



For Immediate Release

November 14, 2017

HPL Electric and Power Ltd reports its Q2 FY2017-18 Results

Improved Profitability and Robust Order Book Visibility

New Delhi, India, November 14, 2017 – 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, announces their financial results for the quarter ended September 30, 2017.

Consolidated Performance Highlights: Q2 FY2017-18 vs. Q1 FY2017-18

Particulars (In Rs Cr)	Q2 FY 2017-18	Q1 FY 2017-18	QoQ %
Revenue from Operations	224.2	221.3	1.3%
EBITDA	25.8	23.5	9.7%
EBITDA Margin %	11.5%	10.6%	88 bps
Reported PAT	6.2	5.3	17.9%
PAT Margin %	2.8%	2.4%	39 bps
EPS - Diluted (In Rs)	0.97	0.81	19.8%

The good recovery in second half the quarter, helped us overcome slow-down the month July, as majority of

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dealers were trying to acclimatize themselves with the nuances of the GST regime. On a QoQ basis, our Revenue remained relatively flat. The EBITDA and PAT growth were driven by a healthy growth in the Gross Margin. Metering EBIT margin increased due to a favourable product mix, but the segment revenue declined marginally as certain orders were awaiting inspection and clearance. Switchgear sales improved slightly though the Margin declined owing to additional manpower costs. The 93% jump in Lighting revenue was driven by the early festive season demand in the month of September. This robust growth was registered

HPL Electric & Power Ltd.

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despite the phasing-out of CFL products. Wires & Cables sales declined due to preponement of sales in Q1. The second half of FY18 looks promising at the current order book level of Rs 450 cr.

As a leading electrical equipment major, HPL Electric & Power is known for cutting edge innovation, manufacturing and R&D prowess. Continuous focus on these areas has enabled us to conceptualize a range of solar solutions across our product basket. Renewed traction in metering orders and reduction in GST rate applicable to Switchgears and Wires & Cables, will fuel the growth momentum. The newly launched 'Saubhagya' scheme, which aims at electrifying every household, will create substantial demand for prepaid and smart meters.

- **Gautam Seth**, Joint Managing Director

Key Developments in the Second Quarter of FY2017-18

- As on 14th November 2017, the order book stands at Rs. 450 cr. (17.5% jump QoQ).
- The above order includes Metering orders worth Rs. 382.5 cr. which makes the H2 outlook for this segment quite positive.
- The Lighting & Switchgear orders stand at Rs. 43.9 cr. and Rs. 23.2 cr respectively.
- Renewed traction in the Metering segment due to the tender of the first smart meter order, provides good visibility for future smart meter orders and the energy meter segment, overall.
- 1.8 cr. meters are under various stages of evaluation.
- The recently launched 'Saubhagya' scheme which aims to provide electricity to every household in India, is a lucrative opportunity for all the products in our portfolio.
- The early demand from festive season shoppers led to the sharp rise in Lighting sales in the month of September.
- The reduction in the GST rate applicable to the Switchgear and Wires & Cables products, from 28% to 18%, will fuel revenue growth in these two segments as the unorganized players will find it difficult to sustain in the market due to the shrinkage in the price gap between branded and un-branded products.

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, with one of the widest portfolios of meters

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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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