ltd. (IBIS)** for construction of hotel “IBIS Styles” at Vagatore, Goa. The hotel building involves construction of Ground plus 3 Floors and constitutes 136 keys. The total construction area is approximately 86,000 sq. feet. The project is to be executed in 12 months

Our **outstanding orderbook** as at end of March 31, 2020 stands at **Rs. 965.6 crore**. Residential segment contributes 75.02% of the orderbook, Commercial & Industrial contributes 11.22%, Health & Leisure contributes 5.63%, Special projects contributes 4.12% & Educational Institutes segment contributes 4.01%.

Top 5 orders contribute **Rs. 620.1 crore** to our order book representing **64.22%** of the outstanding orderbook as on 31st March 2020.

Construction Industry to Revive in H2FY21

We as a company expect a robust growth in construction industry in the coming quarters of the second half of this fiscal year, after a sluggish Q4FY20 and Q1FY21 due to COVID-19 led lockdown

and subsequent migration of construction workers to their native hometowns. We expect majority of labourers to return to work towards the end of Kharif season in September 2020.

On back of policy support and “Atmanirbhar Bharat Abhiyan” stimulus package announced the Government of India, we expect a strong revival in capex especially from MSMEs, which shall provide impetus to construction of factories, warehouses, storage facilities etc. With Generic specializing in construction of the above-mentioned amenities, we expect to post a steady growth in our revenues in the forthcoming quarters of FY21.

At the same time, increased government spending on rural housing, Pradhan Mantri Awas Yojana, Pradhan Mantri Gram Sadak Yojana and other key infrastructure projects is expected to provide the much-needed boost to the construction industry. Generic too is now actively bidding for public sector projects and we expect to book healthy order inflows from the government projects.

With falling interests rates coupled with incentives and initiatives offered by the government, it is expected that the real estate market also would grow in the days to come and the latter half of FY21 will bring favourable sale opportunities in residential markets, lending much-needed buoyancy to the construction sector.

On the performance in Q4FY20, Mr. Manish Patel, Managing Director commented, “Our FY20 performance was impacted on account of heavy monsoons in Q2 and early part of Q3 as well as disruption in operations in Q4 due to the pandemic, leading to slow execution in many projects. Despite these obstacles, we are pleased to have maintained our operating margins at a healthy rate of 14.6% in FY20.

COVID-19 outbreak has ushered in a host of challenges across all industries. No industry is immune to this crisis and construction sector is no exception. Despite, low interest rates, the residential sector is likely to witness fall in demand due to weakening private consumption amid declining consumer sentiments and poor employment market. At the same time, our specialty lies in construction of projects for commercial and industrial sectors, which are likely to see a strong revival in economic activities in H2FY21.

With increased spending on healthcare facilities from Government as well as Private Sector, in the wake of COVID-19 pandemic, we are likely to witness construction of more hospitals and clinics, which has been our forte. Secondly, with agriculture sector expected to post record growth, we expect to see a surge in demand for cold storage facilities, warehousing facilities and factories from food processing industry. Construction of such projects has been our core strength and we hope to cash on these opportunities.

We are gradually scaling up our execution, post the graded lifting of lockdown, though shortage of labour remains a key constraint as of now. We expect the work to normalize in second half of

this fiscal year. At the same time, to mitigate the issue of shortage of manpower, the company has started bidding for projects in the northern states of India, where the majority of labourers have migrated. We are also aggressively bidding for new projects, especially in the public sector, to build a robust order book, so that we can make up for the revenue lost during the lockdown, in the coming quarters.

Most of our clients have provided the necessary extension in timelines for the completion of projects under construction. The company is also in negotiation with clients for considering the escalation in project costs and making submissions for claiming the necessary compensation thereof. Also, major part of our order book constitutes of non-residential projects like warehousing, cold storages, factories etc. which have not been significantly impacted by the pandemic. Importantly, one of our major residential projects, includes the construction of staff quarters for Maharashtra State Police Housing & Welfare Corporation Limited, which is for self-consumption.

At the same time, we have initiated cost measure programs to reduce our fixed cost. Also, with developers looking to complete their projects at faster pace, given the time lost during the lockdown, we expect to witness increase in the per sq. ft. price realizations for some of the construction projects. These should enable us to protect our operating margins.

Going ahead, we will give more impetus to orders from the public sector, given that the Government and public authorities are expected to focus on increasing their spending on various construction projects to revive the economy. Despite the pandemic, the business opportunities in our operating region of MMR have remained promising and we expect the momentum of order inflow, especially in industrial, infrastructure and other sectors to continue. It is our continuous endeavour to add orders from existing and new clients, both in public and private sector and we are confident on further consolidating our order book.”

About Generic Engineering Construction and Projects Limited

Generic Engineering Construction & Projects Limited (Generic/the Company) is engaged in the construction of residential, industrial, commercial and Institutional buildings with presence in Navi Mumbai and Mumbai Metropolitan Region (MMR). Generic offers general contracting, design-build; engineering, procurement and construction (EPC); and project management consultancy (PMC) services. The company's forte lies in executing projects having a ticket size between ₹ 25 crore to ₹ 100 crore. The company has expertise in building data centres, hospitals, schools, all types of industrial and residential buildings. The company is a pioneer in building cold storages. The company has the highest market share of contracting business in the fastest growing market of Navi Mumbai, where the company has delivered more than 300 industrial buildings. The company also provides designing and engineering services for architecture, structural, electrical, mechanical, HVAC, plumbing and sewerage, fire protection, building management, and infrastructure works.

For more information please visit www.gecpl.com

Safe Harbor Statement

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.

Company	Investor Relations Advisors
 <p>Generic Engineering Construction and Projects Limited CIN No: L45100MH1994PLC082540 Email id: geninfo@gecpl.com</p>	 <p>Strategic Growth Advisors Pvt Ltd. CIN No: U74140MH2010PTC204285 Mr. Shogun Jain / Mr. Parin Narichania Email id: shogun.jain@sgapl.net / parin.n@sgapl.net Tel No: +91 77383 77756 / +91 99300 25733</p>