



HPL Electric & Power Ltd.

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Website : www.hplindia.com

CIN No. : U74899DL1992PLC048945

Date: February 6, 2017

BSE Limited,
P.J. Towers,
Dalal Street, Fort
Mumbai-400 001
Scrip Code: 540136

National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East
Mumbai-400 051
Symbol: HPL

Dear Sir/Madam

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

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 analyst and investors Scheduled to be held on Tuesday, 7th February, 2017 at 4:00 p.m. is enclosed and the said Earnings Presentation has also been uploaded on the Company's website at www.hplindia.com.

We request you to kindly take the same on record.

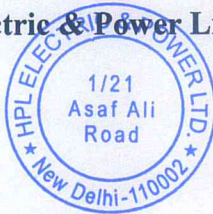
Thanking You

Yours Faithfully,

For HPL Electric & Power Limited

Vivek Kumar

Company Secretary



Encl: As above

METERING

Intelligent measurement solutions for Industrial & Commercial application.



LIGHTING

Best in class luminaries with latest technology, unique designs and lighting trends.



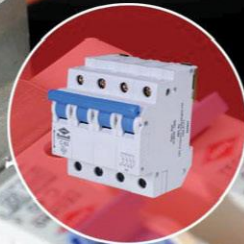
WIRES & CABLES

Comprehensive solutions for optimum performance.



PROTECTION DEVICES

'Electric Safety' is our Top Mantra



THE POWER OF TECHNOLOGY

HPL ELECTRIC & POWER LIMITED

Q3 & 9M FY17 RESULTS UPDATE

FEBRUARY 2017



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.



QUARTERLY
UPDATE

COMPANY
OVERVIEW

BUSINESS STRATEGY
& OUTLOOK

FINANCIAL OVERVIEW
& SHAREHOLDING
STRUCTURE



A TRUSTED BRAND
World Over

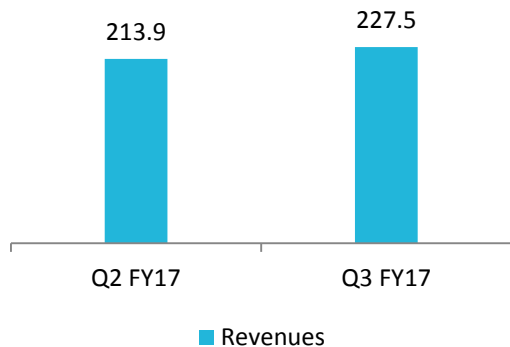


- SWITCHGEAR
- METERING
- LIGHTING
- WIRE & CABLES

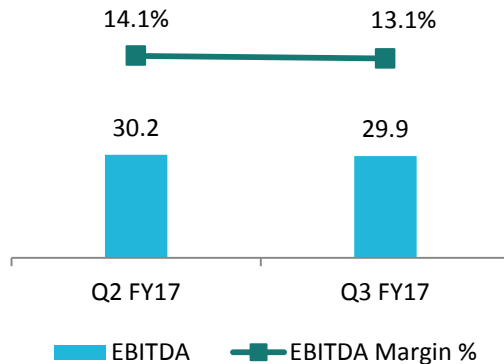


In Rs Crore

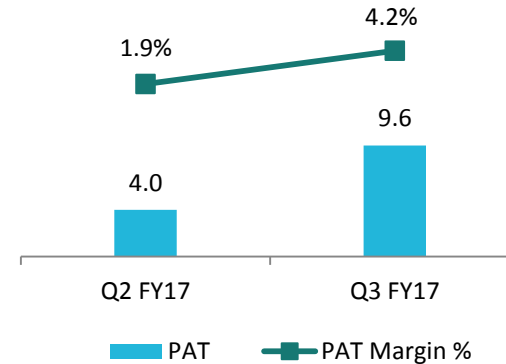
REVENUES



EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



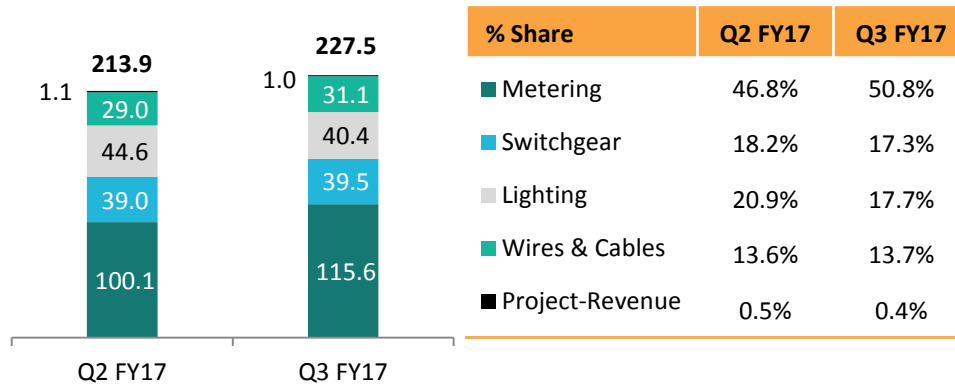
- Q3 FY17 revenues grew by 6.3% QoQ driven by growth in Switchgear and Wires & Cables segments, partially offset by decline in Lighting segment
- EBITDA was stable on QoQ basis. EBITDA margin declined from 14.1% to 13.1% primarily due to lower margins in Metering and Lighting segments
- PAT witnessed significant improvement on QoQ basis



Q3 FY17 QoQ ANALYSIS

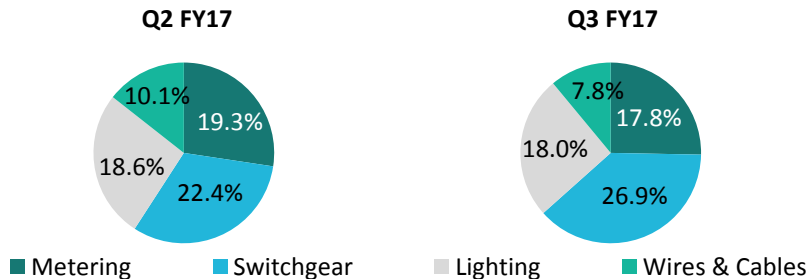
In Rs Crore

REVENUE ANALYSIS



% Share	Q2 FY17	Q3 FY17
Metering	46.8%	50.8%
Switchgear	18.2%	17.3%
Lighting	20.9%	17.7%
Wires & Cables	13.6%	13.7%
Project-Revenue	0.5%	0.4%

EBIT MARGIN ANALYSIS



- Metering segment witnessed revival on QoQ basis with renewed traction in metering tenders from utilities
- Meter orders pending from utilities were worth Rs 227.5 cr at the end of Q3 FY17
- Switchgear segment saw stable revenues, operating margin improved by better product mix
- Switchgear segment had strong order book of Rs 54 cr at the end of Q3 FY17
- Lighting sales were impacted by the phase-out of CFL products and voluntary reduction of low margin business from EESL/projects
- Wires & Cables sales increased driven by improved volumes and upward price revision in selling price

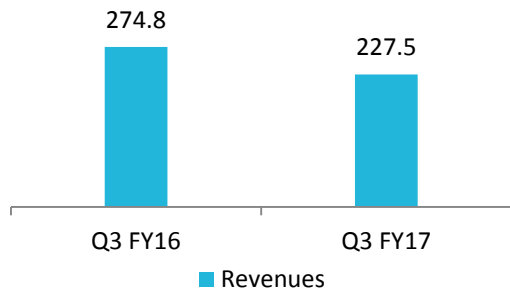
* Gross Revenues before excise duty

Q3 & 9M FY17 RESULT ANALYSIS

Q3 & 9M YoY Analysis

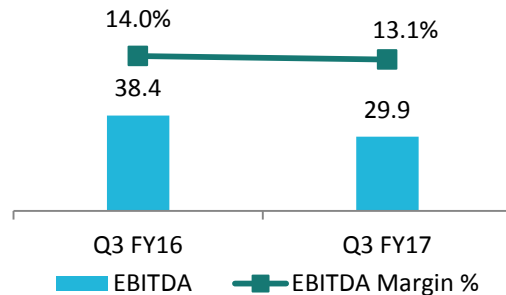


REVENUES



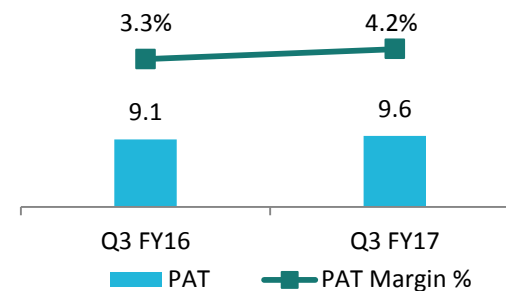
Q3 FY17 YoY Analysis

EBITDA & EBITDA MARGIN

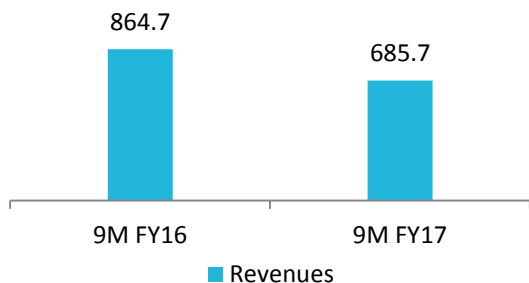


In Rs Crore

PAT & PAT MARGIN

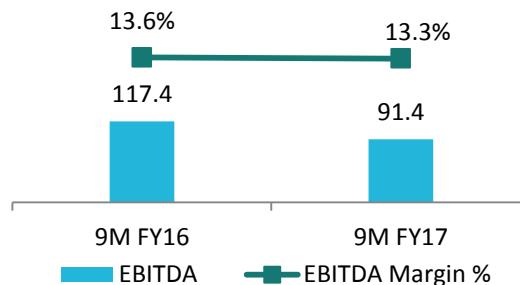


REVENUES

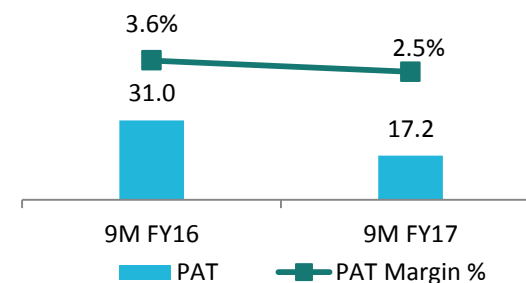


9M FY17 YoY Analysis

EBITDA & EBITDA MARGIN



PAT & PAT MARGIN



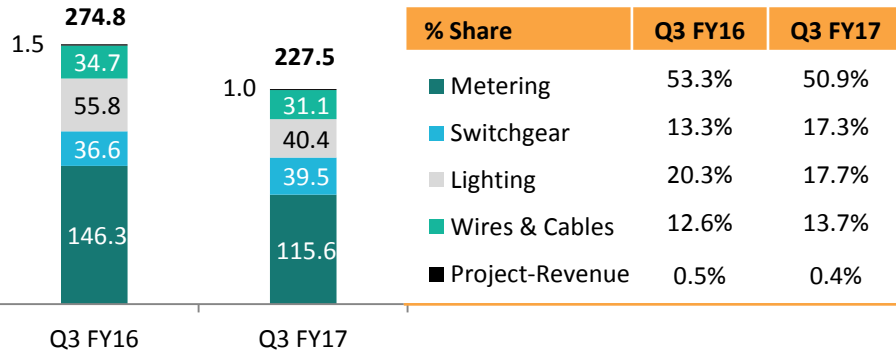
Q3 & 9M FY17 RESULT ANALYSIS

Q3 & 9M YoY Analysis



Q3 FY17 YoY Analysis

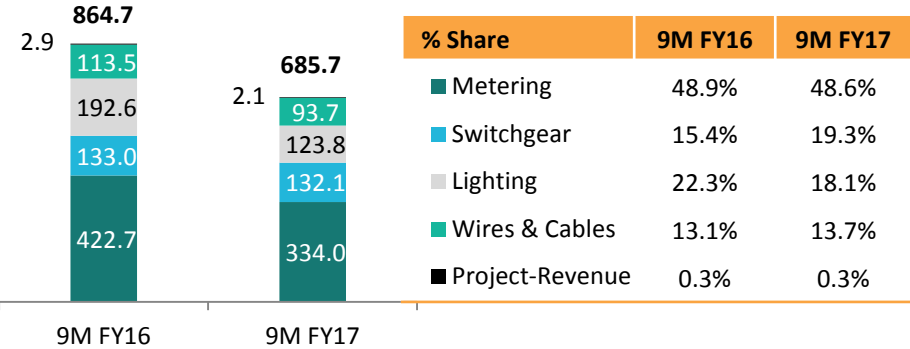
REVENUE ANALYSIS



9M FY17 YoY Analysis

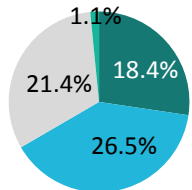
REVENUE ANALYSIS

In Rs Crore

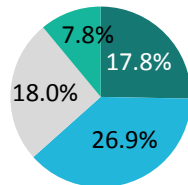


EBIT MARGIN ANALYSIS

Q3 FY16



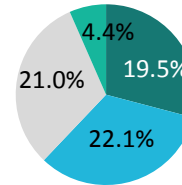
Q3 FY17



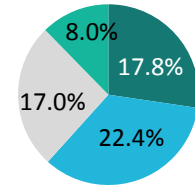
■ Metering ■ Switchgear ■ Lighting ■ Wires & Cables

EBIT MARGIN ANALYSIS

9M FY16



9M FY17



■ Metering ■ Switchgear ■ Lighting ■ Wires & Cables

* Gross Revenues before excise duty

- Metering sales declined on YoY basis due to lower take-off of metering orders by utilities
- Switchgear sales grew by 8% despite of demonetisation which affected retail business. Various government initiatives like IPDS, DDUGJY in the renewables space and new product launches like ELMO switches and automated ATS had positive impact
- Lighting sales were impacted by the phase-out of CFL products and voluntary reduction of low margin business from EESL/projects
- The trade business in LEDs witnessed good traction and increased focus on LED luminaries helped in partially offsetting the impact of lower CFL sales
- Wires & Cables sales declined YoY primarily due to drop in commodity prices in first 7 months on FY17. This situation is now improving driven by revival in copper price in November 2016 and subsequent selling price revision by the manufacturers

KEY DEVELOPMENTS

- Strong order book of Rs 342.2 cr as on 31st December 2016
 - Metering orders of Rs 227.5 cr
 - Switchgear orders of Rs 54.0 cr
 - Lighting orders of Rs 57.1 cr
- Opportunities under the 'Housing for All' initiative are expected to get further impetus from 'Infrastructure Status' given to affordable housing in the recent budget
- Work on HPL's Rs 70 cr order for Bhopal Smart City Automation and LED Lighting solution has commenced and revenues will start contributing from Q4 FY17
- Advanced lighting solutions with integrated communication is set to present new business opportunities in the lighting segment
- In addition to significant debt reduction, there was increased focus on working capital efficiency.
 - We have taken consent from 159 Channel Partners for 'Dealer Channel Financing' which will reduce debtor days over coming quarters

Q3 & 9M FY17 RESULT ANALYSIS

CONSOLIDATED PROFIT & LOSS STATEMENT



Particulars (In Rs Cr)	Q3 FY17	Q2 FY17	QoQ %	Q3 FY16	YoY %	9M FY17	9M FY16	YoY %
Revenue from Operations	227.5	213.9	6.3%	274.8	-17.2%	685.7	864.7	-20.7%
COGS	148.0	137.2	7.9%	174.7	-15.3%	442.1	573.4	-22.9%
Gross Profit	79.5	76.7	3.6%	100.2	-20.6%	243.6	291.3	-16.4%
Gross Margin	34.9%	35.9%	-92 bps	36.4%	-151 bps	35.5%	33.7%	183 bps
Employee Expenses	27.7	26.4	4.9%	32.5	-14.9%	83.1	75.2	10.6%
Other Expenses	21.9	20.1	8.9%	29.2	-24.9%	69.0	98.8	-30.1%
EBITDA	29.9	30.2	-1.1%	38.4	-22.3%	91.4	117.4	-22.1%
EBITDA Margin %	13.1%	14.1%	-98 bps	14.0%	-85 bps	13.3%	13.6%	-24 bps
Depreciation	6.0	5.9	1.7%	5.8	3.7%	17.7	15.8	11.7%
Finance Cost	11.6	21.0	-44.8%	21.0	-44.7%	54.6	61.5	-11.1%
Other Income	1.6	1.6	0.5%	1.8	-8.0%	4.4	4.3	1.2%
PBT	13.9	4.9	183.7%	13.5	3.4%	23.5	44.4	-47.1%
Tax Expense	4.3	0.9	398.4%	4.3	1.7%	6.1	13.2	-53.8%
PAT	9.6	4.0	137.4%	9.2	4.1%	17.4	31.2	-44.3%
Minority Interest	0.0	0.1	-92.4%	0.1	-94.0%	0.1	0.2	-45.5%
Reported PAT	9.6	4.0	140.8%	9.1	4.9%	17.2	31.0	-44.3%
PAT Margin %	4.2%	1.9%	235 bps	3.3%	89 bps	2.5%	3.6%	-107 bps
Earnings Per Share (EPS) - Diluted In Rs.	1.88	0.87	116.1%	1.98	-5.1%	3.42	6.72	-49.1%

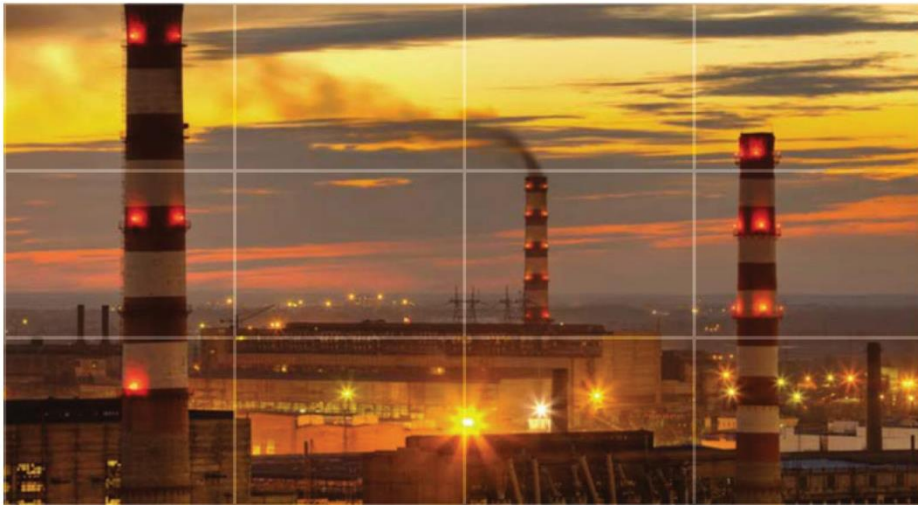


QUARTERLY
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COMPANY
OVERVIEW

BUSINESS STRATEGY
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FINANCIAL OVERVIEW
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STRUCTURE



METERING

Intelligent measurement solutions
for Industrial & Commercial applications.

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, 2700+ authorized dealers & 20,000+ 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

- Restated Consolidated Revenue, EBITDA and PAT were Rs 1,116.4 cr, Rs 141.1 cr and Rs 36.6 cr respectively in FY16 having grown at CAGR of 11.8%, 14.1% & 5.9% over FY12-FY16
- EBITDA Margins have been stable in the range of 10%-13% in the last 5 years
- Significant deleveraging of Balance Sheet post the debt repayment of Rs 320.5 cr in FY17; with D/E ratio coming down from ~1.6x in FY16 to ~0.4x as of Sep-16. This should result in significant improvement in PAT Margin going forward

COMPANY OVERVIEW

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

PRODUCT PORTFOLIO

SUB-BRANDS

CUSTOMERS

Metering Solutions

HT Meter



Multi Function Meter



Prepaid Meter



Long Range Meter



emfis

Power Utilities

Switchgears

Industrial Applications

ACB MCCB Changeover Switch



Domestic Applications

Bsafe Techno RCCB



Modular Switch & Accessories

Toggle Switches Plug Sockets Push Bells



intelliPROTECT

intelliCONTROL TAB™

Public & Private Enterprises

Lighting Equipment

Consumer LED Products

Aries LED LED Glow 9W



Commercial LED Products

Mitered CRCA Panel



Outdoor LED Products

Street Light LED Flood Light



Pathlite

smART
ART MEETS STATE-OF-THE-ART

Residential & Commercial Users

Wires and Cables

Fire Resistant Cables



Co-axial Cables



Solar Cables



Networking & Data Cables



COMPANY OVERVIEW

INCREASING BUSINESS DIVERSIFICATION

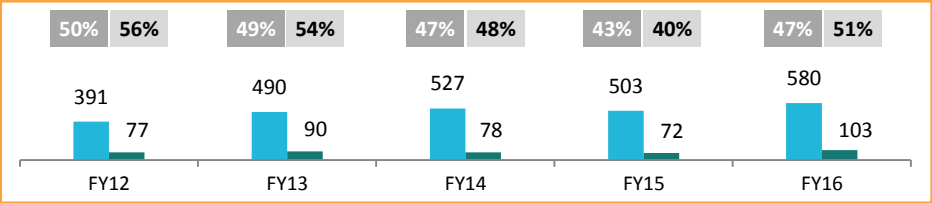


In Rs Crore

METERING SOLUTIONS

Select Products:

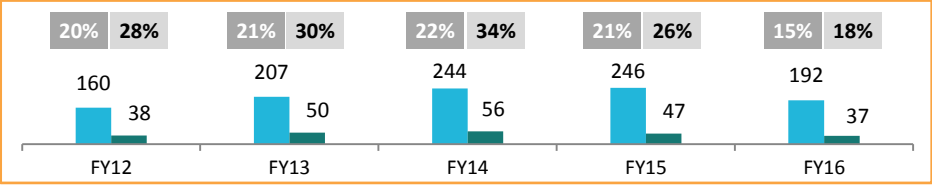
- Prepayment meters
- Net metering solutions
- Transformer metering solutions with remote communication facilities
- 1 phase/ 3 phase and LTCT energy meters



SWITCHGEARS

Select Products:

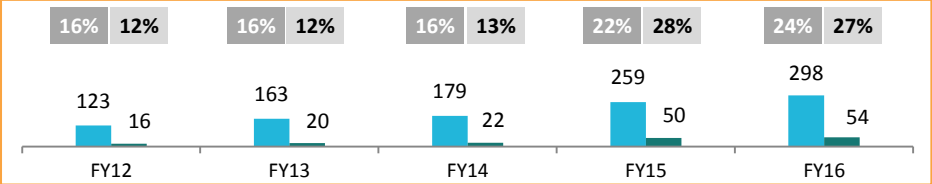
- ACBs
- MCCBs
- On-load changeover switches
- Control gear and Modular switches



LIGHTING EQUIPMENT

Select Products:

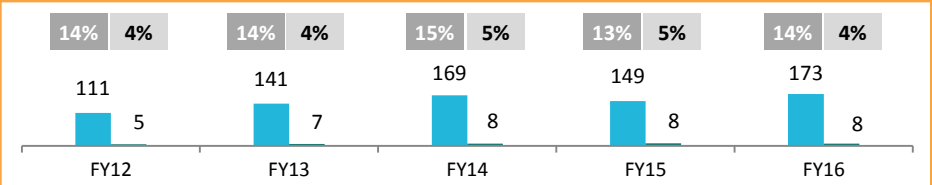
- Led bulbs, tubes
- Down lighters, Flood lights
- Street lights



WIRES & CABLES

Select Products:

- Co-axial cables, Data networking cables
- Instrumentation cables, Control cables
- Fire resistant wires
- Flame retardant low smoke wires
- Zero halogen flame retardant wires



% of Total Revenues

% of Total EBIT

Division Revenues (Gross) before Excise Duty

Division EBIT (Excl. unallocated expenses)



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

LAUNCH OF INNOVATIVE PRODUCTS & ROBUST NEW PRODUCT PIPELINE:

- **CCMS Street Lighting System:** Leads to significant saving in manpower & energy through automated settings for sunset & sunrise timings, remote energy metering & dimming of lights during off-peak hours
- **Smart Meters** with Tamper-Proof features
- **Elmo Modular Switch** made from fire retardant UV stabilised engineering plastic
- **Motion Sensor LED Panel & Tube-light** with remote control
- **2 in 1 LED Bulb** with colour changing feature
- **Future Product Pipeline:** Solar Cables, Gas Meters

MOVING FROM PRODUCT SUPPLIER TO INTEGRATED SOLUTION PROVIDER

- Combine software with products to enable automation and communication - Prepaid Meters, Smart City Solutions, Smart Meters
- HPL has secured the **first order for Smart City Lighting in Bhopal** in Consortium with Bharti Infratel and Ericsson
 - HPL will provide street lighting solutions along with automation through centralised server communication

Kumbh Mela Lighting based on CCMS (Centralised Control Monitoring System) technology



COMPANY OVERVIEW

STATE OF ART MANUFACTURING FACILITIES



7 ROBUST MANUFACTURING FACILITIES ACROSS NORTH INDIA

- State of art manufacturing capabilities including design and product development, component designing, tool making and commercial production
- Capabilities to manufacture customized products for institutional customers and undertake modifications in products for OEMs and other corporate customers

QUALITY & COMPLIANCE CERTIFICATIONS



ISO-27001:2005

SUFFICIENT AVAILABLE CAPACITY

TO ACHIEVE REVENUES OF ~ Rs 2,500 CRORE

WITHOUT ANY MAJOR CAPEX IN NEAR FUTURE

COMPANY OVERVIEW

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



COMPANY OVERVIEW

STATE OF ART MANUFACTURING FACILITIES



KUNDLI



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

SONEPAT



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

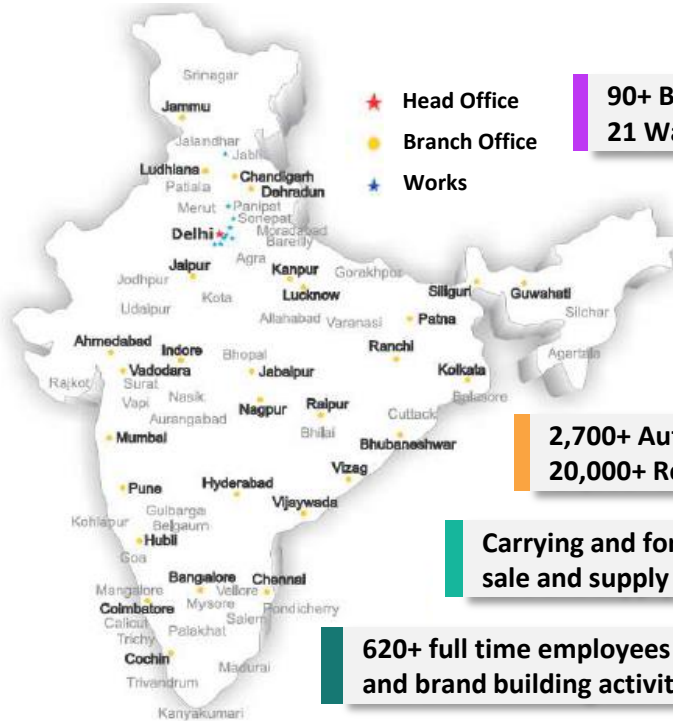
GHARAUNDA



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



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



- ★ Head Office
- Branch Office
- ★ Works

90+ Branch Offices
21 Warehouses across India

2,700+ Authorized Dealers and
20,000+ 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

LED Campaign



Wire Campaign



BTL Marketing



Outdoor Marketing



International Campaigns





**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



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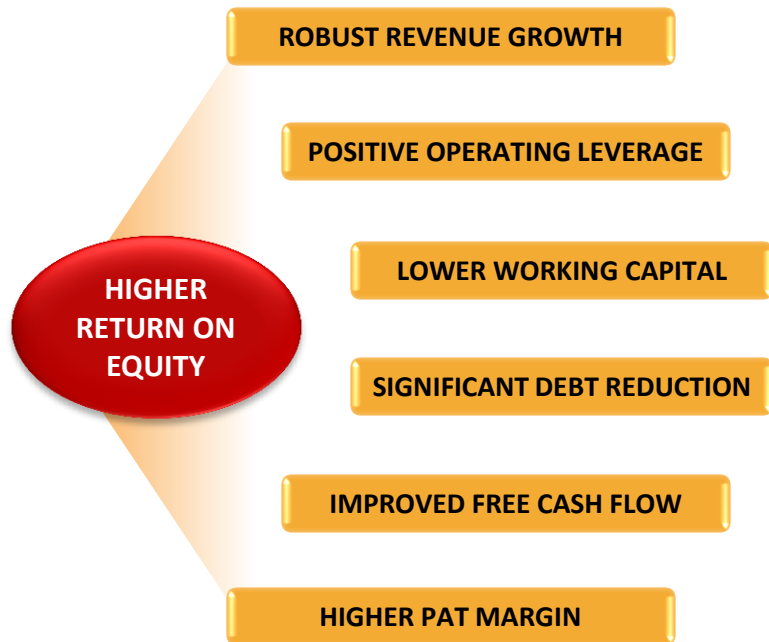
BUSINESS STRATEGY
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LIGHTING

Best in class luminaires with latest technology,
unique designs and lighting trends.





EXPAND PRODUCT RANGE

- Utilise existing capacity to double the revenues over next 4-5 years
- Leverage R&D capabilities to develop high margin LED lighting equipments
- Focus on value-added products – specialty wires, smart meters, prepayment meters

REDUCE WORKING CAPITAL & BORROWING

- Rs 320.5 cr of debt repaid using IPO proceeds, leading to reduction in finance costs
- Debt down from Rs 579 cr to Rs 259 cr, D:E ratio down from 1.6x to 0.6x
- Reduce working capital cycles and improve inventory management
 - Shift to CNF sale and distribution model with direct control on inventories
 - Increase % of sales through authorized dealers
- Introduce channel financing with large corporate customers and authorized dealers with an aim to reduce receivables by Rs 75 – 100 cr

EXPAND GEOGRAPHICAL REACH & ENHANCE BRAND VISIBILITY

- Expand our network of authorized dealers or distributors
- Enter new international markets
- Increase brand promotion and marketing
- Focus on print and social media advertising and television campaigns
- Increase interactions with authorized dealers and end consumers

STRENGTHEN CUSTOMER BASE

- Launch product variants based on different price points, design and quality
- Create synergies in manufacturing and marketing activities by promoting cross sale of our products



THE ELECTRIC EQUIPMENT INDUSTRY IS EXPECTED TO GROW AT A CAGR OF 8% - 12% OVER 2016 – 2020

HPL CAN EFFECTIVELY LEVERAGE ITS STRONG R&D & MANUFACTURING CAPABILITIES AND LONG STANDING RELATIONSHIPS WITH GOVERNMENT AGENCIES, POWER UTILITIES AND INSTITUTIONAL CUSTOMERS TO CAPITALISE ON ELECTRIC EQUIPMENT INDUSTRY TAILWINDS

UDAY (UJWAL DISCOM ASSURANCE YOJANA)

Increase operational efficiency and lower AT&C losses through –

- Smart metering solutions, upgradation of transformers and meters
- Energy efficiency measures like efficient LED bulbs & lighting equipment
- Improved financial health of DISCOMs will help in lowering the working capital cycle of electrical equipment suppliers to DISCOMs

SMART CITIES MISSION

Rs 3 Trillion Smart Cities mission is an urban renewal and retrofitting program by the GoI to develop 100 cities across India

- Increasing urbanization and growing household income will drive demand for a variety of LT electrical equipment and lighting solutions
- HPL in consortium with Bharti Infratel & Ericsson has received its first order of ~Rs 70 cr for Bhopal Smart City Lighting Project and has further bid for orders in 11 other smart city locations

HOUSING FOR ALL

- 'Housing for All' initiative plans 20 million homes for the economically weaker sections in India by 2022
- This initiative puts a major thrust over affordable electrical solutions

GAS & WATER METERING SOLUTIONS

- Smart gas metering solutions as a part of proposed expansion of city gas distribution network
- Intelligent water metering solutions
- Opportunities in products & services related to renewable energy like solar energy

GST IMPLEMENTATION

- GST implementation will lead to smoother inter-state goods transport.
- This will reduce the number of warehouses and help in inventory rationalisation and lower working capital cycle



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& SHAREHOLDING
STRUCTURE



PROTECTION DEVICES

'Electric Safety' is our Top Mantra

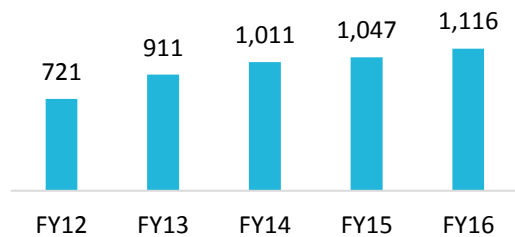




In Rs Crore

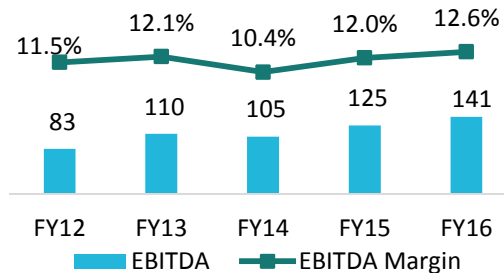
REVENUES

CAGR: 12 %



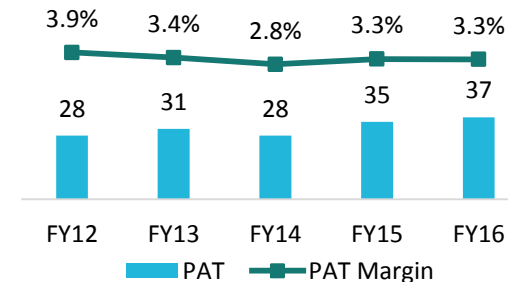
EBITDA & EBITDA MARGIN

CAGR: 14 %

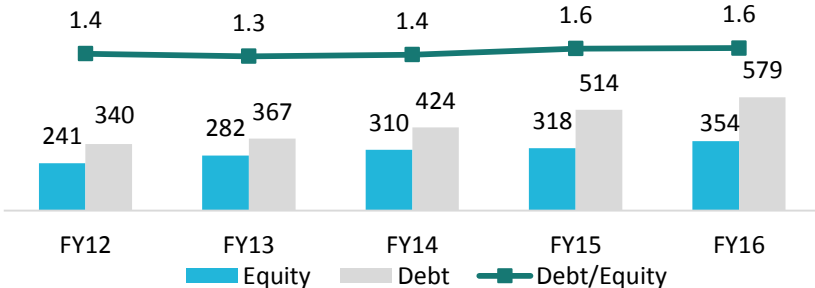


PAT & PAT MARGIN

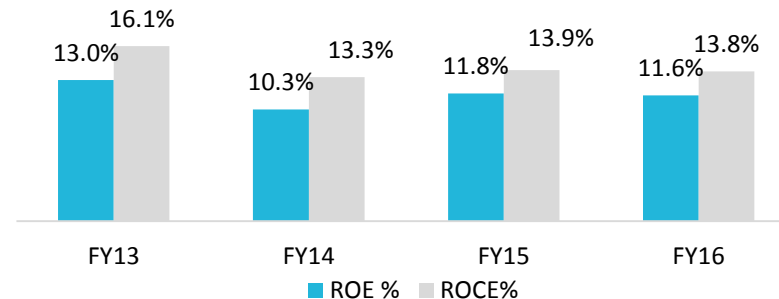
CAGR: 7 %



LEVERAGE ANALYSIS



RETURN METRICS

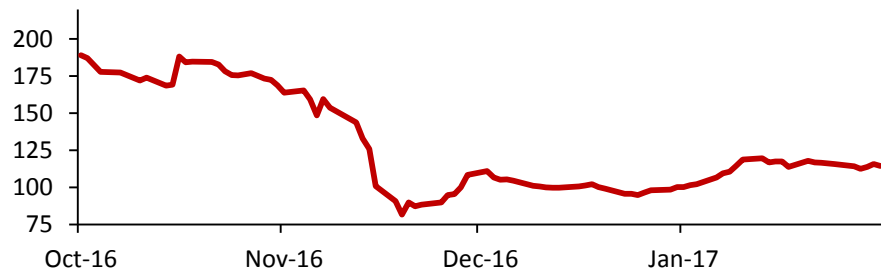


Source: Restated Consolidated Financials from Company RHP

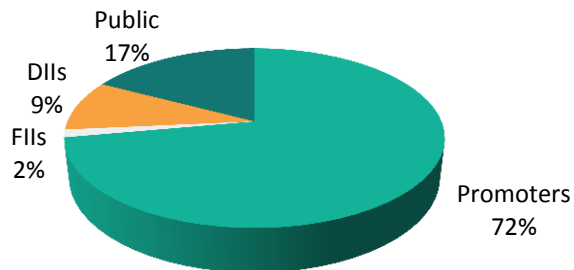
ROE = PAT / Avg. Equity (Excl. preference shares), ROCE = EBIT / Avg. Capital Employed



SHARE PRICE PERFORMANCE



SHAREHOLDING – 31ST DECEMBER 2016



MARKET DATA (BSE)

AS ON 3RD FEBRUARY 2017

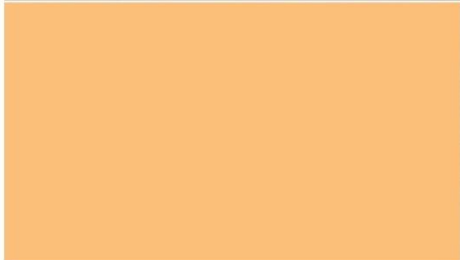
Market Capitalization (Rs Cr)	735.3
Price (Rs)	114.4
No. of Shares Outstanding (Cr)	6.4
Face Value (Rs)	10.0
52 Week High-Low (Rs)	198.0-74.2

KEY INSTITUTIONAL INVESTORS - 31ST DECEMBER 2016

% Holding

HDFC AMC	5.32%
Birla Sun Life AMC	2.62%
Morgan Stanley Mauritius	1.00%
Baroda Pioneer MF	0.61%
IDFC MF	0.38%

Source – Company



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