

Ref: HIL/SE/2023-24/75

November 1, 2023

To
BSE Limited
P.J.Towers, Dalal Street,
Mumbai – 400 001

To
National Stock Exchange of India Limited
5th Floor, Exchange Plaza, Bandra (E),
Mumbai – 400 051

Scrip Code: 509675

Scrip Symbol: HIL

Sub: Revised Investor Presentation on Q2 & H1 FY24 Financial Results

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Please find enclosed Revised Investor Presentation on the financial results of the Company for the quarter and half year ended September 30, 2023.

A copy of this disclosure is being uploaded on the website of the Company www.hil.in

Kindly take the same on record.

Yours faithfully,
For HIL Limited

Nidhi Bisaria
Company Secretary & Compliance Officer
Membership No.5634



PARADOR



5th YEAR
IN A ROW



Financial Results Presentation

Q2 & H1 FY2024

Cautionary statement regarding forward-looking statements

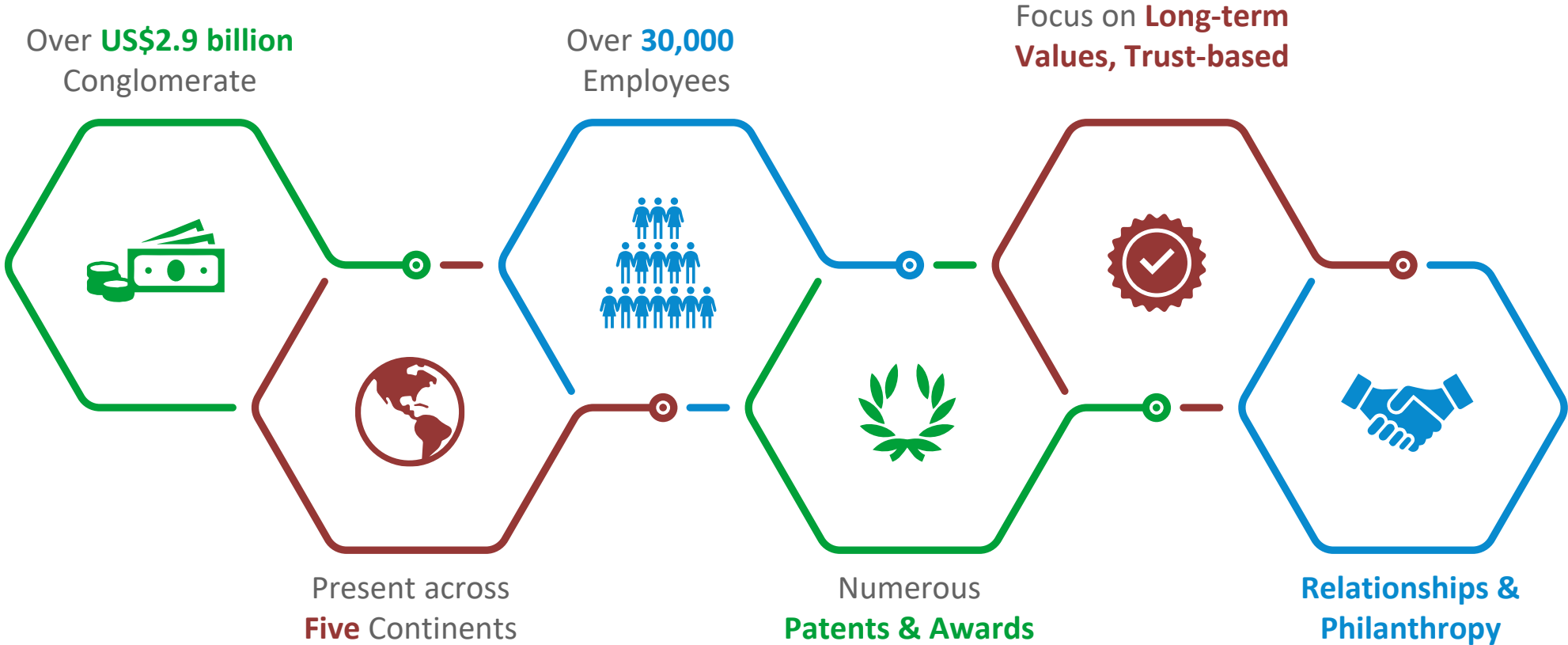
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Disclaimer

CK Birla Group – 165+ Years of Rich Legacy



Vision and Mission

Vision

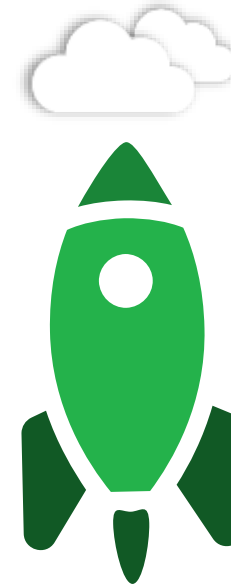


“To be a leading, global, innovative, and eco-friendly, building and infrastructure solutions company and create sustainable value for our stakeholders”

Mission

To deliver a diversified portfolio of eco-friendly products and solutions fueled by innovation

To build a strong corporate brand present across all continents



To digitalize processes end-to-end for business excellence

A diverse workplace that is a preferred employer

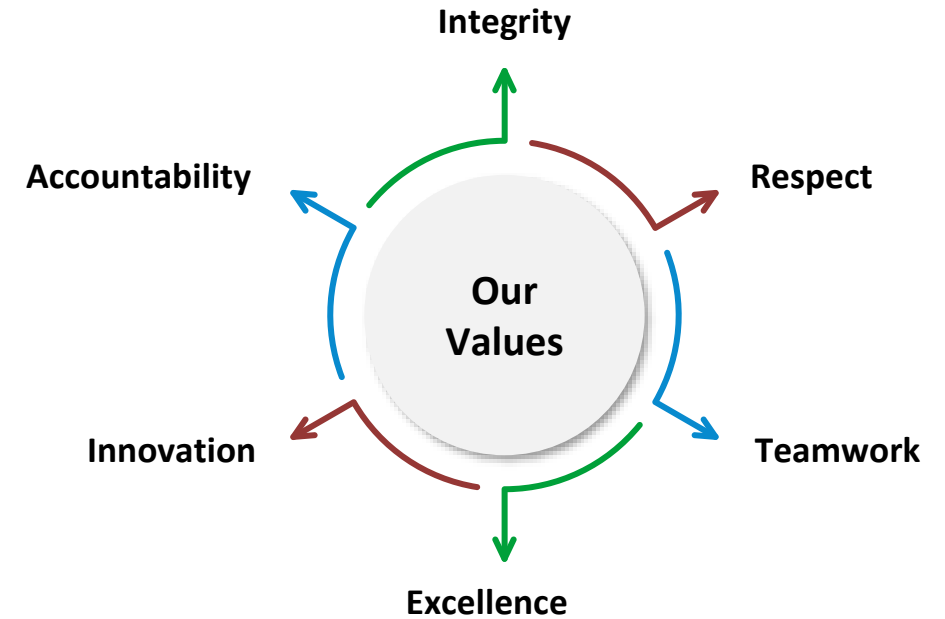
.....while continuing to meet our highest standards of, quality corporate social responsibility, safety, health and environment.

Value, Vision and Lineage



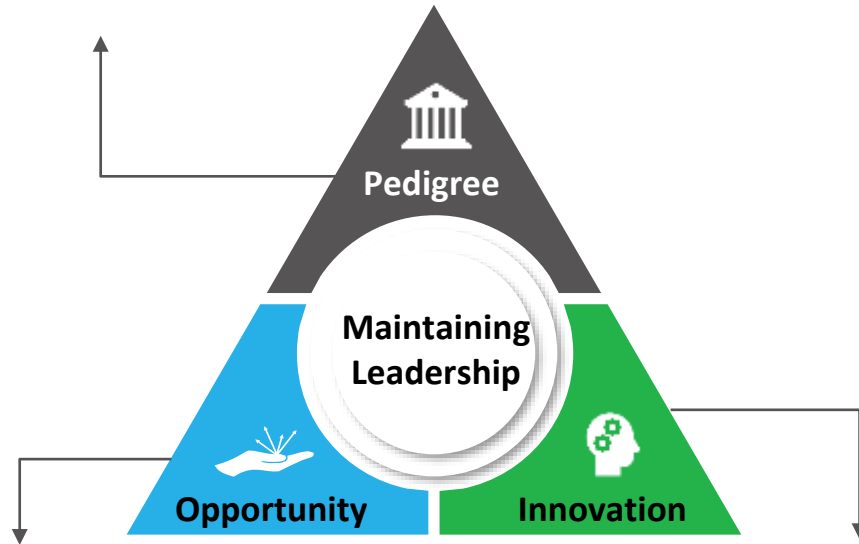
Mr. CK Birla:

Business must be conducted with highest standards of excellence, values, respect for the environment and human health. Business is the means to develop a better society and provide care to all. HIL will play its role in the infrastructure and construction sectors as a leader, shaping the future of this industry with practices and products that are eco - friendly and technologically advanced



HIL's Agenda

- Established brands
- Committed dealership
- Momentum in margins through sustainable efficiencies
- Great Place to Work with diverse and competent workforce



- Develop adjacent complementarities
- Diverse and sustainable portfolio
- Harness existing core strengths
- Drive organic expansion
- Augment non-roofing portfolio
- Launch research based green solutions



77 Years Journey of HIL



Brand and Product Overview



- Fibre Cement Sheets
- “Charminar +” Coloured Fibre Cement Sheets



Pipes & Fittings:

- UPVC Pipes and Fitting
- CPVC Pipes and Fitting
- SWR Pipes and Fitting
- Column Pipes
- Pressure Pipes
- Foamcore Water Tank



- Next Gen Non-asbestos Corrugated Roofing Sheets



Birla Wall Putty & Construction Chemicals

- Wall care Putty
- Gypsum Plaster
- Water Proofing Solution
- Tile Adhesive
- Primers & Stainers
- Distemper

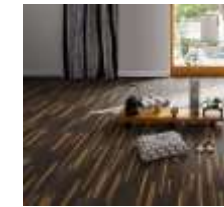


Dry Wall:

- Solid Wall Panels
- C- Boards
- Flex-O-Boards
- SmartBond
- Designer Board

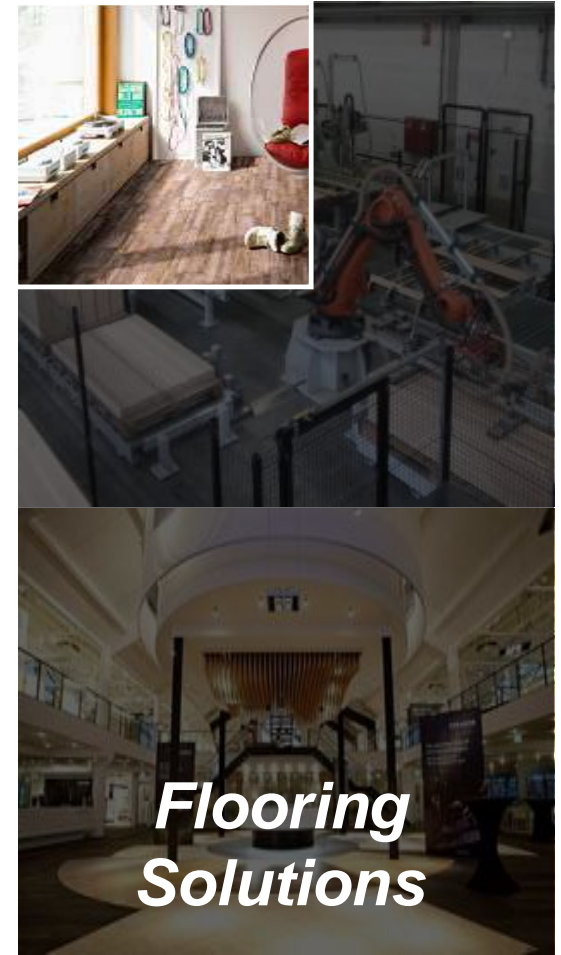
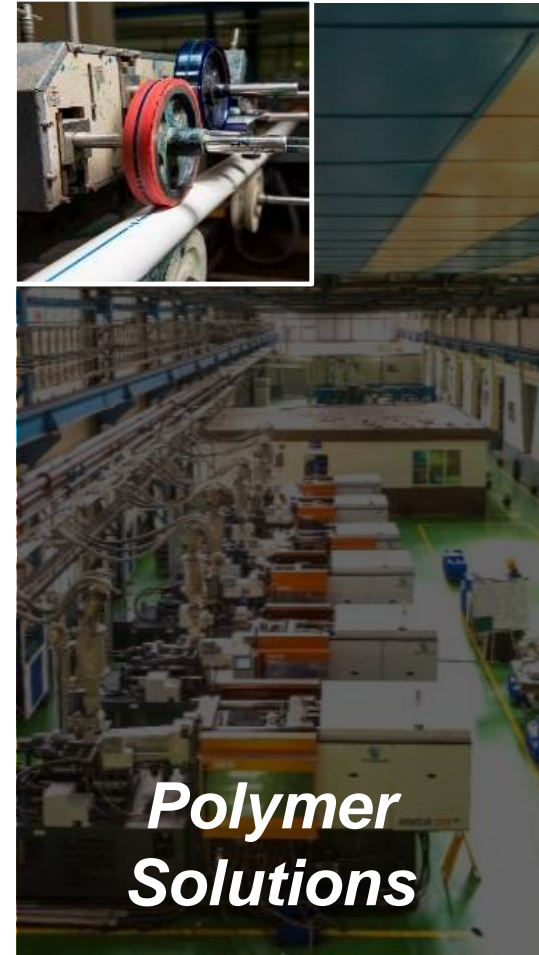
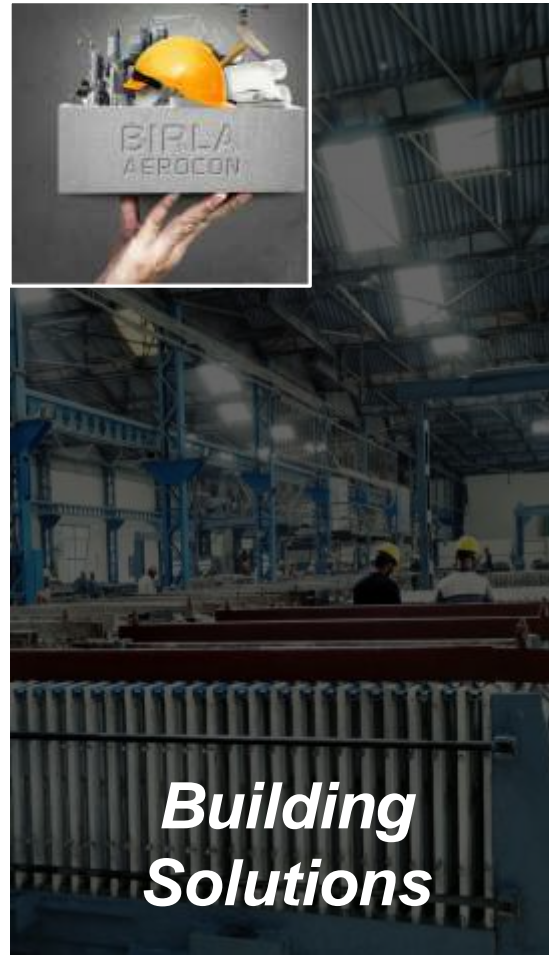
Wet Wall

- AAC Blocks
- Block Jointing Mortar



- Engineered Wood Flooring
- Laminate Flooring
- Resilient Flooring
 - LVT
 - ModularOne
 - SPC
- Skirting, Wall & Ceiling Panel and Accessories

Manufacturing Prowess



World-class facilities. End-to-end connected shopfloors

Awards Won



Charminar & Birla Aerocon awarded as Superbrands 2023 for 5th year in row



Top-Innovator 2022 - Top 100



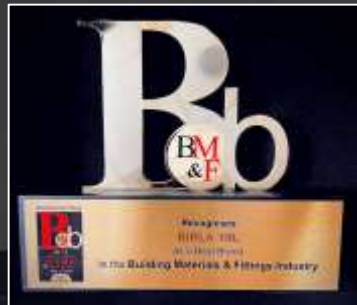
Interior & Exterior Awards 2023



India's Most Trusted Brand Awards 2022



Sustainable Organisations For 2023



Best Brands in the Building Materials and Fittings Industry



Charminar as Brand Of the Decade 2023 under Infrastructure Roofing Solutions



German Design Award 2022



Green Pro Award for Charminar Fortune Roofing Solutions- 2023



Most trusted Brand Birla HIL Putty










Geographical Presence

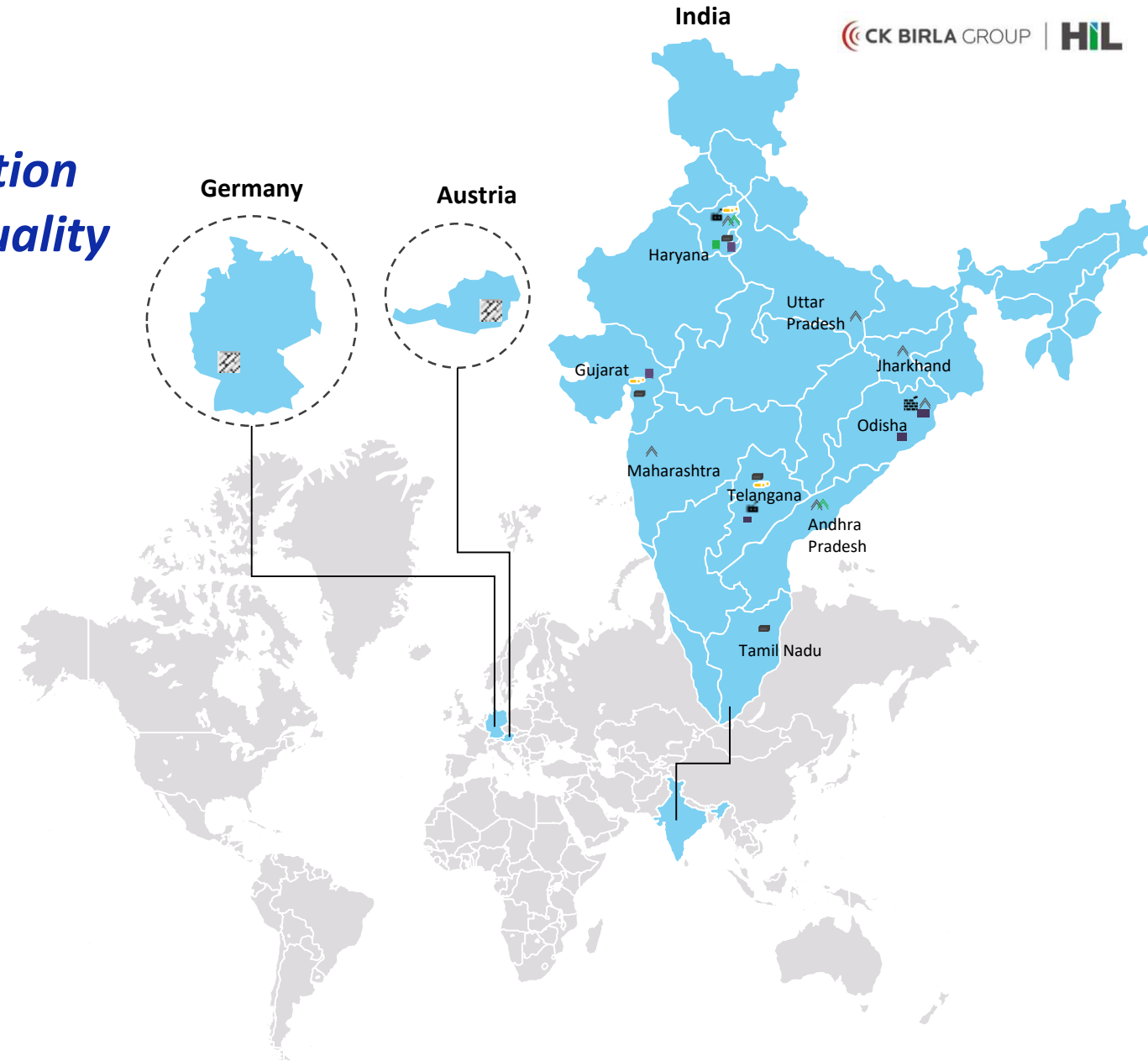
Key competitive advantage

- 25 Manufacturing facilities in India, 1 in Germany and 1 in Austria
- 42 Sales depots
- 5 sales offices
- 3,500+ loyal stockiest/distributors
- 20,000+ retailers
- Deeper market penetration – Rural
- Retail network and real estate markets - Urban & Semi-urban
- Green building products
- Low cost, high strength & best quality roofing products
- Presence in 80+ countries

Building the nation through high quality products

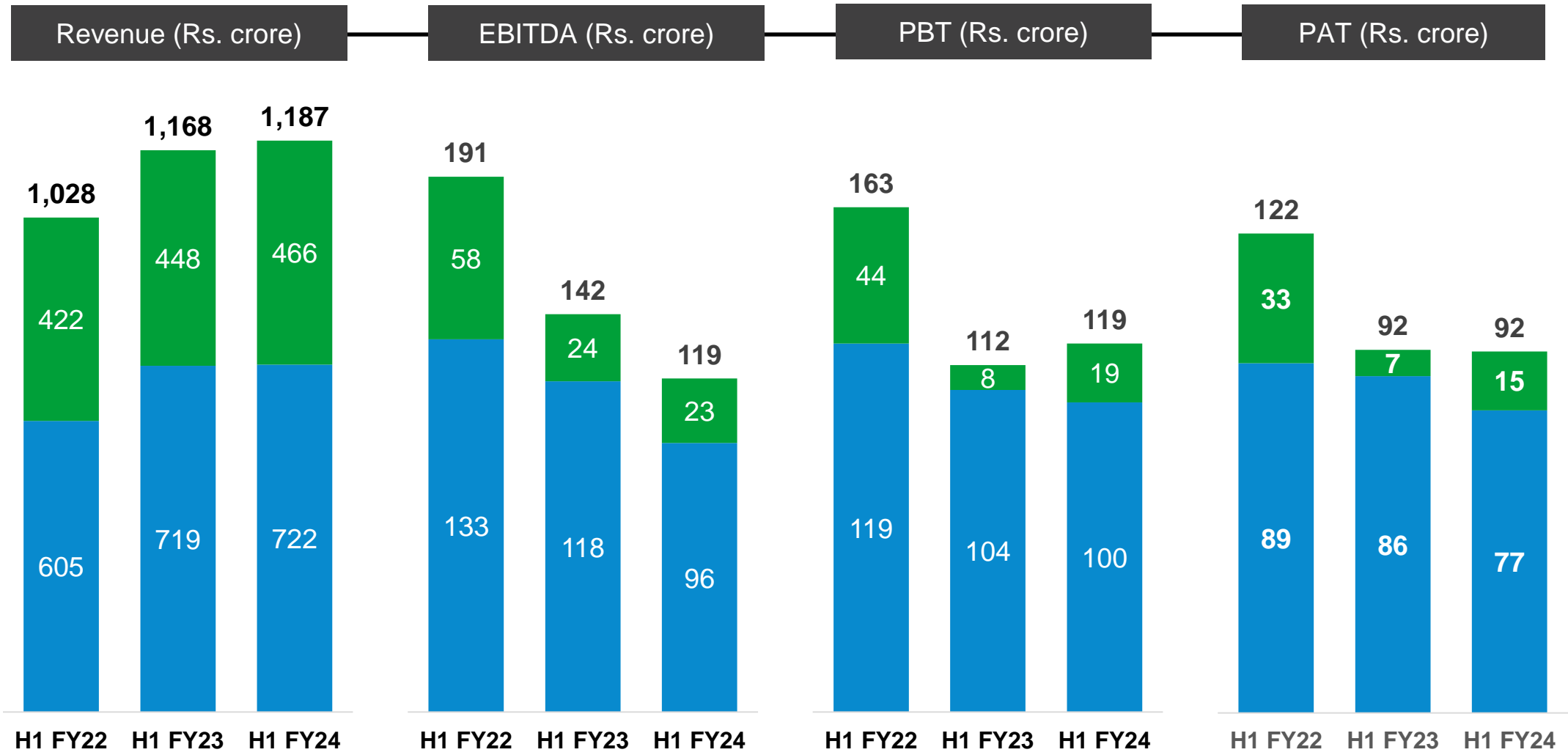
Manufacturing Units

-  Charminar AC Sheet
-  Charminar Fortune
-  Birla Aerocon Panel
-  Birla Aerocon AAC Blocks
-  Birla HIL Putty
-  Birla HIL Pipes
-  Birla Aerocon Dry Mix
-  Birla Aerocon Fibre Boards
-  PARADOR Flooring



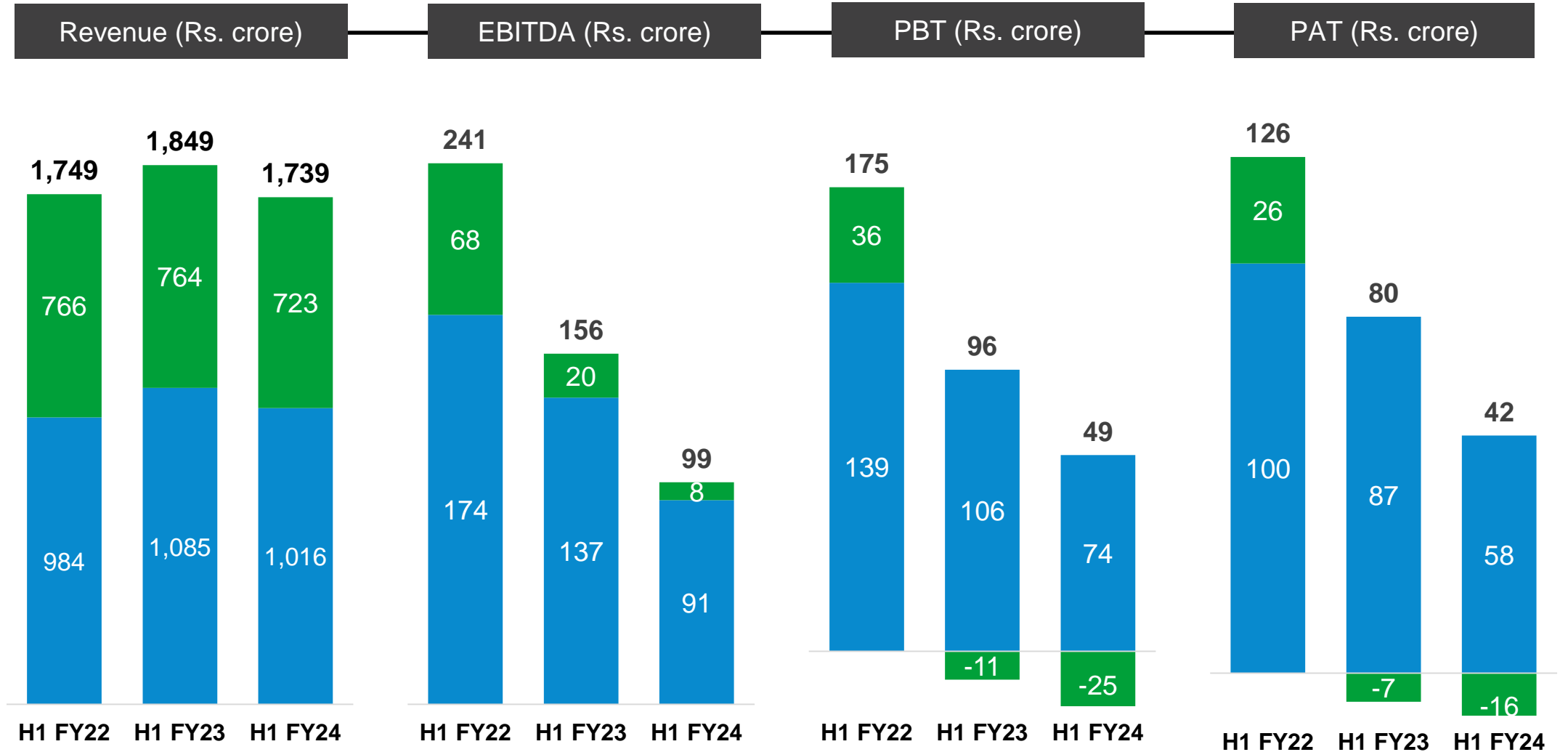
Quarterly Discussion

Highlights of Standalone H1FY24 Performance



FY24 PBT includes profit on account of sale of asset of Rs. 22.65 crore in Q1 and Rs. 13.86 crore in Q2

Highlights of Consolidated H1FY24 Performance



FY24 PBT includes profit on account of sale of asset of Rs. 22.65 crore in Q1 and Rs. 13.86 crore in Q2

Key Segment Performance



| | H1 FY23 | | H1 FY24 | H1 FY23 | | H1 FY24 |
|-------------------|---------|--------|---------|---------|---------|---------|
| Roofing Solution | 665 | → 3% | 643 | 121 | → -20% | 97 |
| Building Solution | 248 | → 6% | 262 | 26 | → -47% | 14 |
| Polymer Solution | 274 | → -6% | 258 | -11 | → 166% | 7 |
| Flooring Solution | 681 | → -19% | 551 | -13 | → -397% | -67 |

Note: all figures in Rs. Crore

Progressively advancing towards “One-Stop” Global Building Material & Solution provider

Financial Statements – P&L

In Rs. Crore

| Particular | Standalone | | | Consolidated | | |
|--------------------------|------------|---------|---------|--------------|---------|----------|
| | Q2 FY24 | Q2 FY23 | Y-o-Y | Q2 FY24 | Q2 FY23 | Y-o-Y |
| Total Income | 472 | 456 | 4% | 728 | 771 | -6% |
| Total Expenditure | 449 | 432 | 4% | 720 | 751 | -4% |
| EBITDA | 23 | 24 | -3% | 8 | 20 | -59% |
| <i>Margins (%)</i> | 5% | 5% | -33 bps | 1% | 3% | -143 bps |
| PBT | 19 | 8 | 134% | -25 | -11 | -129% |
| <i>Margins (%)</i> | 4% | 2% | 228 bps | -3% | -1% | -198 bps |
| PAT | 15 | 7 | 130% | -16 | -7 | -133% |
| <i>Margins (%)</i> | 3% | 1% | 179 bps | -2% | -1% | -129 bps |
| EPS | 20.42 | 8.90 | -- | -20.94 | -9.01 | -- |

- PBT for Q2FY24 includes Rs. 13.86 crore profit on account of sale of assets
- At Parador, gross margin has improved to 46.3% in Q2 FY24 as against 35.1% in Q2 FY23
- Finance cost at Parador has increased during the current quarter due to increase in 3 months EURIBOR rate (from negative in Q2 FY23 to over 4% during current quarter), increase in margins (from 1.8% p.a. in Q2 FY23 to 3.8% p.a. during current quarter) and one time fees for loan termination

Financial Statements – P&L

In Rs. Crore

| Particular | Standalone | | | Consolidated | | |
|--------------------------|------------|---------|----------|--------------|---------|----------|
| | H1 FY24 | H1 FY23 | Y-o-Y | H1 FY24 | H1 FY23 | Y-o-Y |
| Total Income | 1,200 | 1,191 | 1% | 1,748 | 1,870 | -7% |
| Total Expenditure | 1,081 | 1,049 | 3% | 1,648 | 1,714 | -4% |
| EBITDA | 119 | 142 | -16% | 99 | 156 | -36% |
| <i>Margins (%)</i> | 10% | 12% | -199 bps | 6% | 8% | -267 bps |
| PBT | 119 | 112 | 7% | 49 | 96 | -49% |
| <i>Margins (%)</i> | 10% | 9% | 53 bps | 3% | 5% | -230 bps |
| PAT | 92 | 92 | -0.2% | 42 | 80 | -47% |
| <i>Margins (%)</i> | 8% | 8% | -8 bps | 2% | 4% | -187 bps |
| EPS | 122.32 | 123.00 | -- | 55.83 | 106.42 | -- |

- PBT for H1 FY24 includes Rs. 36.51 crore profit on account of sale of asset
- At Parador, gross margin has improved to 45.2% in H1 FY24 as against 39.3% in H1 FY23
- The Company has refinanced existing loan at its subsidiaries by providing corporate guarantee in September & October 2023. This will result into reduction in finance cost by 195 bps p.a.

Financial Statements – Balance Sheet

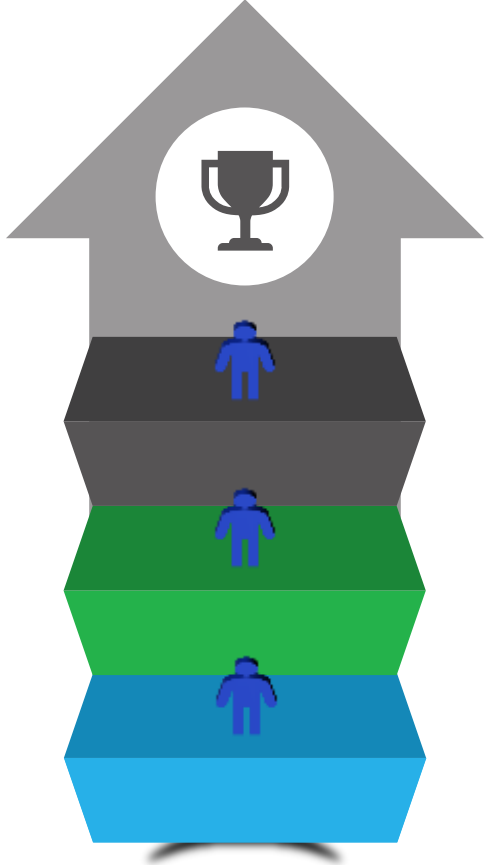
In Rs. Crore

| Particular | Standalone | | | Consolidated | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 30.09.2023 | 31.03.2023 | 30.09.2022 | 30.09.2023 | 31.03.2023 | 30.09.2022 |
| A) Equity & Liabilities | | | | | | |
| Shareholder's funds | 1,189 | 1,114 | 1,090 | 1,263 | 1,244 | 1,192 |
| Non-current liabilities | 49 | 68 | 61 | 342 | 351 | 277 |
| Current liabilities | 538 | 494 | 403 | 830 | 769 | 665 |
| Total Equity & Liabilities | 1,776 | 1,676 | 1,554 | 2,435 | 2,364 | 2,134 |
| | | | | | | |
| B) Assets | | | | | | |
| Non-current assets | 1,132 | 1,096 | 1,066 | 1,293 | 1,319 | 1,222 |
| Current assets | 644 | 580 | 488 | 1,142 | 1,045 | 912 |
| Total Assets | 1,776 | 1,676 | 1,554 | 2,435 | 2,364 | 2,134 |

- Net worth increased to Rs.1,263 crore as on Sept 30, 2023 from Rs.1,244 crore as on March 31, 2023
- Total Debt to Equity at 0.32 as on Sept 30, 2023 vs. 0.33 as on March 31, 2023
- Cash & bank balance increase to Rs. 134 crore as on September 30, 2023 from Rs. 63 crore as on March 31, 2023
- No change in bank borrowings during H1 FY24. However, Rs. 49 crore loan was repaid in the first week of October

HIL ESG Transformation Journey

Become a leading global, innovative and eco-friendly building and infrastructure solutions company and create sustainable value for all stakeholders



ESG ratings

- HIL will apply for ESG Ratings from DJSI, CDP, Sustainalytics

Global disclosures

- Emissions across our value chain will be inventoried and we will align with guidelines such as SBTi, TCFD

Integrated Report & BRSR

- Integrated report, highlighting our financial as well as non-financial ESG progress being drafted
- BRSR will also be published as part of the Integrated Report

ESG Governance Structure

- Corporate Social Responsibility and Sustainability committee, ESG steering committee & ESG working group for holistic ESG oversight across our value chain

Certifications

- Some of our products have obtained green certifications such as GreenPro

ESG strategy

- ESG strategy formulated across environmental, social & governance focus areas

GPTW Certified Company – 5th Consecutive year



- Ranked **27** in India's Best Companies To Work for
- Trust index score at **93** significantly up from 77 in 2019
- India's **25** Best workplaces in Manufacturing
- India's **50** Best Workplaces in Building a Culture of Innovation by All 2023
- Best in Cement and Building materials in India – 4 times in a row
- Best Workplaces for Millennial 2023 (Top 50)

Outlook

Investment in creating opportunities for growth in AAC Blocks, Panels and Boards by way of capacity expansion

Growth from leadership roofing business through optimised distribution and stronger marketing

Build a sustainable distribution network by establishing Sales Joint Ventures / subsidiaries in selected markets



Focus on driving non-roofing portfolio comprising Building, Polymer & Flooring Solutions

Established advanced research based non-asbestos roofing solutions to focus on institutional & MNC customers in India and overseas market

Launch of adjacent products/ inorganic avenues to augment existing business mix. Construction Chemicals portfolio to be developed

....Steadily progressing towards \$1 billion vision

Message from CEO



Akshat Seth

“Our performance during Q2 reflects growing momentum for HIL in key product segments coupled with gains in the margin structure. In India, HIL witnessed impressive volume growth in Roofing, Blocks and Pipes & Fittings. Amidst a weak demand regime, Parador outperformed its peers in Europe. Strong efforts on sourcing, cost management & value enhancement initiatives have ensured improvement in gross margins across the board. While we continue to gain strength through our leader brands, our growth segments are scripting a fascinating story for HIL – a story that is changing the face of HIL towards being a comprehensive home and building products company and not just a Roofing company. Today, Roofing contributes to less than 30% of HIL’s revenue.

At the heart of this re-pivoting and globalization efforts in Parador, where we are driving a significant change agenda, short term geo-political head-winds aside. This process has gained greater momentum with the joining of our new Parador CEO, Neel Bradham in Q2. The push towards new markets (Americas, Middle-east and Asia) and the new Commercial channel is on an accelerated path, aided further by a slew of new products and marketing campaigns. While we aim for the long term, immediate sales uplift remains an equal priority. The margin story remains positive with proactive action by the team on material, manpower & financing costs.

In Pipes & Fittings, on the back of our pan India distribution network, a comprehensive product portfolio of 1500+ SKUs and a digitally enabled sales force, we grew volumes by 14% yoy, grew share of CPVC in our sales and delivered top quartile sales realizations. Leveraging our brand legacy, we are poised for significant growth in this segment.

In Roofing solutions, we have extended our market leadership in volumes and pricing during the quarter delivering strong growth. The strong brand equity of Charminar brand together with an unparalleled market reach (~20,000 outlets, ~60% tehsils in India) are the strategic assets that drive this superior performance.

In Building solutions, our key segments showed robust volume growth despite seasonal demand headwinds & the strike at Chennai. With these transient factors behind us, both volume and realizations are on an upward trajectory.

Overall, we are investing in our brands and intensifying our marketing efforts to create pull for our products and to also improve our price positioning. We have also doubled up on long standing focus on operational efficiencies and continuous improvement in our cost structure by Digitizing our shop-floors with IoT 4.0 based solutions, using data and analytics to drive decision-making and by organization wide application of lean six sigma principles.

Our people define HIL. Our business achievements are led by the sterling contribution of our teams – on the shop floor, at the frontlines and in our R&D centers. As we march towards our goals, we will sustain our enabling work-culture to ensure our teams are inspired to take HIL to the next level”

Contact Us

About Us:

The CK Birla Group is a diversified \$2.9 Billion conglomerate that has a history of enduring relationships with renowned global companies. The group's businesses are diversified across three clusters: technology and automotive, home and building, and healthcare and education, and spread across five continents. Each business also builds on the collective strengths and synergies of the group's size and span.

Founded in 1946, HIL has maintained its leadership position with an extensive array of products and innovative solutions for the building and construction industry. We are dedicated to delivering sustainable, high quality and future-ready products to its consumers. In recent years, we have made rapid strides towards realizing our ambition of becoming a USD 1 billion, global building solutions company.

In recognition of our market leadership and brand strength, we have been conferred the title of "Asia's Most Trusted Building Material Company" by IBC INFOMEDIA. HIL also holds the SuperBrand title and ranks amongst the top 20% of all other SuperBrands across all categories in India.

HIL operates 25 state of the art manufacturing facilities in India, and two in Germany and Austria. Our state of the art R&D centres in India and Germany, are the backbone behind our product and design leadership and have fostered a culture of innovation throughout the organization. An extensive sales and distribution network with deeper rural market penetration, stretching across India and 80+ countries globally provides unmatched access to our most valuable resource – our customers.

HIL aims to build a green world by adopting a unique "fiveway green" philosophy. Where we use low carbon footprint raw materials and manufacture products suitable for reuse and recycling with 30% renewable resources, zero effluents and emissions and zero byproducts. With this approach we resonate and ensure our commitment towards sustainability with the green building products.

Additional information on the Company is available at the following link; <http://www.hil.in>

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