



For Immediate Release

August 14, 2017

HPL Electric and Power Ltd reports its Q1 FY2017-18 Results *Improved Profitability and Robust Order Book Visibility*

New Delhi, India, August, 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 June 30, 2017.

Consolidated Performance Highlights: Q1FY2017-18 vs. Q1FY2016-17

Particulars (In Rs Cr)	Q1 FY 2017-18	Q1 FY 2016-17	YoY %
Revenue from Operations	246.3	264.9	-7.0%
EBITDA	23.5	31.7	-25.7%
EBITDA Margin %	9.5%	12.0%	-241 bps
Reported PAT	5.3	5.0	6.6%
PAT Margin %	2.1%	1.9%	27 bps
EPS - Diluted (In Rs)	0.81	1.05	-22.9%

The first quarter of the financial year 2017-18 began on a very encouraging note marked by strong revival in metering orders after a gap of four successive quarters. Our metering order book increased by 53% from March-17 to June-17. Our revenues during the first quarter primarily declined in the switchgear and lighting segment due to lower offtake by channel partners on account of destocking before the onset of GST regime. While metering segment revenues were stable, wires & cables segment displayed healthy revenue growth. Driven by robust metering orders, our total order book has increased by 34% from Rs 285.4 cr as on March-17 to Rs 382.7 cr as on June-17 providing strong revenue visibility for FY17-18.

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, supported by a strong order book, pan-India distribution network & presence, enhanced advertisement & marketing efforts and successful transition into GST will have a positive impact on the company in the coming year, making us extremely optimistic about future growth. Further, in addition to various government initiatives and favourable macroeconomic growth drivers, GST implementation is expected to create a level-playing field leading to a shift in demand from unorganised players to branded players, benefitting players like HPL Electric & Power in the near future.

- **Gautam Seth**, Joint Managing Director

HPL Electric & Power Ltd.

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Key Developments in the First Quarter of FY2017-18

- Total pending orders at an all-time high of Rs. 382.7 Cr at Jun-17.(Up from Rs. 285.4 Cr at Mar-17.)
- The Company currently has pending meter orders from utilities at Rs. 302.5 Cr. (Against Rs. 199.2Cr. in the last quarter) giving a good revenue visibility for the current year.
- Order of Metering includes approximately Rs. 45 Cr. Orders received only in last fortnight.
- Pending Order Book for Switchgears is at Rs. 22.1 Cr.
- Company in Q1 FY18 continued supplying its products including Switchgears & Lighting to various Government initiatives like IPDS, DDUGJY, etc and for renewal energy sector.
- In wires section, revenue increased on YoY basis by 17.4% from Rs. 35.8 Cr in Q1 FY17 to Rs. 42.0 Cr. in Q1 FY18. There is also a QoQ increase of 17.3% in revenue. EBIT margin also improved from 6.5% in Q1 FY17 to 7.2% in Q1 FY18.
- The Company has continued its drive to better the working capital efficiency by implementing the 'Dealer Channel financing' which will bring positive results in form of lower debtor days. A positive trend is already evident which would be enhanced and shall be evident on the books in Q2/Q3 FY18.
- The Company has successfully transitioned into GST. The supply chain is also being revamped with the Company deciding to reduce about 10 warehouses which would help in reduction of stocks lying at C&F warehouses. The process would be completed by Q2 FY18.
 - The other general advantages of GST would also have positive impact on the Company.
- The Company has enhanced its advertisement and sales budgets and is currently focusing on Below-the-line (BTL) activities which involves on ground activation. Our Q1 FY18 spend is at Rs.3.7 Cr as compared to Rs 0.6 Cr in the Q1 FY17.
- The Company has updated its financial record and implemented IND-AS.

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 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

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