

For Immediate Release

November 14, 2016

HPL Electric and Power Ltd announces financial results for quarter/half year ended 30th Sept. 2016

New Delhi, India, November 15, 2016 – HPL Electric and Power Ltd (referred to as the “Company”; NSE: Symbol; HPL, BSE: Scrip Code;540136), an established electric equipment manufacturing company in India, manufacturing a diverse portfolio of electric equipment as per the IMaCs Report announces its Q2 results of FY2016-17 in accordance with Indian GAAP.

Consolidated Performance Highlights: 6 Months FY2016 vs. 6 Months FY2015

- Net Revenue for CY at Rs.457.18 Cr (F.Y.2015-16 Rs.589.84 Cr) down by 22.32%.
- EBITDA for CY at Rs.64.58 Cr. (FY 15-16 Rs.81.47 Cr) down by 20.73%.
- EBITDA % increased to 14.87% for CY Vs. 13.97% for PY.
- PAT at Rs.7.80 Cr (F.Y.15-16 Rs.22 Cr).
- EPS for the period ending 30th September-2016 was Rs. 1.68 per share (*after extra ordinary items*)
- Exports up 14.5%.

Consolidated Performance Highlights: Q2FY2016 vs. Q2FY2015

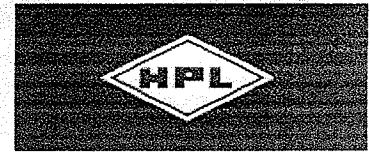
- Net Revenue for CY Q2 at Rs.213.94 Cr Vs. Rs.329.36 Cr. for PY Q2 down by 35%.
- EBITDA for Q2 CY at Rs.31.83 Cr.Vs.Rs.46 Cr. down by 30.80%.
- EBITDA% increased in Q2 CY to 14.88% Vs.13.97%. in the PY Q2
- PAT at Rs.4.03 Cr.(FY 15-16 Q2 Rs.15.19 Cr.)

“HPL Electric & Power Ltd. has a robust order book pipeline of around Rs. 365 crore including lighting and switchgears segments and exports have grown by 14.5%. The Order Book includes Rs. 234 crore of meter orders from utilities including a new order from Gujarat State Electricity Board in Q2FY17. HPL is focusing on advanced lighting solutions as part of the new business opportunities initiatives and we received our first order for Smart City street lighting for Bhopal in Q2FY17. The Company is focusing to exploit opportunities in Government's 'Housing for All' agenda via innovation into low cost and affordable electrical solutions. In fact, in H1 FY17, HPL has been supplying its products including Switchgears & lighting to various Government initiatives such as IPDS, DDUGJY, etc. and for renewal energy sector. HPL has launched new products such as ELMO switches targeted at the building segment and automatic transfer switches, which will enhance presence in switchgear market. The quarter witnessed low prices prevailing in EESL/ Projects and value degrowth in wires is due to drop in commodity prices. IPO proceeds will be used to retire debt and substantial interest reduction is expected in the near future. Improvement in quarter to quarter margin in lighting business is due to continuous cost-efficiency efforts. The Standalone results signals an end of the Capex undertaken by the Company. Sundry debtors for the trade has seen a positive movement with over 50 channel partners have already signed for Dealer Channel Financing and the results will be evident in the next quarters.”

- Gautam Seth, Jt. Managing Director

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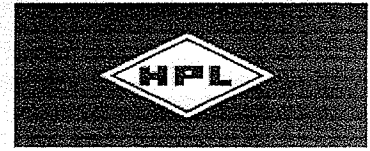


New Developments in the second quarter of FY2016 were:

- The Company is currently having a strong order book of Rs. 364.44 Cr. which includes Rs. 234cr. of meter orders from utilities.
- Order for metering includes orders from Gujrat State Electricity Board (Discoms) of Rs. 62.36 Cr. received in Q2FY17.
- HPL signs agreement for Bhopal smart city for automation LED lighting solutions as part of consortium with Bharti Infratel and Ericsson. Order value approx. Rs. 70cr.
- Company is focusing on advanced lighting solutions with communication as part of the new technological changes which is opening up new business opportunities for growth with improved margins.
- Improvement in margin in lighting for Q1FY17 to Q2FY17 is due to continuous efforts on cost efficiency in a declining price scenario.
- The Company is focusing all its efforts to exploit the opportunities ties in the 'Housing for all' by the government that will push the electrical equipment industry and affordable housing will boost innovation into low cost & affordable electrical solutions.
- Company in H1 FY17 has been supplying its products including Switchgears & lighting to various Govt. initiatives like IPDS, DDUGJY, etc and for renewal energy sector.
- Robust Order Book for switchgear at Rs. 62 Cr. which gives a positive outlook for next quarters in terms of both revenue and margin.
- Company has launched new products, at the end of Q2FY17, like ELMO Switches which is targeted mainly at the building segment and automatic transfer switches (ATS) which would further enhance the company's presence in the market for Switchgears.
- The Standalone results signals an end of the capex undertaken by the company with H1 FY17 capex being only Rs.8.88 Cr. compared to Rs.38.33 Cr. in the corresponding previous year.

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- Value degrowth in wires is primarily due to the drop in commodity prices of over 15%+. The company has seen an improvement in its EBITDA margins in wires by 2 bps in H1 FY17.
- Lighting sales have been affected due to the degrowth of CFL and value erosion in the LED Business although there is a volume growth in LED in the trade segment. The Company saw reduction in its business with EESL / Projects in the CY, due to the company not taking orders on account of low prices.
- The performance has been affected due to the slower off take of the metering orders by the utility including large materials manufactured against order & held 'under inspection'. This has also resulted in increase in inventories.
- Substantial interest reduction is expected in future due to the IPO proceeds used to retire debt which would help to enhance the PBT/PAT.

About HPL Electric and Power Ltd

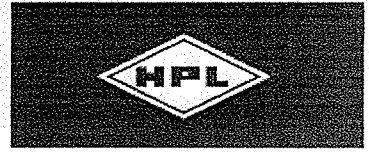
HPL is an established electric equipment manufacturing company in India, manufacturing a diverse portfolio of electric equipment, including, metering solutions, switchgears, lighting equipment and wires and cables, catering to consumer and institutional customers in the electrical equipment industry. HPL had the largest market share in the market for electricity energy meters in India in fiscal 2015, with one of the widest portfolios of meters in India and the fifth largest market share for LED lamps during the corresponding period (Source: Frost & Sullivan Report, February 2016). HPL's manufacturing capabilities are supported by a large sales and distribution network with a pan-India presence. HPL currently manufacture and sell its products under the umbrella brand 'HPL', which has been registered in India since 1975.

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For further information on HPL Electric & Power Limited see www.hplindia.com



Safe Harbour

This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to HPL Electric and Power Ltd future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. HPL Electric and Power Ltd undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

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