



HPL Electric & Power Limited

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12th August, 2019

The Manager,
Listing Department,
National Stock Exchange of India Ltd.
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051
Symbol: HPL

BSE Limited
25th Floor, New Trading Ring, Rotunda
Building, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 540136

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Earnings Presentation

Dear Sir

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Earnings Presentation that we propose to make during the conference call for investors scheduled to be held on Tuesday, 13th August, 2019 at 4:00 PM IST is enclosed herewith.

The said Earnings Presentation has also been uploaded on the Company's website i.e. www.hplindia.com.

We request you to kindly take the same on record.

Thanking You

Yours Faithfully,
For HPL Electric & Power Limited

Vivek Kumar
Company Secretary

Encl: As above



PREPAID METER



MCCB



SMART METER

HPL ELECTRIC & POWER LIMITED

Q1 FY20 RESULTS UPDATE

AUGUST 2019



RCCB



TPN PHASE SELECTOR



STREET LIGHT 100W



LED BULB



FLAME RETARDANT
CABLES

DISCLAIMER



This presentation and the following discussion may contain “forward looking statements” by HPL Electric & Power Limited (“HPL” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of HPL about the business, industry and markets in which HPL operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond HPL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of HPL.

In particular, such statements should not be regarded as a projection of future performance of HPL. It should be noted that the actual performance or achievements of HPL may vary significantly from such statements.



Discussion Summary

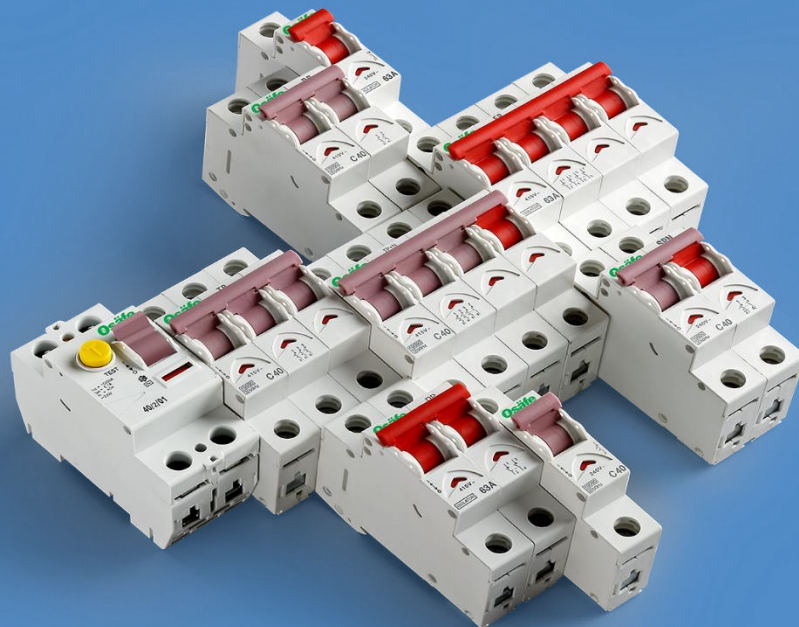
Quarterly Update

Company Overview

Shareholding Structure



QUARTERLY UPDATE



Q1 FY20: KEY HIGHLIGHTS



Robust Growth in Metering Business & Profitability

- Metering business continued to witness double-digit growth on a YoY basis along with improved profitability - backed by efficient execution of orders and superior product mix
 - Revenue: INR 135 crore (+10% YoY), EBIT: INR 19 crore (+15% YoY)
- Current order book combined with favourable outlook in terms of increased enquiries and tenders provides good revenue visibility



Improved Operating Margins

- EBITDA margin improved to 12.2% in Q1 FY20 compared to 10.5% in Q1 FY19, driven by higher revenue contribution from metering & switchgear segments (77% in Q1 FY20 vs. 68% in Q1 FY19)



Increased Thrust on Brand Building & Product Innovation

- Building upon its successful association in IPL, HPL has now tied-up with Haryana Steelers Pro Kabbadi team as their 'Official LED Lighting Partner'
- These initiatives will help HPL in enhancing its brand visibility in Tier 2 & 3 cities and rural areas; and driving growth in these regions
- Launched new innovative range of products in the lighting segment "The Seven Wonders" and new "TechnoN MCBs & DBs" in switchgears



Stable Debtor Days

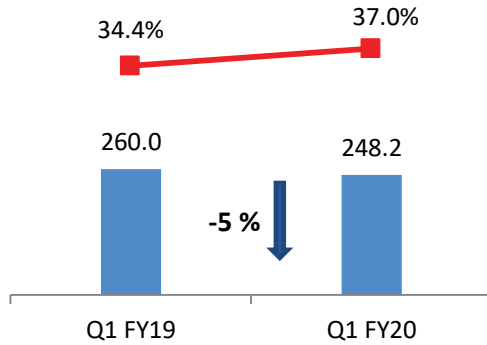
- Non-utility receivable days remained constant and utility receivable days increased slightly despite tight liquidity conditions in the market



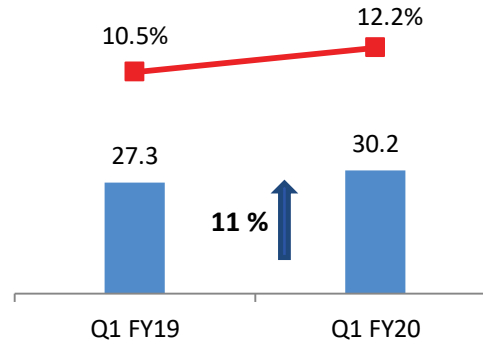
Q1 FY20 & FY19: YoY HIGHLIGHTS

In Rs Crore

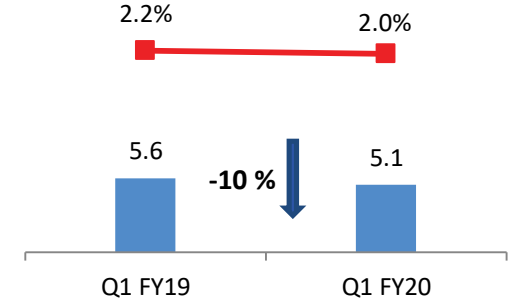
NET REVENUES & GROSS MARGIN



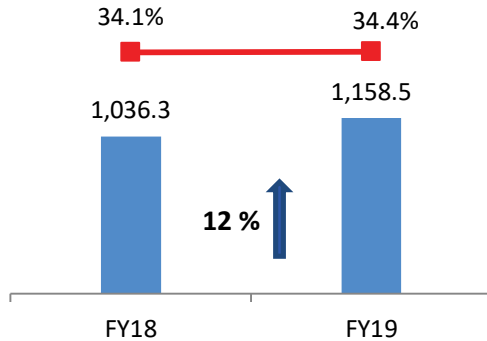
EBITDA & EBITDA MARGIN



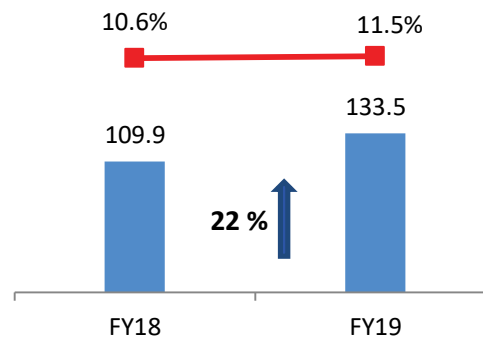
PAT & PAT MARGIN



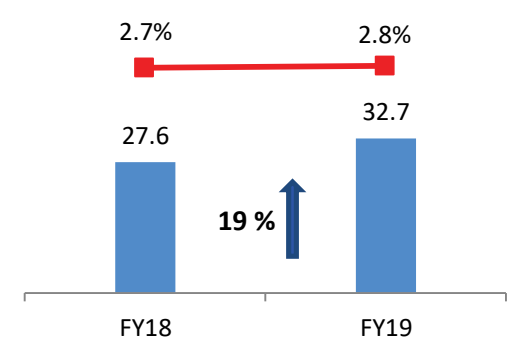
NET REVENUES* & GROSS MARGIN



EBITDA & EBITDA MARGIN



PAT & PAT MARGIN

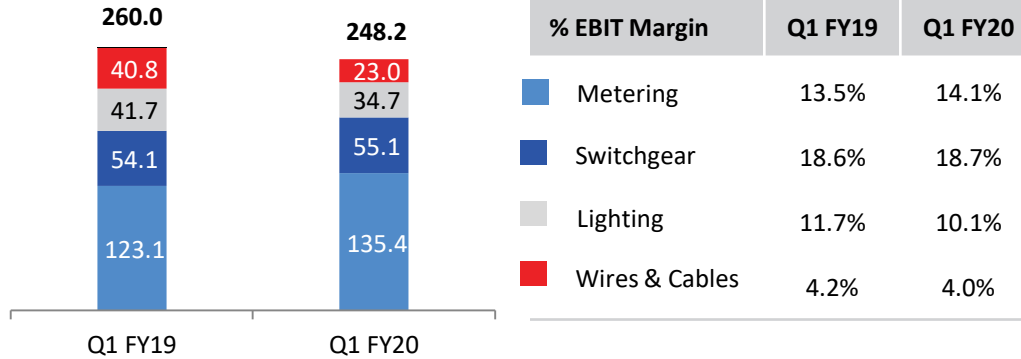


* Net revenues from operations (net of excise duty)

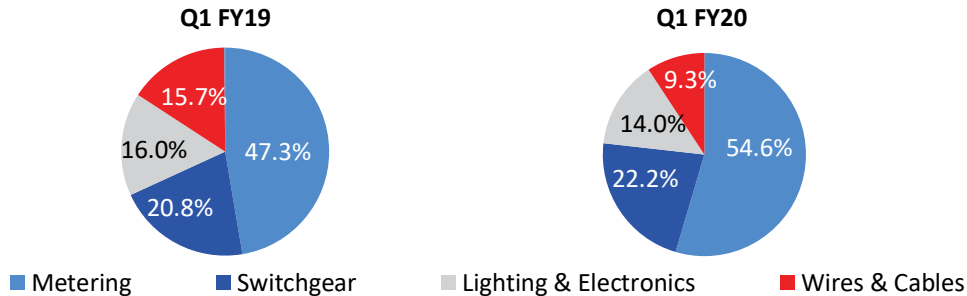
Q1 FY20: YoY SEGMENT ANALYSIS & BUSINESS OUTLOOK

In Rs Crore

SEGMENT REVENUE AND EBIT MARGIN



SEGMENT REVENUE SHARE %

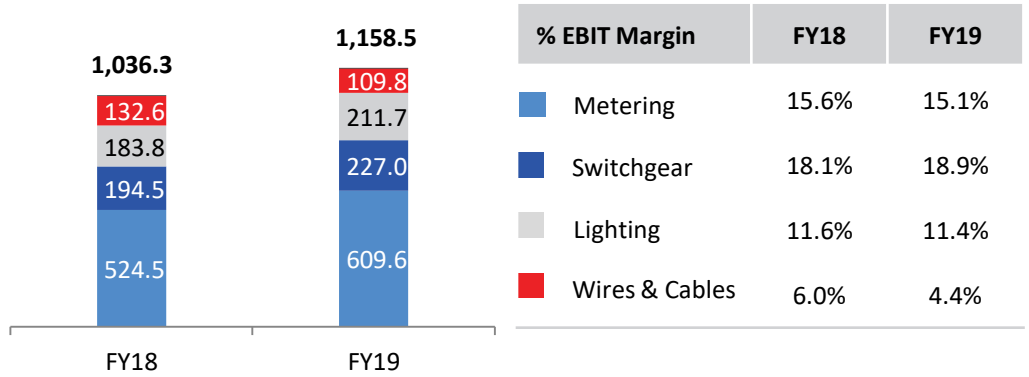


- **Metering revenues grew by 10% YoY**
 - Timely execution of orders
 - EBIT Margins expanded on account of higher revenue base coupled with better product mix
- **Switchgear revenues grew by 2% YoY**
 - EBIT Margins improved by 10 bps
- **Lighting and Wires & Cables revenue declined by 17% YoY and 44% YoY respectively**
 - As industry witnessed sluggish demand in April / May amid general elections, decline in professional lighting orders and domestic slowdown coupled with tight liquidity conditions prevailing in the economy
- **Business Outlook**
 - Good performance of metering business is expected to continue. We expect ~20% growth on a sequential basis in Q2
 - Lighting business saw good traction in month of June 2019. We expect to see strong jump sequentially in Q2
 - We are optimistic of seeing good traction across our business segments in the second half of this year

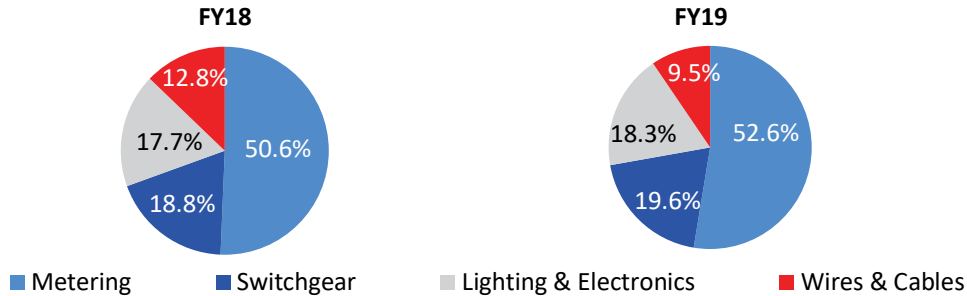
FY19: YoY SEGMENT ANALYSIS

In Rs Crore

SEGMENT REVENUE AND EBIT MARGIN

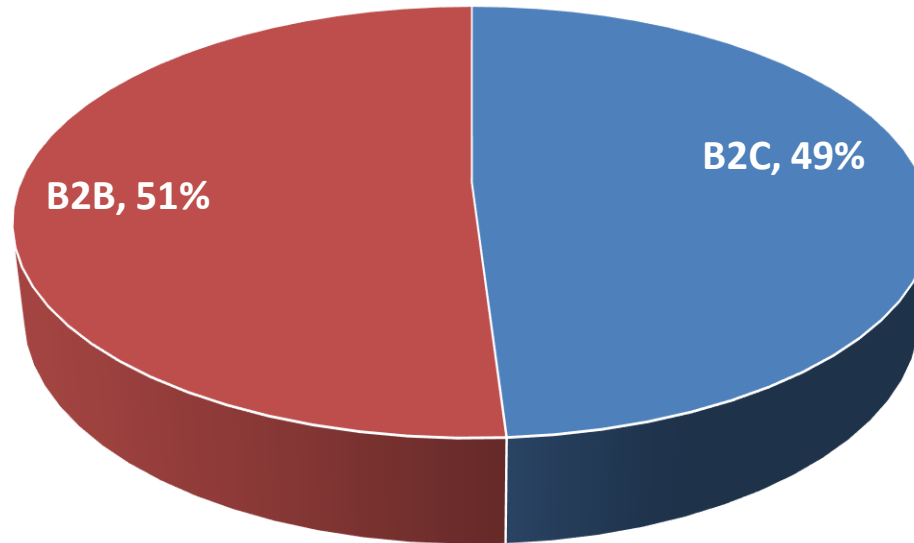


SEGMENT REVENUE SHARE %



Q1 FY20: REVENUE BREAKUP – B2C vs. B2B

Q1 FY20 Revenues – Rs 248.2 crore

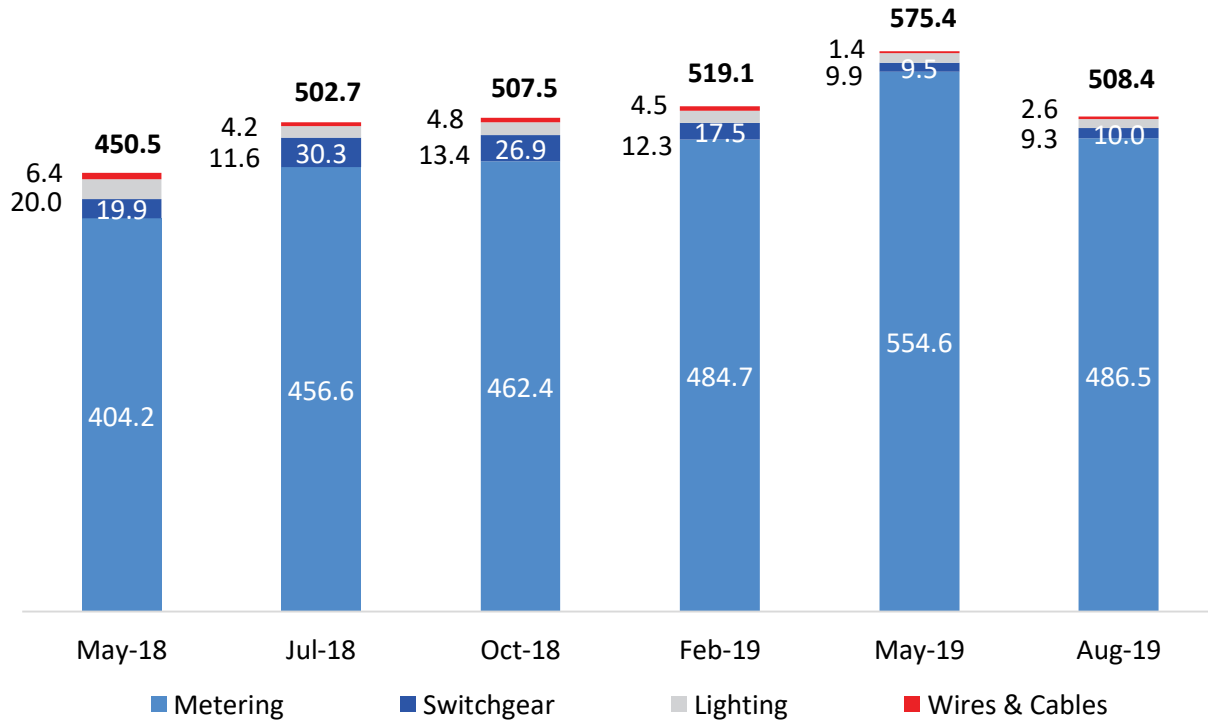


B2C includes Non-utility Metering, Switchgear, Lighting and Wires & Cables Segment Revenues

B2B includes Metering Revenues from Utilities and EESL

ROBUST ORDER BOOK & OUTLOOK

ORDER BOOK (Rs CRORE) – NET OF TAXES



Order Book Update

- Consolidated order book stood at Rs 508.4 crore (net of GST) as on 9th August 2019
 - Metering orders of Rs 486.5cr
 - Switchgear orders of Rs 10.0cr
 - Lighting orders of Rs 9.3cr
 - Wires & Cables orders of Rs 2.6cr
- Enquiry base for Metering tenders are at a healthy level, which provides good visibility and positive outlook for the coming quarters



CONSOLIDATED PROFIT & LOSS STATEMENT

Particulars (In Rs. Cr.)	Q1 FY20	Q1 FY19	YoY%	FY19	FY18	YoY%
Net Revenue from Operations (Net of Excise)	248.2	260.0	-4.6%	1,158.5	1,036.3	11.8%
COGS	156.2	170.5	-8.4%	759.7	682.7	11.3%
Gross Profit	91.9	89.5	2.7%	398.8	353.7	12.8%
Gross Margin (%)	37.0%	34.4%	262 bps	34.4%	34.1%	30 bps
Employee Expenses	34.3	35.4	-3.2%	137.8	131.3	5.0%
Other Expenses	27.4	26.8	2.1%	127.5	112.5	13.3%
EBITDA	30.2	27.3	10.9%	133.5	109.9	21.5%
EBITDA Margin (%)	12.2%	10.5%	169 bps	11.5%	10.6%	92 bps
Other Income	1.4	1.2	17.9%	4.7	4.4	6.2%
Finance Costs	14.9	13.6	9.7%	58.1	51.0	14.0%
Depreciation	9.4	6.9	35.7%	32.0	22.8	40.6%
PBT	7.3	7.9	-7.9%	48.0	40.5	18.7%
Taxes	2.2	2.3	-1.7%	15.3	12.9	18.7%
Reported PAT	5.1	5.6	-10.4%	32.7	27.6	18.6%
PAT Margin (%)	2.0%	2.2%	-13 bps	2.8%	2.7%	16 bps
Earnings Per Share (EPS)	0.79	0.87	-9.2%	5.06	4.27	18.5%



CONSOLIDATED BALANCE SHEET

Particulars (In Rs Cr)	Mar-19	Mar-18
Equities & Liabilities		
Shareholder's Funds	728.5	703.9
Equity share capital	64.3	64.3
Other Equity	664.2	639.6
Minority Interest	1.5	1.3
Non-Current Liabilities	46.2	41.4
Borrowings	25.2	21.3
Other Financial Liabilities	12.0	12.2
Provisions	9.0	7.9
Current Liabilities	744.6	774.2
Borrowings	492.4	458.3
Trade Payables	216.0	288.3
Other Financial Liabilities	24.8	18.6
Provisions	6.7	5.3
Other Current Liabilities	4.7	3.6
Total Equity & Liabilities	1,520.8	1,520.8

Particulars (In Rs Cr)	Mar-19	Mar-18
Assets		
Non-Current Assets	519.6	498.7
Property, Plant & Equipment	423.6	402.7
Intangible Assets	29.7	22.6
CWIP	7.2	0.2
Loans	2.6	2.3
Deferred Tax Assets (Net)	37.4	43.2
Other Non-Current Assets	19.1	27.8
Current Assets	1,001.2	1,022.1
Inventories	414.1	423.7
Trade receivables	471.3	467.4
Cash & Bank Balances	66.9	69.7
Loans	0.4	0.4
Other Financial Assets	14.6	14.9
Current Tax Assets (Net)	1.7	3.1
Other Current Assets	32.2	43.0
Total Assets	1,520.8	1,520.8

MARKETING CAMPAIGNS & ACTIVATIONS

HPL

Newsletter

August 2019

HPL the Official LED Lighting Partner of HARYANA STEELERS Pro Kabaddi '19

We proudly announce our association with Haryana Steelers, as the official LED Lighting partner for Pro Kabaddi 2019. As part of our association, all players of Haryana Steelers team will sport the HPL logo on their jersey, giving us ample visibility during live matches.

KA BUDDY
AA KHELE KABADDI

The most watched league after Cricket in India with 300 million viewership*

This association will further be leveraged by using player images on our brand communication. HPL Electric is exponentially growing and strengthening its presence in Rural Markets.

*Source: Barc



Social Media & PR Promotions

TG focused brand campaign is active on all the social media platforms like facebook, Twitter and LinkedIn display network reaching the customer base at large.



NEW PRODUCT LAUNCHES

New Product Range Launched in the Lighting Segment - "The Seven Wonders"

THE SEVEN WONDERS OF HPL

- KASPER** THE INVERTER LAMP: Fast charging, Good weather and glass free, Long lasting battery backup.
- DR. LIGHT** THE ANTI-BACTERIAL LAMP: Certified by IMA, Operates at normal 120V, Voltage surge protection upto 3.5kv.
- TWISTY** THE FIXED HOLDER PANEL: Changeable colour, Shocking performance light output, Eye insulation by having inside the holder.
- TWINKLE** THE ADJUSTABLE T-SHAPE LAMP: Glare reduction, No flicker flickering, Eye safety compliance.
- GOLITE** THE ECO-FRIENDLY LAMP: Over voltage protection, Good weather and glass free, Eco friendly with low power consumption.
- MR. FIT** THE SLIM PANEL: Compact in size, Provides light brightness, Glass free and sparkling light output.
- CHAMELEON** THE COLOUR CHANGING LAMP: Certified by IMA, Operates at normal 120V, Voltage surge protection upto 3.5kv.

New Product Launched in Switchgears - "TechnoN MCB & DB"



Introducing New MCB & DB range by the name of 'Techno N'. Engineering that goes way beyond the standard of regular MCBs.

- State-Of-The Art design
- Breaking capacity 10 kVA
- Trip Free Mechanism
- IP 20 Protection on live parts
- Confirms to IS:60898-1
- Current Limiting Design
- Cable termination upto 35 mm²

CHANNEL CONNECT AND DEALER MEETS

Connect. Converge. Engage.

Channel connect executed in more than 10 cities

Pan India Elite dealers meet has been strategically organized in more than 10 cities for product awareness and one on one interaction with dealers for an effective and stringent growth in the market share.



It was an open discussion forum between Mr. Gautam & Dealers for an even better and efficient way forward.



Bhutan Dealers Incentive Trip@ Thailand

As a token of appreciation, HPL has organized an Incentive tour of Bangkok Thailand for our Bhutan Dealer – Mr Kaka Dawa, Bhutan Quality Enterprises along with his Sub dealers from (25th – 28th July 2019) for their encouraging contribution in sales & marketing of HPL range in Bhutan in FY 2018-19.



HPL Madurai Lighting Dealers Incentive Trip@ Singapore

Over 50 qualified dealer / retailers from lighting division were taken to Singapore as an appreciation on achieving the targets. It was well organised trip with sight seeing followed by award night.

Dealers Meet @ Radisson, Jaipur

All top dealer of Rajasthan gathered and shared the market insight with management. Company had honoured best among top dealers with award distribution basis on their sales achievement.





COMPANY OVERVIEW



BRIEF PROFILE

BUSINESS OVERVIEW

- HPL is an established electric equipment manufacturer in India - market leader in electricity energy meters (20% mkt. share) & on-load change-over switches (50% mkt. share), 5th largest LED manufacturer, 5% mkt. share in LV switchgears
- 40+ year old established brand with strong recall across various customer segments – Power Utilities, Government Agencies, Retail and Institutional customers
- Large product portfolio offering wide range of Metering Solutions, Switchgears, Lighting which includes LED & CFL lamps and Wires & Cables

KEY STRENGTHS

- 7 state-of-the-art Manufacturing facilities with capabilities across design & product development, component designing, tool making and commercial production
- Strong R&D capabilities with focus on constant innovation and development of new products with superior technologies
- Established Pan-India Distribution network consisting of 90+ Branch Offices, 900+ authorized dealers & 27,000+ retailers
- Experienced management team with more than 20 years of industry experience
- Established relationships with Power Utilities, Government Agencies and Institutional customers
- Strong pre-qualification credentials creating significant entry barriers in the metering and switchgear businesses

FINANCIAL PERFORMANCE

- Consolidated Revenue, EBITDA and PAT were Rs 1,158.5 cr, Rs 133.5 cr and Rs 32.7 cr respectively in FY19
- EBITDA Margin improved to 11.5% in FY19 compared to 10.6% in FY18
- Steady balance sheet with D:E ratio of 0.69x as of Mar-19

WIDE-RANGING PRODUCT PORTFOLIO



HPL is the “ONE-STOP SHOP” for Low Voltage Electrical Equipments across market segments and price ranges

HPL’s complementary product offerings enable cross-selling and lead to STRONG BRAND RECALL

With a large product portfolio, HPL is at forefront to capture GROWTH OPPORTUNITY



Metering Solutions

Smart Meter



Net Meter



Prepaid Meter



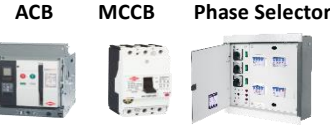
Trivector Meter



emfis

Switchgears

Industrial Applications



Domestic Applications



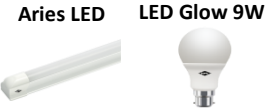
Modular Switch & Accessories



TAB™ **intelliPROTECT**
intelliCONTROL **Osäfe**
MCB | DB | RCCB

Lighting Equipment

Consumer LED Products



Commercial LED Products



Outdoor LED Products



Pathlite
smART
ART MEETS STATE-OF-THE-ART

Wires and Cables

Fire Resistant Cables



Co-axial Cables



Solar Cables



Networking & Data Cables



Power Utilities

Public & Private Enterprises

Residential & Commercial Users

STRONG R&D THRUST – CONTINUOUS TECHNOLOGY UPGRADATION



FOCUS ON CONTINUOUS R&D TO LAUNCH AND MARKET EXCITING NEW INNOVATIVE PRODUCTS LOADED WITH IMPROVED FEATURES, ENERGY EFFICIENCY, AUTOMATION AND COMMUNICATION



IN-HOUSE R&D CAPABILITIES:

- 2 R&D facilities in Gurgaon & Kundli with more than 100 engineers
- 1 Testing facility in Gurgaon – NABL accredited and ISO/IEC 17025:2005 compliant
- 2 Tool Rooms for rapid prototyping & component designing for complete range of MCBs, MCCBs, meters, changeover switches, switch fuse units, LED lamps and CFLs



SOLAR ELECTRICAL PRODUCTS

HPL has developed a complete range of solar solutions across meters, switchgears, lighting and wires & cables

Metering Solutions

Solar Net Meter



Switchgears

Solar AC Distribution Box



Solar DC Distribution Box



Solar Main Junction Box



Solar Array Junction Box



Lighting Equipment

Solar Batten



Solar LED Street Light



Solar LED Bulb



Wires and Cables

Solar Cables



STATE OF ART MANUFACTURING FACILITIES



GURGAON



Gurgaon Facility I:

- **Products:** Electronic static energy meters
- **Capacity:** 6 Million Units

Gurgaon Facility II:

- **Products:** Parts/components of lighting equipment (CFL & LED), electronic energy meters
- **Capacity:** 15 Million Parts/ Components

JABLI



Facility I:

- **Products:** MCBs, distribution boards and panels, MCB isolators, MCB changeover switches, earth leakage circuit breaker and switches, energy meters and parts of lighting equipment
- **Capacity:** 11.5 Million Units

Himachal Energy Facility:

- **Products:** electronic energy meters, panel meters and clips for panel meters
- **Capacity:** 3 Million Units

STATE OF ART MANUFACTURING FACILITIES

KUNDLI



Facility I:

- **Products:** Switchgears and parts of electronic energy meters and parts of lighting equipment
- **Capacity:** 5 Million Units

Facility II:

- **Products:** Lighting equipment
- **Capacity:** 26 Million Units

GHARAUNDA

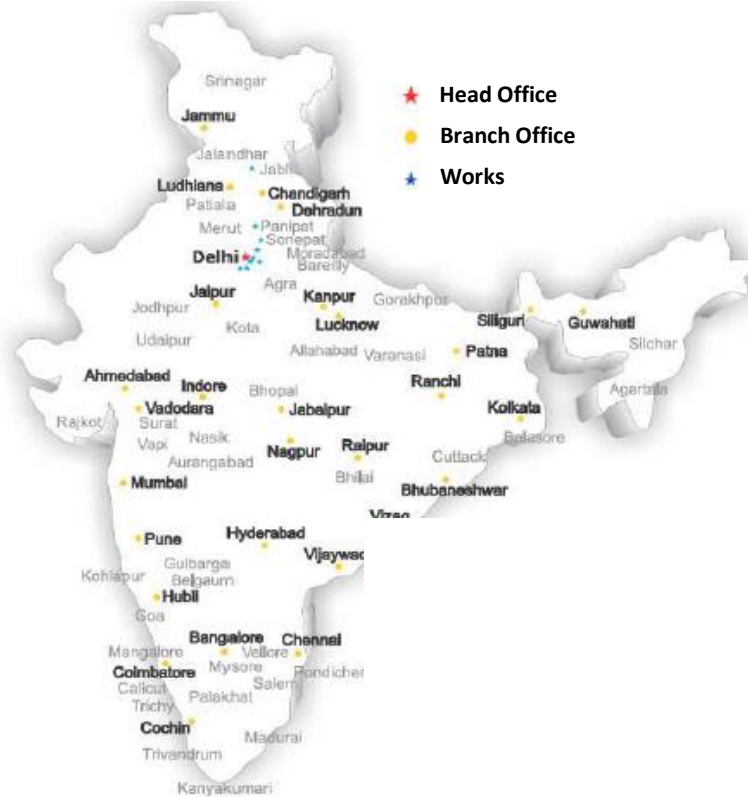


- **Products:** Wires and Cables
- **Capacity:** 194.4 Mn meters

QUALITY & COMPLIANCE CERTIFICATIONS



ESTABLISHED PAN-INDIA DISTRIBUTION NETWORK & BRAND PRESENCE



ESTABLISHED PAN-INDIA DISTRIBUTION NETWORK & BRAND PRESENCE TO CAPTURE SIGNIFICANT GROWTH POTENTIAL IN ELECTRICAL EQUIPMENT INDUSTRY

**90+ Branch Offices
21 Warehouses across India**

**900+ Authorized Dealers and
27,000+ Retailers**

**Carrying and forwarding agents model for
sale and supply through authorized dealers**

**620+ full time employees responsible for promotional
and brand building activities for our products**

EXTENSIVE EXPERIENCE, ESTABLISHED RELATIONSHIPS, STRONG CREDENTIALS



**STRONG EXECUTION, ESTABLISHED RELATIONSHIPS AND STRONG PRE-QUALIFICATION CREDENTIALS
MAKE HPL A PREFERRED SUPPLIER OF THE SPECIALISED ELECTRICAL EQUIPMENTS**



EXTENSIVE EXPERIENCE

- Strong Promoter pedigree with more than 40 years of experience
- More than 20 years of average experience of senior management team
- Strong R&D and manufacturing capabilities



ESTABLISHED RELATIONSHIPS

- Established relationships with Institutional customers, Power Utilities and Governmental Agencies across India
- HPL has created formidable entry barriers in technologically advanced products like Metering and Switchgear businesses

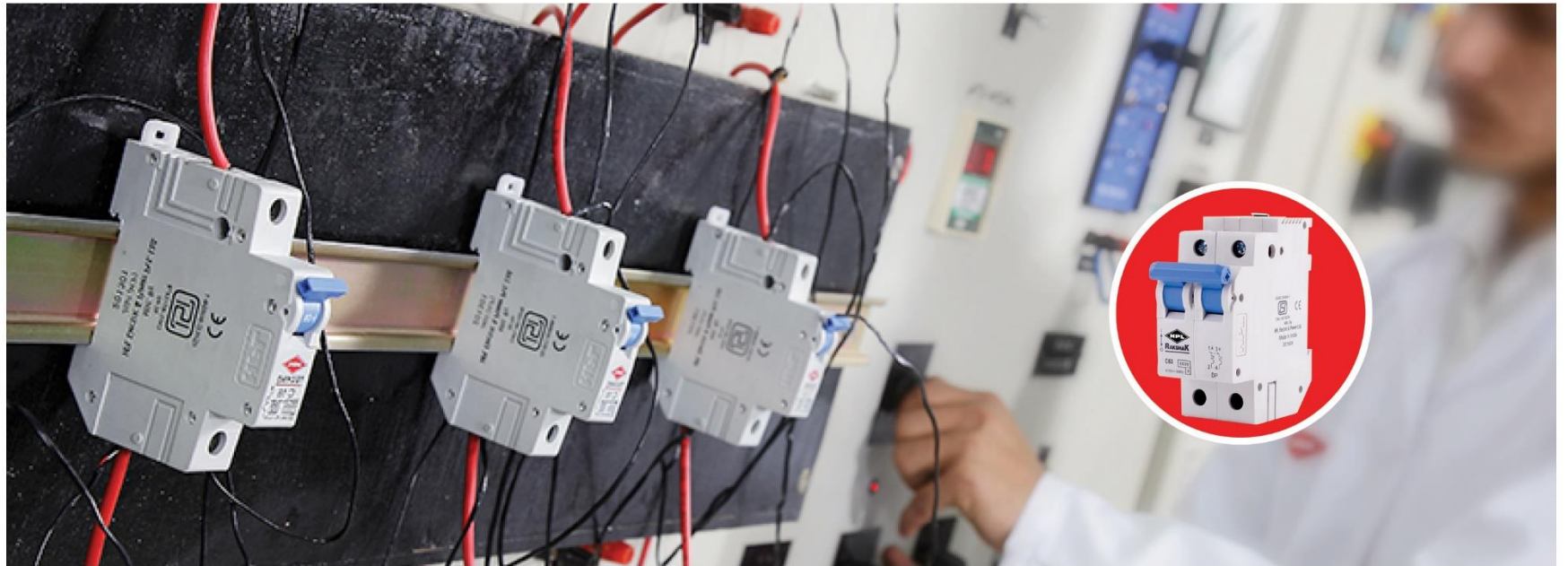


STRONG PRE-QUALIFICATION CREDENTIALS

- HPL works with Power Utilities and Government Agencies pursuant to direct contractual arrangements, obtained through a bidding process, requiring certain pre-qualification requirements
- HPL meets all pre-qualification credentials including past experience, technical requirements, quality and safety compliances, financial strength, price competitiveness

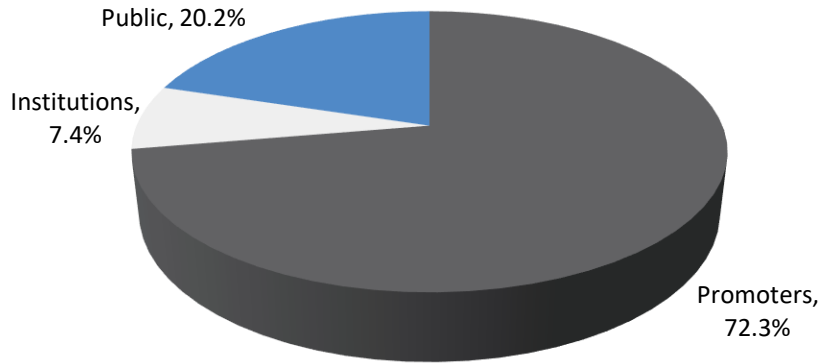


SHAREHOLDING STRUCTURE



SHAREHOLDING STRUCTURE

SHAREHOLDING – 30th June 2019



Source – BSE

KEY INVESTORS – 30th JUNE 2019

% Holding

HDFC AMC	6.03%
EQ India Fund	1.18%

Source – BSE



FOR FURTHER QUERIES:



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