



HPL to Increase CFL Capacity, Launch Wires

HPL India Ltd, a manufacturer of electrical protection equipment, switchgears, electrical meters and energy management systems, is gearing up to capture a larger chunk of the market. Long perceived as a single source for all low voltage electrical requirements, it has not only forayed into domestic wires and cables, but is also enhancing its CFL production capacity.

Elaborating on HPL's aggressive moves, Gautam Seth (gautamseth@hplindia.com), the company's director, says, "We are planning to increase the production capacity of our CFL plant to 18 lakh units per month from the present 12.5 lakh at our Sonepat facility. We expect to achieve this target by March 2009." He informs that HPL is using mercury pill technology in CFL production, and has also introduced 0.85 power factor CFLs in line with BIS standards.

As regards the issue of CFL waste management, Seth asserts that the company will adhere to directions provided by IEEMA and other associations. "We are totally committed to safeguarding the environment from harmful products. We will actively participate in the national movement for safe disposal of CFLs given their mercury content which is toxic, once the policies are in place, and directions have been issued by the concerned authorities."

In another move to expand its product portfolio, HPL will be launching domestic wires and cables, commercial production for which has already started. Says Seth, "We had established a production unit for wires and cables about four months ago at Rai near Sonepat, and will introduce this category of products in the market very soon."

According to Seth, HPL is adhering to BIS and RoHS standards for all its products, and is planning to enter the European market soon. "We are already exporting to countries in South-East Asia, Africa, and Middle East. However, now we are keen to expand our base in Europe as well." The company already has collaborations with Socomec S A of France and Moeller of Austria and Germany.

And given HPL's ambitious plans and moves, it will soon have a pan-India presence. Its foray into wires, cables and CFLs is seen as a strategy towards brand expansion, which will also leverage its vast distribution network. "We are working towards building a strong base all over the country, especially in the north where we hope to be present in a big way by the year-end," adds Seth.

HPL, an ISO 9001:2000 company, is quick to absorb new and advanced technologies and is committed to offering consistency in quality since its establishment in 1956. Today, it is recognised not only for its conventional product lines, but also for its high-tech products that gives it an edge over its competitors, for which it gives credit to its large R&D infrastructure and a team of 80 engineers. The now Rs 450-crore company hopes to reach Rs 1,000 crore turnover soon.

New Performance Standards for Fan Manufacturers

The Bureau of Energy Efficiency (BEE) is planning to raise the service value bar for fan manufacturers across the country, and is proposing energy labeling for this product.

"The service value of fans incorporates air delivery and wattage, and is arrived at by dividing air delivery by power consumption. It denotes the efficiency of the fan. By upgrading the service value we will be reducing power consumption; since a higher service value means an energy efficient fan for a given output. Presently, a majority of fans sold in India have service values much lower than what we have proposed to BEE, which is 3.2 for 1,200mm sweep ceiling fans, as against the more commonly seen service value of around 2.5," explains Sunil Wadhwa (sunil_wadhwa@ushainternational.com), chairman of the Indian Fan Manufacturers Association (IFMA).

"Currently, around 70% of fans in the market have a service value of 2.5 with some of the larger manufacturers already producing fans with a service value of 3.0 and above," asserts Wadhwa. The average wattage could come down from 75W to around 50W for the best rated fan. On the other hand, the base rating could range between 3.2 to 3.4, and one additional star would be awarded to the product for every 0.2 points above the base rate in the proposed star-labeling scheme."

Is this move an attempt to push back the unorganised fan sector? Says Wadhwa, "Well, we cannot say that right now as this labeling is not aimed at any particular sector but at the industry as a whole. In India, over three crore fans are manufactured each year, of which 40% come from the unorganised sector. The organised fan industry recorded a compounded annual growth rate (CAGR) of 16.7% over the last five years."

While there is a price difference of at least 20% between the products of organised and unorganised manufacturers, the incorporation of higher performance standards could cause costs of smaller companies to go up by at least 10%, as they may not be equipped to make the required modifications. Raising fan performance will require change in fan design and increase of copper content in the motor. "Consumers will be able to save Rs 400 on energy per fan annually," claims Wadhwa.

Wadhwa opines, "With BEE labeling, the Indian fan manufacturers will have an advantage over fan makers of other countries who have their own set of standards, most of which, however, pertain to safety. Backed by this labeling, Indian fan exporters will score over their counterparts."