

Date: November 10, 2020

To The Department of Corporate Services –CRD Bombay Stock Exchange Ltd P.J.Towers, Dalal Street MUMBAI – 400 001	To National Stock Exchange of India Limited 5 <sup>th</sup> Floor, Exchange Plaza Bandra (E), MUMBAI – 400 051
<b>Scrip Code: 509675/HIL; Through Listing Centre</b>	<b>Scrip Symbol: HIL: Through NEAPS</b>

Dear Sir / Madam,

**Sub: Investors' presentation for the quarter and half year ended September 30, 2020**  
**Ref: Intimation under regulation 30 of SEBI (LODR) Regulation, 2015**

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 (the "Regulation"), kindly find enclosed Investors' Presentation for the quarter and half year ended September 30, 2020.

You are requested to kindly take the same on record and acknowledge the receipt.

Thanking you  
For HIL LIMITED

KARUPPAN CHETTY  
VEERAPPAN

Digitally signed by KARUPPAN  
CHETTY VEERAPPAN  
Date: 2020.11.10 18:24:12 +05'30'

KR Veerappan  
Chief Financial Officer

# Financial Results Presentation

Q2 & H1 FY2021

**HIL**  
TOGETHER, WE BUILD.



 CK BIRLA GROUP

# Disclaimer

## Cautionary statement regarding forward-looking statements

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# Strategic Overview



# CK Birla Group - 160+ Years of Rich Legacy

Over **US\$2.4 billion**  
Conglomerate



Present across  
**Five** Continents



Over **25,000**  
Employees



Focus on **Long-term**  
**Values, Trust-based**



Numerous  
**Patents & Awards**



**Relationships &**  
**Philanthropy**



# HIL Overview

## Strong brand equity



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



- Dry Wall:**
- Solid Wall Panels
  - C- Boards
  - Flex-O-Boards
  - SmartBond
  - Designer Board

- Wet Wall**
- AAC Blocks
  - Block Jointing Mortar



- Pipes & Fittings:**
- UPVC Pipes and Fitting
  - CPVC Pipes and Fitting
  - SWR Pipes and Fitting
  - Column Pipes
  - Pressure Pipes

**Wall Putty**



- Next Gen Non-asbestos Corrugated Roofing Sheets



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

Over 7 decades experience in handling of Chrysotile: Blemish-free health & safety record

Unique product attributes driving competitive advantage: Highest strength, Least breakage, Durable across lifetime

*Leader in Transformation*

# HIL's Agenda for Growth

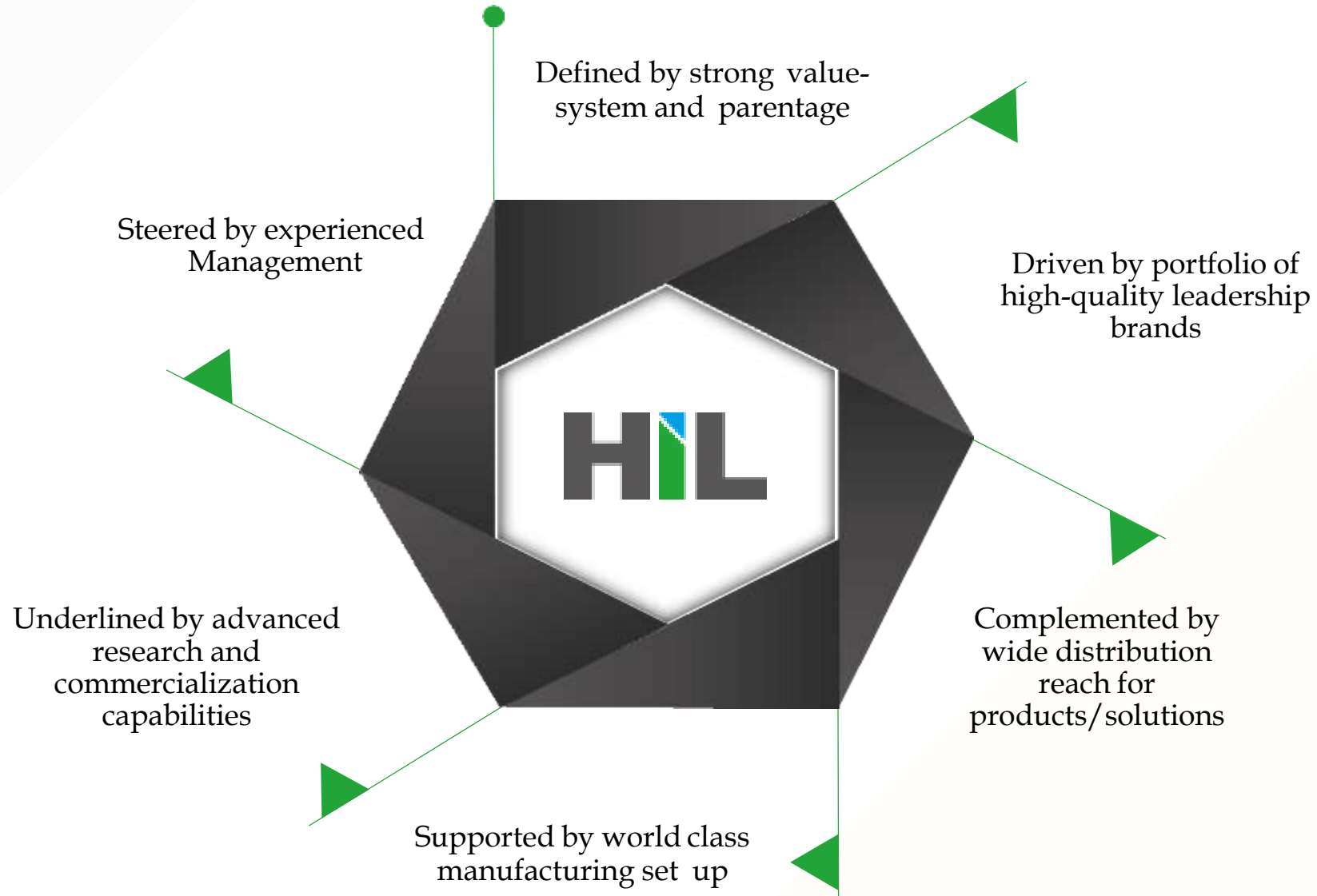
- Established brands
- Committed dealership
- Momentum in margins through sustainable efficiencies



- Drive organic expansion
- Augment non-roofing portfolio
- Launch research based green solutions

- Develop adjacent complementarities
- Harness existing core strengths

# HIL's Strengths





# The Superbrands

HIL has been enjoying the Superbrand status for the past 5 consecutive years



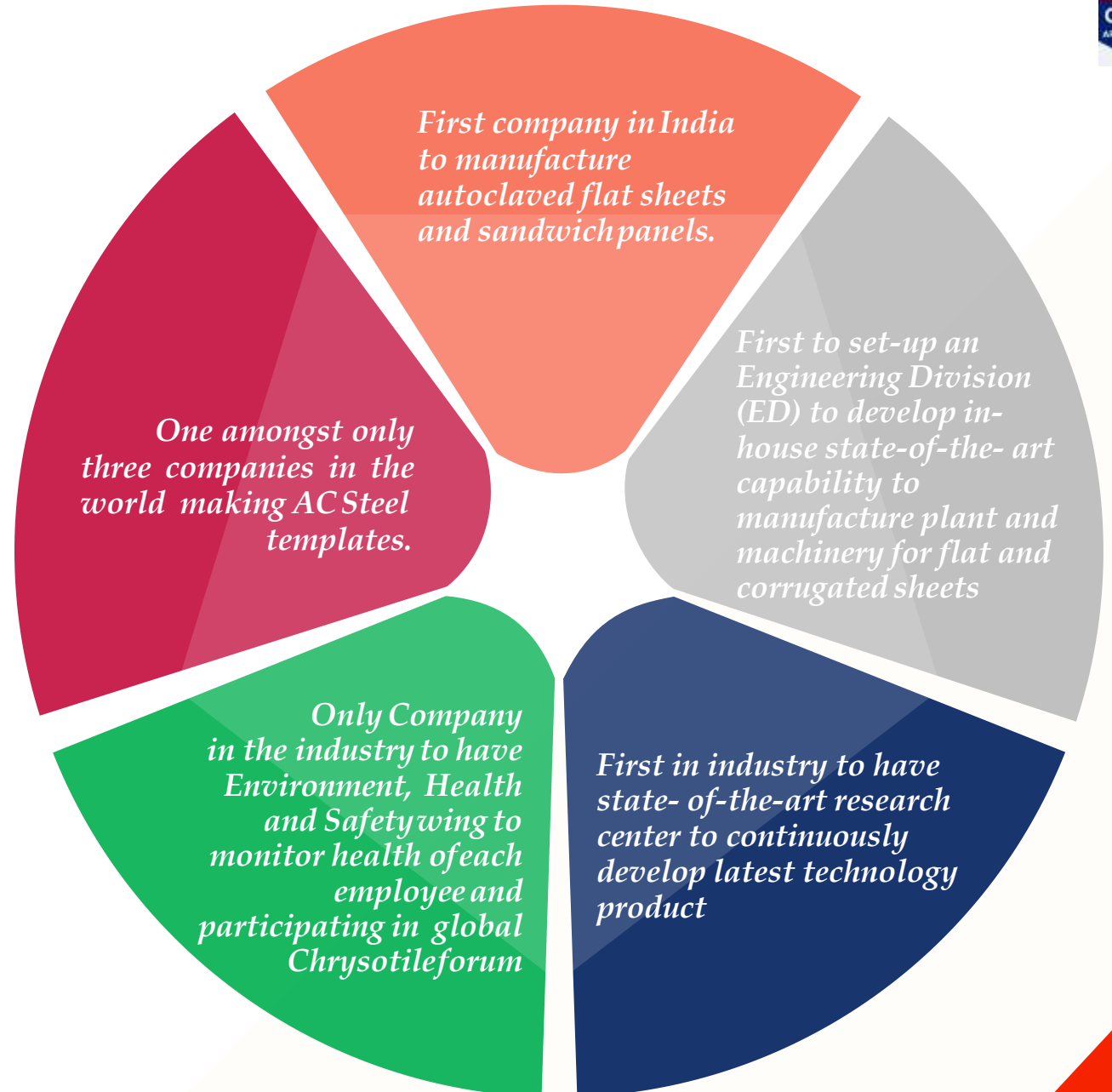
*A Superbrand is a recognition of a brand's commitment to quality and excellence of products and services.*

*Birla Aerocon and Charminar of HIL have been bestowed upon with the status of 'CONSUMER SUPERBRAND' this year. Both have been ranked one of the top brands across all categories in India.*

*Both Birla Aerocon and Charminar offer customer advantages and benefits over its competitors and also contribute to the development of the society promoting eco- friendly products.*

# HIL a Trendsetter

**Trendsetter in the building material industry by creating new benchmark in Quality, Processes and Products**



# Distribution Spread

*Building the nation through high quality, cost effective products*

## Key competitive advantage

- 21 Manufacturing facilities
- 38 Sales depots
- 3 sales offices
- 2,500 loyal stockiest/distributors
- 6,500 sub-dealers
- Deeper market penetration – Rural
- Urban real estate markets & green building products
- Low cost, high strength & best quality roofing products



# Manufacturing Prowess

Roofing Solution



Building Solution

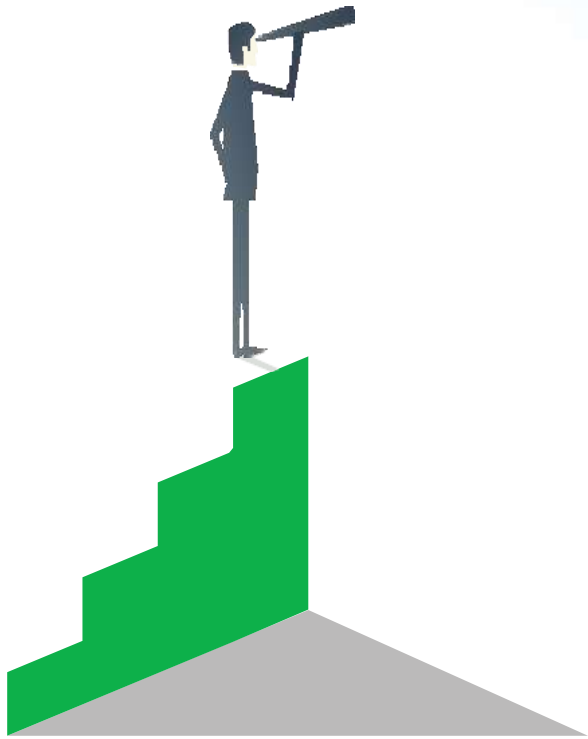


Polymer Solution



*World-class facilities. Transparent operations*

# 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

## Our Values

Accountability

Integrity

Respect

Teamwork

Excellence

Innovation



### 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*

# Award Won Recently



Superbrand  
(India) of the year  
– 2019



Asia's Most Trusted  
Company, 2019  
- IBC, USA



Most Promising  
Business Leaders of  
Asia , 2019-20  
- The Economic Times



Design Award  
for Parador,  
2019



Iconic Award  
for Parador,  
2019



Fortune  
The Next 500





# Award Won Recently



ICONIC AWARDS  
FOR INNOVATIVE  
INTERIOR  
PARDOR 2020



PARADOR ONLINE  
BRAND STORE IN  
THE CATEGORY  
EXCELLENT  
COMMUNICATIONS  
DESIGN - WEB



TOP CHALLENGER  
AWARD AT THE  
18<sup>TH</sup> CW GLOBAL  
AWARDS



EFFIES AWARD  
2019-20 for TVC  
"NAAM DEKHKE  
LENA"



TECHNOLOGY  
SENATE AWARD  
Received by IT team  
for  
INDUSTRY 4.0

# Parador: Suite of Products

Laminate Flooring



Engineered wood flooring

Resilient Floor Covering



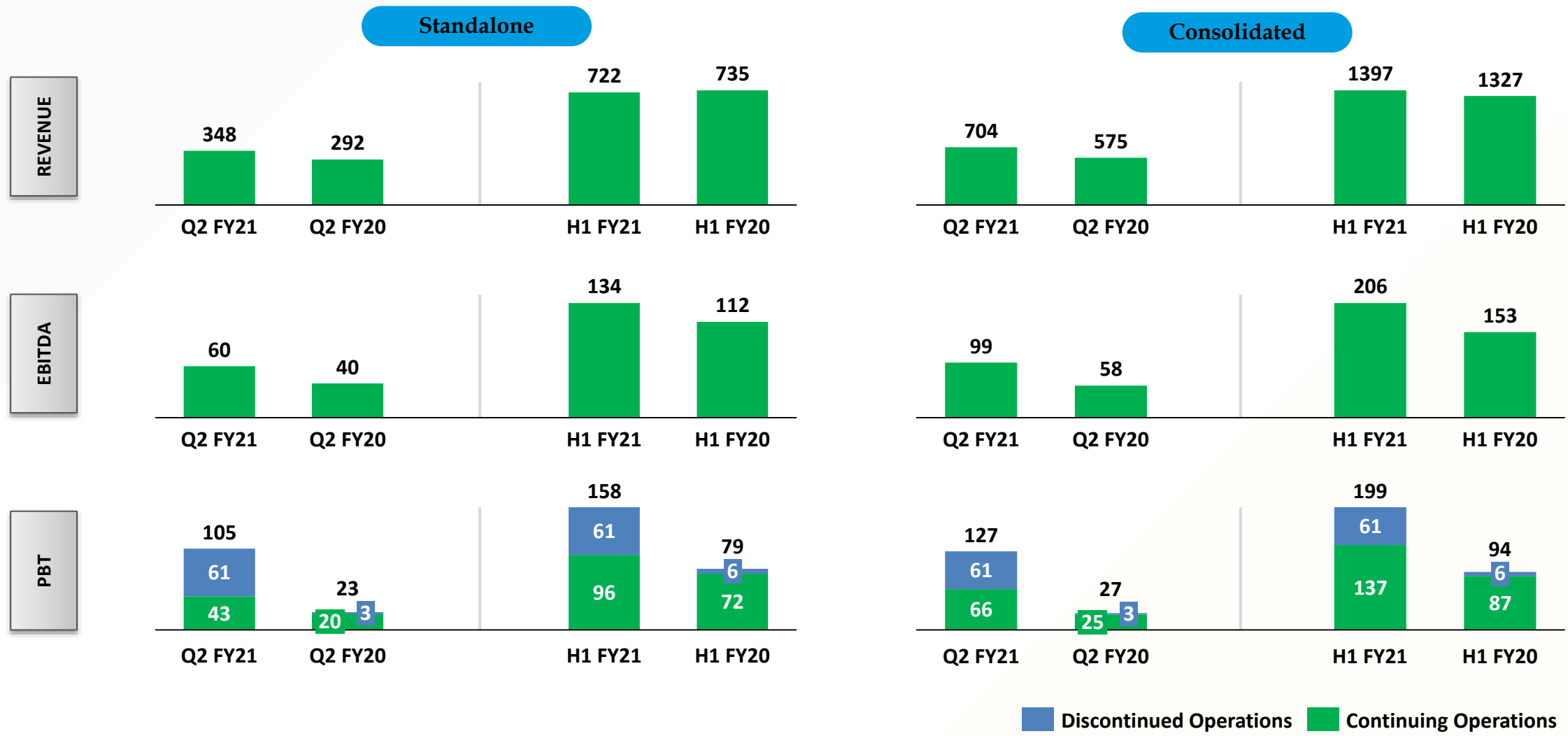
ModularOne Flooring

# Quarterly Discussion



# Highlights of Q2 & H1 FY21 Performance

In Rs. Crore



# Financial Statements – P&L

## Standalone

## Consolidated

In Rs. Crore

	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
<b>Total Revenue</b>	356	304	17%	740	754	-2%	710	586	21%	1,410	1,342	5%
<b>Total Expenditure</b>	296	264	12%	606	642	-6%	611	528	16%	1,204	1,189	1%
<b>EBITDA</b>	60	40	50%	134	112	20%	99	58	72%	206	153	34%
<b>PBT (for continuing operations)</b>	43	20	114%	96	72	34%	66	25	169%	137	87	57%
<b>PAT (for continuing operations)</b>	33	28	20%	71	58	23%	49	30	63%	99	67	47%
<b>EPS (for continuing operations)</b>	44.40	37.08	20%	95.16	77.26	23%	65.09	39.95	63%	132.46	90.25	47%
<b>Total PBT</b>	105	23	359%	158	79	101%	127	27	370%	199	94	112%
<b>Total PAT</b>	79	30	165%	117	63	86%	94	32	195%	145	73	99%
<b>EPS (for continuing &amp; discontinued operations)</b>	105.28	39.87	164%	155.96	84.12	85%	125.97	42.73	195%	193.26	97.11	99%

Complied as per Ind AS

# Results discussion - Segmental

In Rs. Crore

Particulars	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
Revenue	704	575	22%	1,397	1,327	5%
Roofing Solutions	187	147	27%	481	443	9%
Building Solutions	68	78	-13%	97	161	-40%
Polymer Solutions	92	62	48%	140	124	12%
Flooring Solutions	356	287	24%	676	597	13%
Others	2	3	-25%	4	7	-41%

Complied as per Ind AS

**Roofing Solutions comprises:** Fibre Cement Sheets and Coloured Steel Sheets

**Building Solutions:** Dry/Wet walling products

**Polymer Solutions:** Pipes & Fittings and Wall Putty

**Flooring Solutions:** Laminate Flooring, Engineered Wood Flooring, Resilient Flooring, Skirtings and Accessories

**Others comprises:** Wind Power and Material Handling and Processing Plant and Equipment

All numbers are exclusive of discontinued operations of Thermal Insulation business

- Healthy performance by Roofing Solutions as revival in demand was led by robust rural demand
- Building Solutions witnessed better Q-o-Q performance but continue witnessing headwinds of a prolonged real estate slowdown
- Polymer Solutions growth supported by the attractive product portfolio and pan India spread
- Parador continues to show encouraging performance since the acquisition and is self-sustaining despite Europe being hit hard by CoVID-19
- Introduction of E-business, focus on DIY were key success factors to positively impact Parador Germany business

# Results discussion



In Rs. Crore

	Standalone						Consolidated					
	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y	Q2 FY21	Q2 FY20	Y-o-Y	H1 FY21	H1 FY20	Y-o-Y
<b>EBITDA</b>	60	40	50%	134	112	20%	99	58	72%	206	153	34%
<b>EBITDA Margin</b>	17%	13%	368 Bps	18%	15%	329 Bps	14%	10%	410 Bps	15%	11%	317 Bps
<b>PBT</b>	43	20	114%	96	72	34%	66	25	169%	137	87	57%
<b>PBT Margin</b>	12%	7%	547 Bps	13%	10%	347 Bps	9%	4%	509 Bps	10%	7%	321 Bps
<b>PAT</b>	33	28	20%	71	58	23%	49	30	63%	99	67	47%
<b>PAT Margin</b>	9%	9%	23 Bps	10%	8%	198 Bps	7%	5%	177 Bps	7%	5%	201 Bps

All numbers are exclusive of discontinued operations of Thermal Insulation business & proceeds from the sale of Hysil business

- Employees health and safety given utmost care and impetus
- Cash flow management continues to drive our businesses effectively
- Daily review of operational cost at the plant levels has brought in immense cost discipline
- Daily huddle meets across the organisation helped connect, stay focussed and bring in a sense of purpose, agility, commitment and pride. Operational challenges got mitigated with quick decision making
- Opportunistic sales and reimagine the sales funnel with minimum cash risk
- Product lines continue to maintain lead in quality and pricing
- HIL converted the crisis into an opportunity to redefine working capital norms and reduce overall debt

# Financial Statements – Balance Sheet

Particular (Rs. Crore)	Standalone		Consolidated	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
<b>A) Equity &amp; Liabilities</b>				
Shareholder's funds	816	705	894	743
Non-current liabilities	178	256	532	606
Current liabilities	387	576	647	805
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,381</b>	<b>1,537</b>	<b>2,073</b>	<b>2,154</b>
<b>B) Assets</b>				
Non-current assets	1,027	1,049	1,239	1,214
Current assets	354	488	834	940
<b>TOTAL ASSETS</b>	<b>1,381</b>	<b>1,537</b>	<b>2,073</b>	<b>2,154</b>

- Net worth increased to Rs.894 crore as on Sep 30, 2020 from Rs.743 crore as on Mar 31, 2020
- Net Debt reduced by Rs.212 crore during H1
- Net Debt to Equity at 0.59x as on Sep 30, 2020 vs. 1.0x as on Mar 31, 2020
- Continue to take measures to strengthen the Balance Sheet



# Building a Covid-19 proof, robust Business model

- With the phased lifting of the lockdown, signs of normalcy have started to return to the economy and businesses
  - There have been marked improvements in capacity utilizations across our business verticals
- HIL's zero based planning to cut down variable and fixed costs have proven effective as margins have been strong despite the effects on the topline
- Despite being a seasonally weak quarter, continue to manufacture Roofing solution products at a high-capacity utilization of 74% as demand continues to be encouraging
- HIL continued looking at unlocked pockets in newer geographies and rural areas and capitalized on more current opportunities such as roofing for COVID centers and labour hutments built by the Government
- Building Solutions segment operated at 75-80% capacity and Polymer segment at over 50% capacity, seeing an encouraging increase in capacity utilization as compared to the previous quarter
  - With their strong efficiency and reputed brand names, both segments have performed well in the new tier-II & III cities
- Parador Germany business successfully leveraged its core market for growth. The focus on expansion into newer markets is returning as the situation improves in most countries, like China where our JV has increased its footprint
- Parador operated at 70% plus capacity in H1 FY21 as the situation improved considerably in Europe

# Message from Managing Director & CEO



Anirup Roy Choudhary

“In H1 the team stood behind me and the organization in converting the crisis into an opportunity by showing huge tenacity and passion. We have worked tirelessly to overcome the bottlenecks that have resulted from Covid 19 pandemic. Maintain profitable growth for the company both in India and in Europe, whilst ensuring Health and safety of our team were our major priorities. The implementation of smart digital systems, Business Intelligence platforms, Heat maps, Pin code wise customer tracking and connects, acquisition of thousands of new counters and implementation of robust daily review processes fuelled by undaunted commitment of our employees have enabled consistent business performance. As an organization, we were been highly adaptive, agile and innovative in our bid to overcome this mammoth task. I am confident that many of these initiatives and new business processes will help us sail through these testing times and make a positive contribution to a sustainable business performance in coming quarters as well.

Roofing solutions has gained its stride back and even though we are in a seasonally soft period the underlying demand trends stand robust. The meticulous heat mapping by our teams has charged up the distribution set-up and this will bring solid traction even with pandemic abating. We are working furiously to optimise our manufacturing recipe in order to accommodate the shift in suppliers for the fibre and the results should be evident soon. With a healthy monsoon and several enabling initiatives aimed at the rural segment, we are looking at a continuance of similar performance trends in the coming quarters

Building solutions had been showing a very good run prior to the lockdown; which with the phases pick up in economic activity appears to be turning the corner in terms of utilisation. We have a leadership portfolio already in blocks and panels and deep connects with customer base through our distribution channel. Whereas the broader economy is reviving the real estate segment will take a bit much longer. In the interim we have worked at taking costs out and to remain poised to switch back to high growth once opportunity allows.

Piping and putty are performing well, where the former is benefitting from our wider manufacturing footprint, reputed brand name and process efficiencies. We have earmarked a prudent growth plan for both and remain comfortable of delivering to it.

Parador has shown remarkable resilience and flexibility, as it leveraged growth from its historic core market so strongly through the lockdown phases initially. We have well-defined sales initiatives in the wings to further densify presence in those markets and add new territories within Europe through JVs or direct presence. With the support of an integrated design-manufacture-sales set up we are confident of positioning the brand in bigger markets like the United States and China. Our JV in the Chinese region has expanded points of presence well and is raring to go once the effects to the pandemic wane.

# Outlook

Growth from leadership roofing business through optimised distribution and stronger marketing and introduction of “Charminar +” coloured fibre cement roofing sheets

Investment in creating opportunities for growth in AAC Blocks & Panels by way of capacity expansion

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

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

*Committed to driving profitability momentum in coming quarters*

# GPTW Certified Company – 2nd Consecutive year



Recognized as “India’s Best Companies to Work For 2020”, **Ranked at 67**



Recognized as Top 30 of India’s best workplaces in Manufacturing 2020



Certified 2nd year in a row with satisfaction score at 82% (from <sup>29</sup>77% in 2019)



Recognized as Best Workplaces in Cement and Building Materials Industry 2020

# Contact Us

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## About Us:

Founded in 1946 and having completed 70 glorious years HIL Limited is an integral part of a burgeoning marketplace. It is the flagship company of the C K Birla Group, which is a growing US\$2 billion conglomerate with diversified interests. With over 25,000 employees, 41 manufacturing facilities and numerous patents and awards, the Group's businesses operate in five continents.

Today, HIL is the acknowledged leader in the Building Material space in India. HIL has been honored with the title of "Asia's Most Trusted Building Material Company for last 2 consecutive years by IBC INFOMEDIA. HIL also holds two consumer SuperBrand title and ranks amongst the top 20% of all other SuperBrands across all categories in India.

HIL manufactures a comprehensive range of products. Its Charminar brand is an established market leader in roofing solutions. Birla Aerocon, provides Green Building Solutions that includes Dry Walling, Wet Walling and Plumbing solution. Parador, the category leader in design & innovations, covers wooden flooring solutions. These are easy to install, energy efficient along with being superior in quality.

HIL's strength lies in its state-of-the-art manufacturing facilities, an unmatched distribution network and diligent customer care. HIL exports its products and machinery worldwide. The company is committed to support and provide environment-friendly products by following green and safe practices. With reference to the health surveillance records of our employees, HIL can safely claim that our AC sheets do not pose a health hazard to its workers, people who live under them, and the general population at large.

In its quest for excellence, HIL has developed a world-class R&D facility with a team of highly qualified and dedicated professionals to develop and refresh technologies and processes continuously redefining industry standards leading to solutions that are enriched, cost-effective and environmentally friendly.

HIL has surged ahead with a deep commitment to re-greening the world: it has adopted a unique "five-way green" philosophy to ensure that our products and processes are environmentally friendly from end-to-end. Over 30% of our energy needs are met from renewable sources. The company sources green raw materials with a low carbon footprint and processes them using green manufacturing that produces least effluents, byproducts and emissions. Finally, our end products are green, recyclable and have minimal environmental impact.

HIL is truly dedicated to providing smart choices that ensure environmentally sustainable Solutions.

With HIL we can explore a world of possibilities in building our dreams for a greener and safer tomorrow.

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

# Thank You

