

Date: November 14, 2019

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, 2019**

**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, 2019.

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

Thanking You  
for HIL LIMITED




G. Manikandan  
Company Secretary &  
Financial Controller



**HIL**

**TOGETHER WE BUILD**

**Q2 & H1 FY20 Result Presentation**

# Disclaimer

## Cautionary statement regarding forward-looking statements

This presentation may contain certain forward-looking statements relating to HIL Ltd. (“HIL”, or “Company”) and its future business, development and economic performance. These statements include descriptions regarding the intent, belief or current expectations of the Company, its subsidiaries and associates and their respective directors and officers with respect to the results of operations and financial condition of the Company, subsidiary or associate, as the case may be. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this presentation. Company assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise. Any forward-looking statements and projections made by third parties included in this presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

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# STRATEGIC OVERVIEW

# CK BIRLA GROUP – 160+ YEARS OF RICH LEGACY

Over **US\$2.5 billion**  
Conglomerate



Present across  
**Five** Continents



Over **20,000**  
Employees

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



Numerous  
**Patents & Awards**



**Relationships &**  
**Philanthropy**

# FLAGSHIP COMPANIES OF CK BIRLA GROUP

## Home and Building

**HIL**

**ORIENT**  
CEMENT

**orient**  
electric

**ORIENT**  
PAPER

## Technology and Automotive

**AVTEC**

**Birlasoft®**

**Gmmco**

**nbc**  
flexible solutions

**neosym**

## Healthcare and Education

**BMB**

**CMRI**

**RBH**



# HIL Overview

## Strong brand equity



- Fibre Cement Sheets
- Coloured Steel Sheets
- Non-asbestos Cement based Corrugated Sheets



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



### Dry Wall:

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

### Wet Wall:

- AAC Blocks
- Wall Putty
- Block Jointing Mortar



### Pipes & Fittings:

- UPVC Pipes and Fitting
- CPVC Pipes and Fitting
- SWR Pipes and Fitting

### Wall Putty



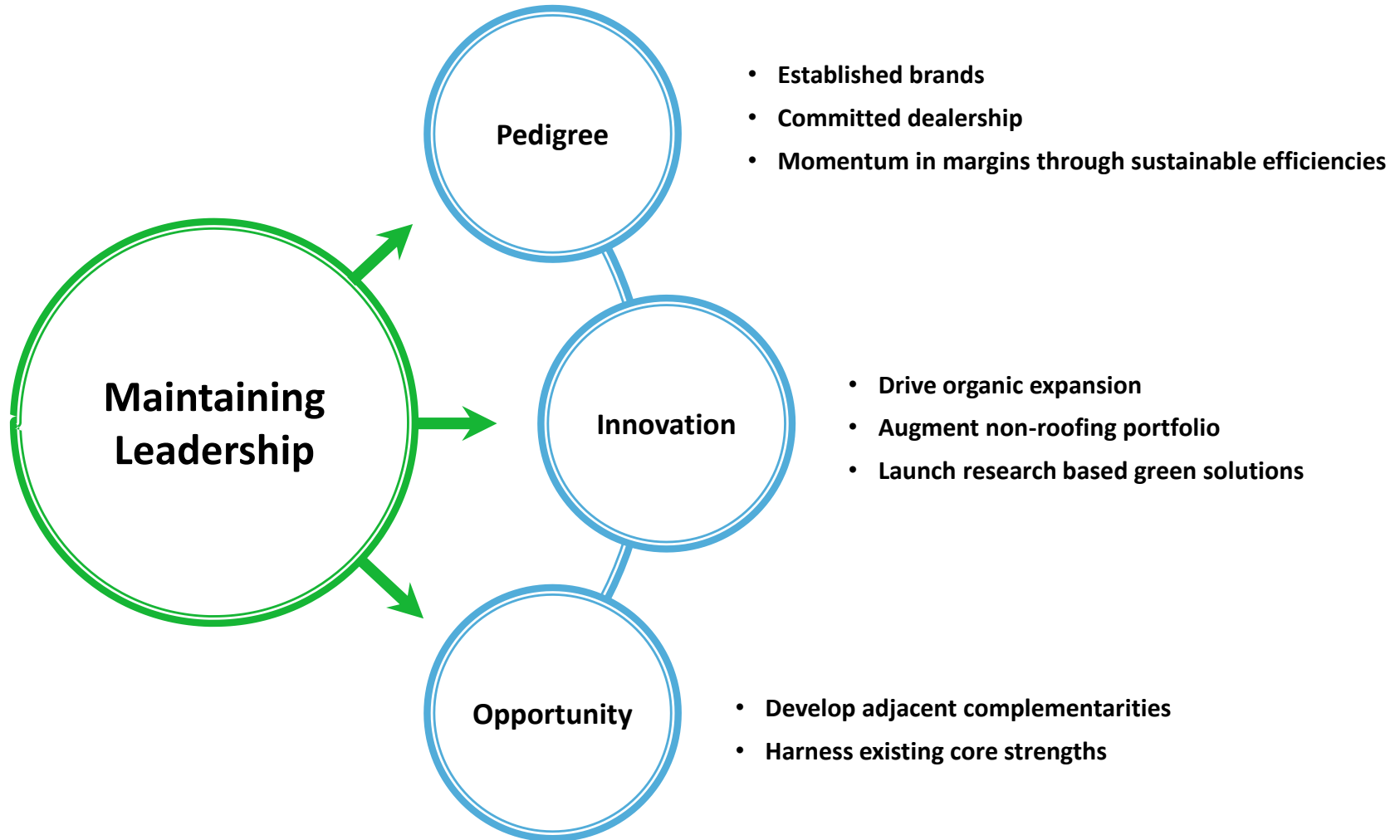
- Revolutionary High Temperature Insulation

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

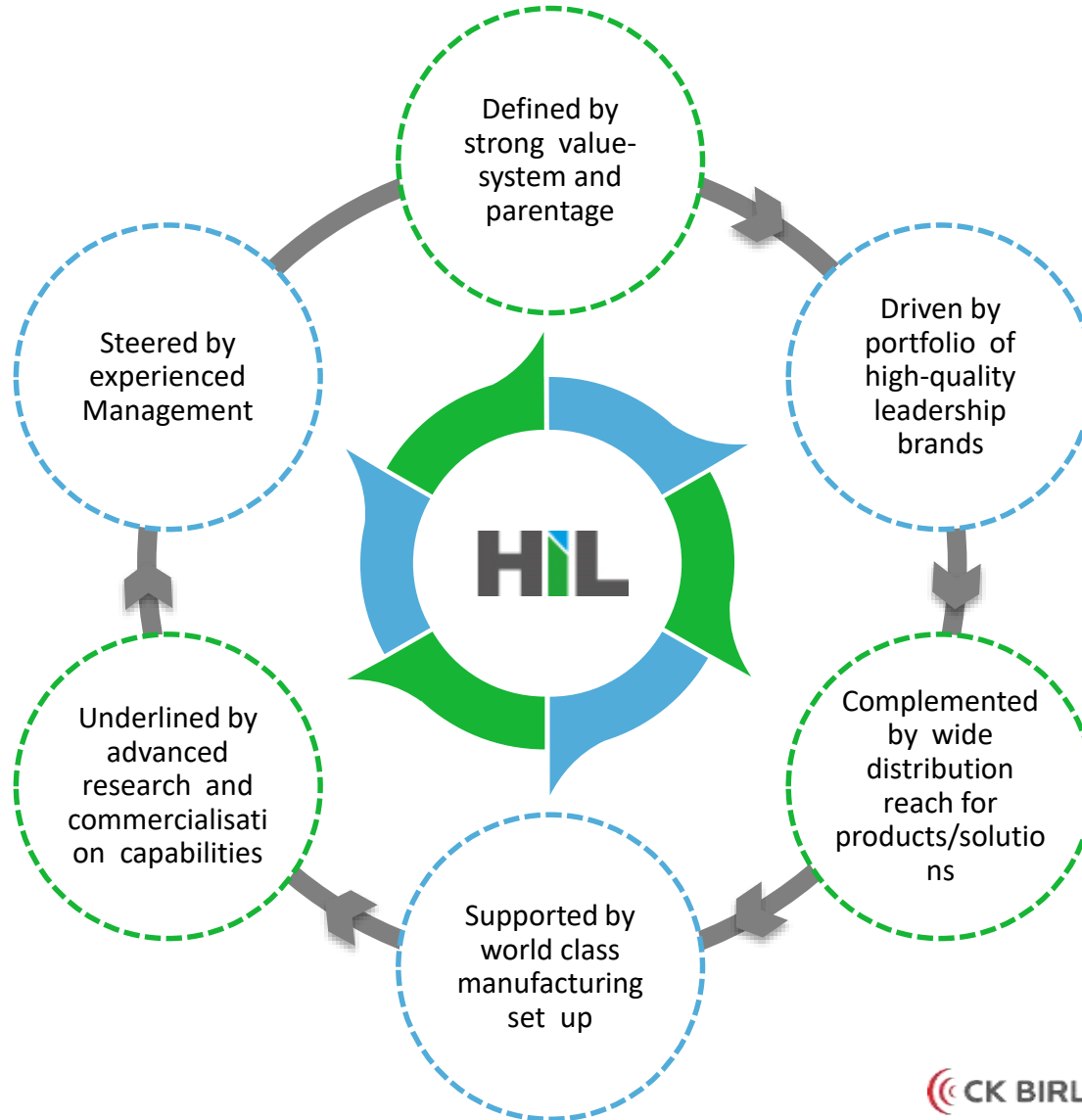
*Leader in Transformation*

# HIL's Agenda for Growth





# HIL's Strengths



# The Superbrands

Out of 4,500 existing brands, only 263 brands have been able to secure the 'Superbrand' status



*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 amongst the top 20% of all 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

*One amongst only three companies in the world making AC Steel templates.*

*First company in India to manufacture autoclaved flat sheets and sandwich panels.*



*Only Company in the industry to have Environment, Health and Safety wing to monitor health of each employee and participating in global Chrysotile forum*

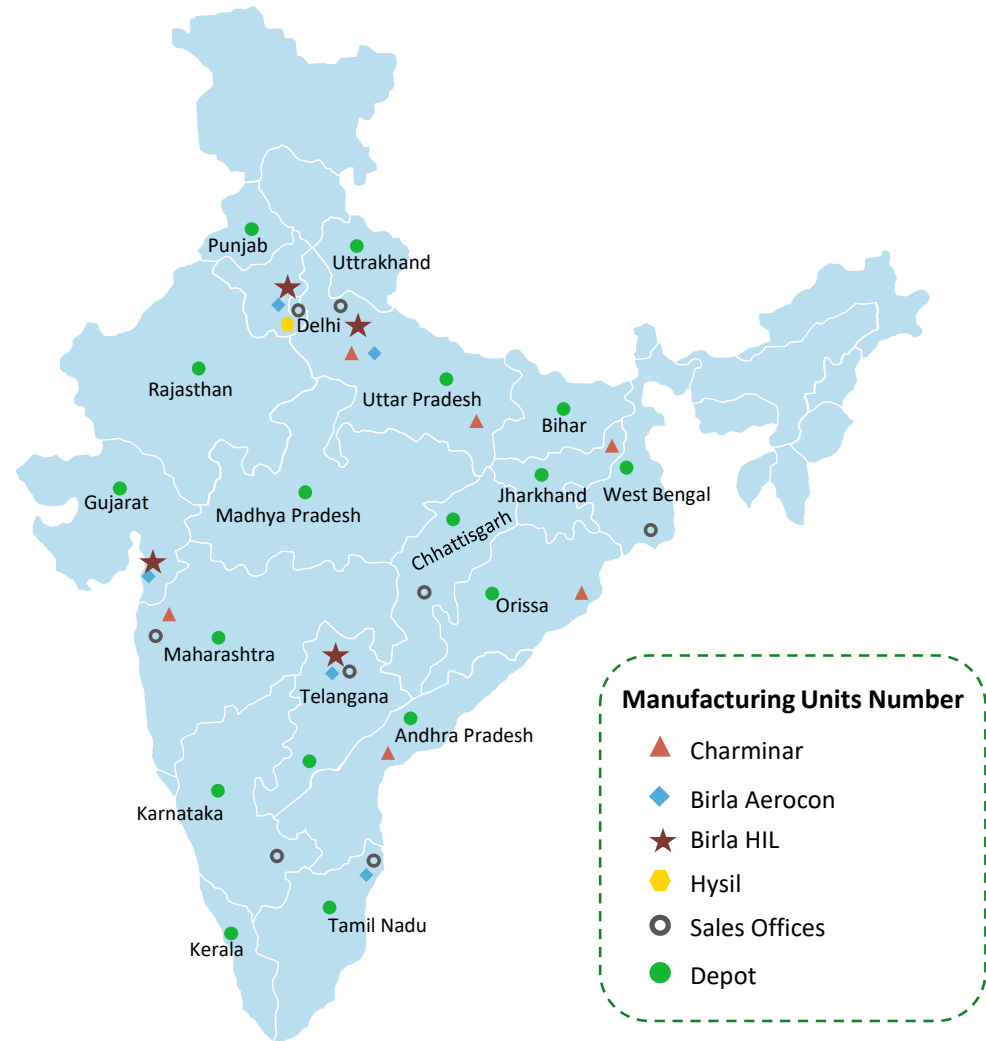
*First to set-up an Engineering Division (ED) to develop in-house state-of-the-art capability to manufacture plant and machinery for flat and corrugated sheets*

*First in industry to have state-of-the-art research center to continuously develop latest technology product*

# Distribution Spread

## Key competitive advantage

- 21 Manufacturing facilities
- 38 Sales depots
- 8 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



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

# Manufacturing Prowess

Roofing Solution



Building Solution

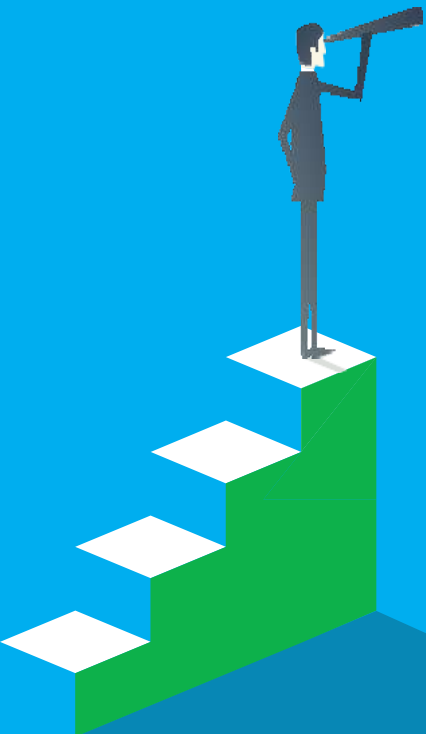


Polymer Solution




*World-class facilities. Transparent operations*

# Vision



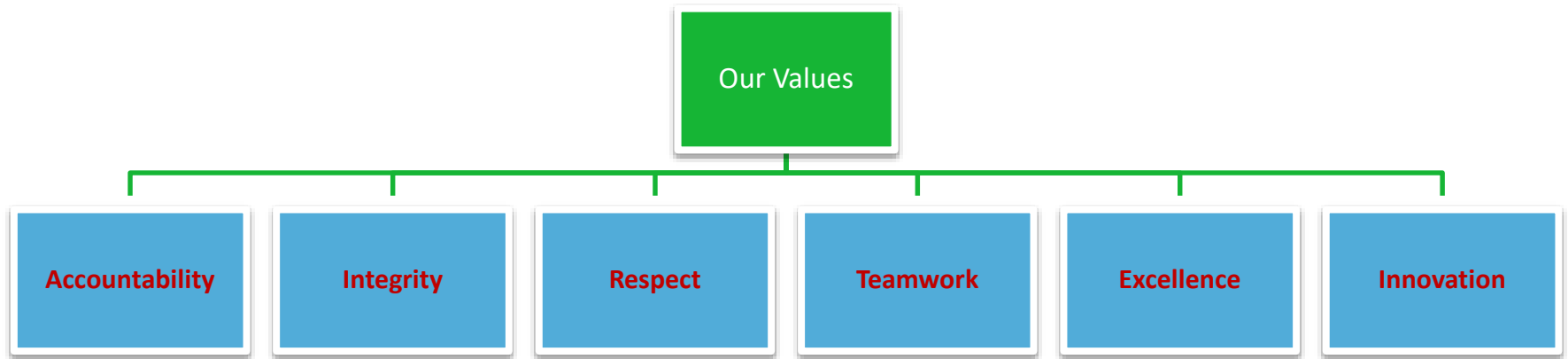
**“To be a leading, global, innovative, and eco-friendly, building and infrastructure solutions company and create sustainable value for our stakeholders”**

# 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



## **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*



# Awards



*Top Challenger Award 2019 – Construction World*



*NAMC Award – Kondapalli Factory*



*Golden Peacock Award – Manufacturing Excellence*



*Asia's Most Trusted Award 2018*



*Best Company of the Year -2018*



*Economic Times Most Promising Business Leaders Of Asia Award to MD and CEO of HIL*

# AWARDS WON RECENTLY



Superbrand (India)  
of the Year, 2019



India's Best Company  
of the Year, 2018  
- IBC, USA



Asia's Most Trusted  
Brand, 2018  
- IBC, USA



Iconic Brand  
- The Economic Times



Most Promising  
Business Leaders of  
- The Economic Times

# AWARDS WON RECENTLY

**NAMC  
A W A R D  
KONDAPALLI**

**NATIONAL  
PEACOCK AWARD  
FOR  
QUALITY, INNOVATION  
AND BUSINESS  
EXCELLENCE**

**ASIA'S BEST  
EMPLOYER  
BRAND AWARD**

**UNNATI  
CUSTOMER LOYALTY  
AWARD**

**BEST GREENERY  
MAINTENANCE  
AWARD  
- KONDAPALLI**

**ABBY AWARDS  
DIRECTION  
VIDEO CRAFT CATEGORY  
BIRLA HIL PIPES TVC  
2019**

**ABBY AWARDS  
CASTING  
VIDEO CRAFT CATEGORY  
BIRLA HIL PIPES TVC  
2019**

**ABBY AWARDS  
AUDIO VISUAL  
CINEMA/TV  
CONSUMER DURABLE  
CATEGORY  
BIRLA HIL PIPES TVC  
2019**

# Corporate Social Responsibility



Distributed School Benches to ZP Girls and boys School



Reconstruction of hostel facility and school for tribal students with Manav Kalyan Trust



Provided AAC Blocks to construct floor to govt. School



Donation of 3 PC's to Uchat Shikshan Sanstha, Uchat



Renovation of Primary Govt School at Faridabad



Construction of public Toilet at Nare village near Wada plant



Installed LED streetlights on the way to timmapur village

*Progress for everyone – contribution to society*



## Parador: Suite of Products



Laminate Flooring



Engineered wood flooring



Resilient Floor Covering



Modular One Flooring

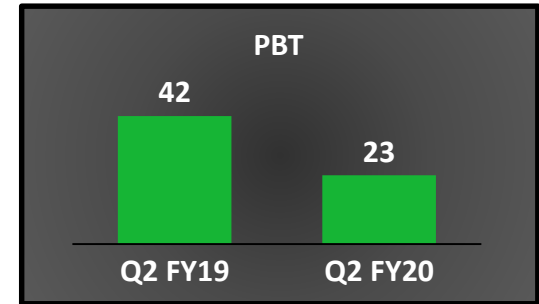
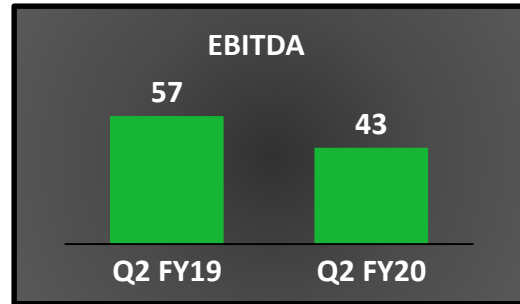
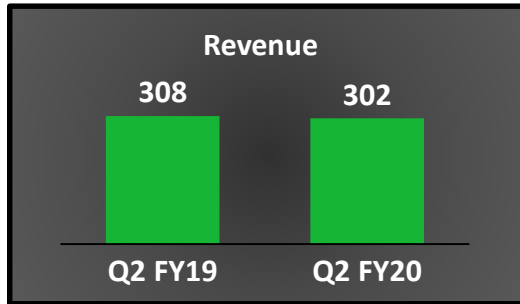


# QUARTERLY DISCUSSION

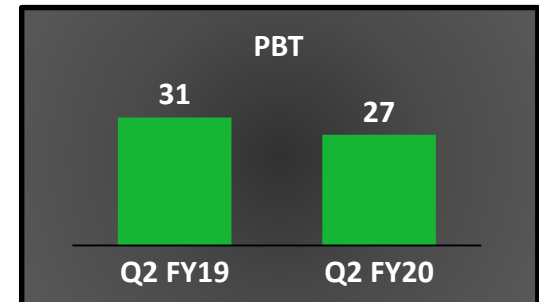
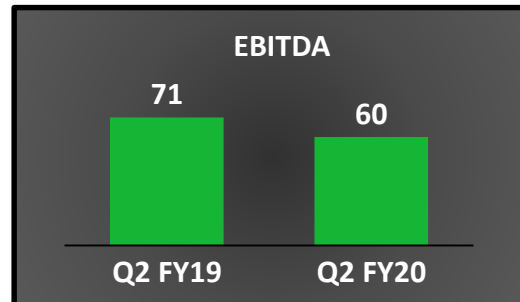
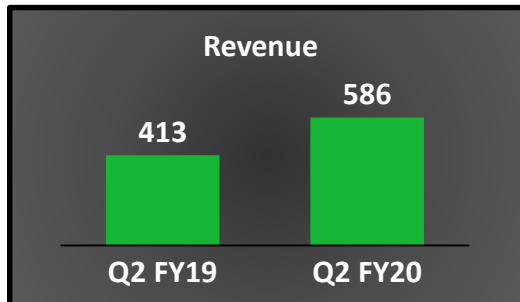
# Highlights of Q2 FY20 performance

In Rs. Crore

Quarter Ended  
(Standalone)



Quarter Ended  
(Consolidated)



## Highlights

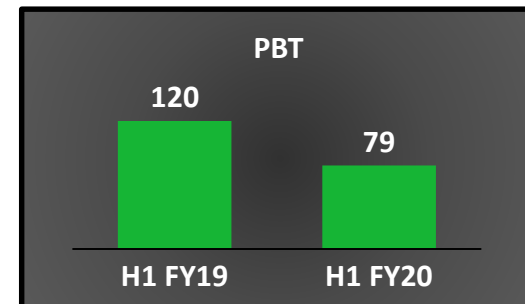
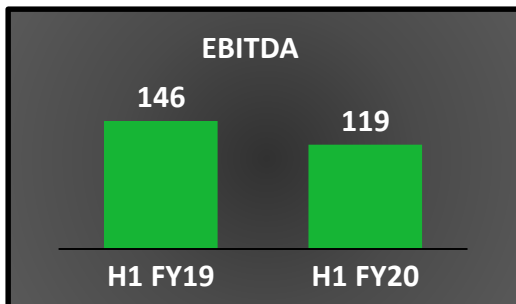
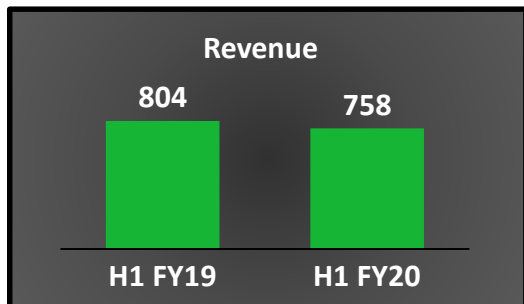
Roofing solutions de-grown on account of overall decline in the market. Fibre availability and prices remain constrained. Focus on margins over volume is the reason for premium pricing of products.

Building solutions invested in enhancing the blocks and panels. Birla Aerocon is at 100% capacity utilization, currently.

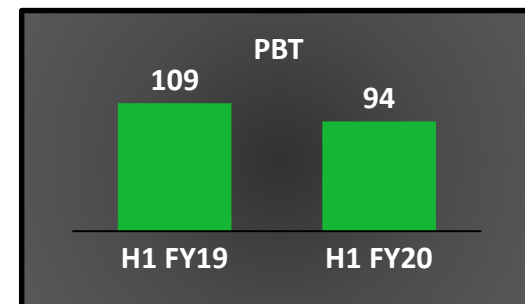
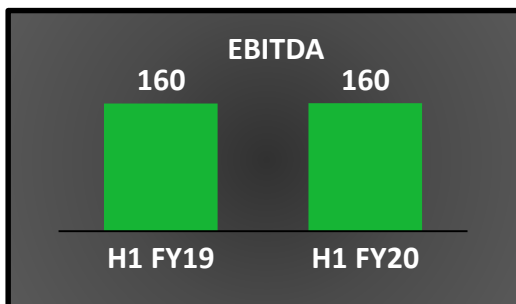
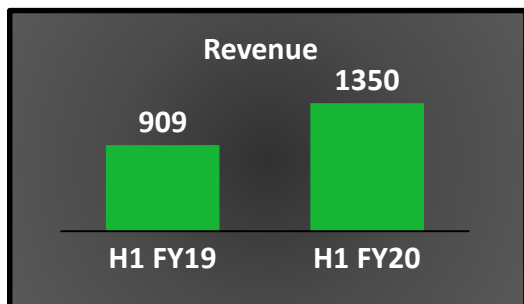
# Highlights of H1 FY20 performance

In Rs. Crore

Quarter Ended (Standalone)



Quarter Ended (Consolidated)



## Highlights

SWR contribution brought down piping segment margin, but helped stabilise the product mix. Focus was on enhancing the top line and brand building. PVC resin got costlier. Putty sales recorded an uptick in the quarter.

Parador is showing robust growth trends and EBITDA margins enhanced with the implementation of 'Six Sigma', improved operational efficiency and growth in German market despite market de-growth.



## Q2 Financial statements – P&L

INR Crore	Standalone			Parador	Consolidated		
	Q2 FY19	Q2 FY20	Y-o-Y	Q2 FY20	Q2 FY19	Q2 FY20	Y-o-Y
Total Revenue	323	315	-2.5%	285	428	597	39.3%
Total Expenditure	266	272	2.3%	266	357	536	50.2%
EBITDA	57	43	-24.8%	19	71	60	-15.3%
PBT	42	23	-46.3%	4	31	27	-13.7%
PAT	27	29	8.7%	2	12	32	164.2%
EPS	35.96	39.87	--	--	16.19	42.73	--

Complied as per Ind AS

Total Revenue and Total Expenditure are shown net of duties and taxes on sale of goods for comparison

# H1 Financial statements – P&L

INR Crore	Standalone			Parador	Consolidated		
	H1 FY19	H1 FY20	Y-o-Y	H1 FY20	H1 FY19	H1 FY20	Y-o-Y
Total Revenue	824	777	-5.7%	594	930	1,365	46.8%
Total Expenditure	678	658	-3.0%	549	770	1,205	56.5%
EBITDA	146	119	-18.6%	45	160	160	0.1%
PBT	120	79	-34.7%	15	109	94	-14.1%
PAT	79	62	-21.1%	10	64	73	13.2%
EPS	105.69	84.12	--	--	85.91	97.11	--

Complied as per Ind AS

Total Revenue and Total Expenditure are shown net of duties and taxes on sale of goods for comparison

## Financial statements – B/S

Particular (Rs. Crore)	30.09.2019	31.03.2019	Consolidated 30.09.2019
<b>A) Equity &amp; Liabilities</b>			
Shareholder's funds	699	647	695
Non-current liabilities	299	355	607
Current liabilities	465	451	663
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,463</b>	<b>1,453</b>	<b>1,965</b>
<b>B) Assets</b>			
Non-current assets	1,080	1,064	1,183
Current assets	383	389	782
<b>TOTAL ASSETS</b>	<b>1,463</b>	<b>1,453</b>	<b>1,965</b>

Total consolidated borrowings as on 30<sup>th</sup> September 2019 – INR 669 crore

The D/E ratio stands at 0.96x at consolidated level

## Results discussion - segmental

Rs. Crore	Q2 FY19	Q2 FY20	Y-o-Y	H1 FY19	H1FY20	Y-o-Y
Revenues						
Roofing Solutions	160	147	-7.8%	512	443	-13.4%
Building Solutions	90	88	-2.2%	181	183	1.1%
Polymer Solutions	54	62	14.4%	105	124	18.4%
Flooring Solutions	105	287	--	105	597	--
Others	4	3	--	8	7	--

*Complied as per Ind AS*

*Total Revenue are shown net of duties and taxes on sale of goods for comparison*

Revenue growth continues to be derived from strong performance in Polymer Solutions and Flooring Solutions, supported by the attractive product portfolio and well targeted promotional initiatives.

Roofing Solutions continues to witness lower volumes with focus primarily on margin conservation.

Parador continues to ramp up production and foray outside European markets.

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

*Building Solutions: Dry/Wet walling products and Thermal Insulation materials*

*Polymer Solutions: Pipes and 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*

## Results discussion

INR Crore	Standalone			Parador		Consolidated	
	Q2 FY19	Q2 FY20	Y-o-Y	Q2 FY20	Q2 FY19	Q2 FY20	Y-o-Y
EBITDA	57	43	-24.8%	19	71	60	-15.3%
EBITDA Margin	18%	14%	-404 bps	7%	17%	10%	-653 bps
PBT	42	23	-46.3%	4	31	27	-13.7%
PBT Margin	13%	7%	-590 bps	2%	7%	5%	-279 bps

INR Crore	Standalone			Parador		Consolidated	
	H1 FY19	H1 FY20	Y-o-Y	H1 FY20	H1 FY19	H1 FY20	Y-o-Y
EBITDA	146	119	-18.6%	45	160	160	0.1%
EBITDA Margin	18%	15%	-242 bps	8%	17%	12%	-548 bps
PBT	120	79	-34.7%	15	109	94	-14.1%
PBT Margin	15%	10%	-448 bps	3%	12%	7%	-488 bps

Despite market de-growth, focussed efforts on driving efficiencies and productivity in the system helped to restrain sharp fall in margins.

Strong working capital processes to balance evolution of product mix with focus on driving sustainable performance.

# Charminar Fortune – Non-asbestos, Green Roofing Launched

State-of-the-art eco-friendly roofing solution aimed at growing the market

Incubated, developed and manufactured, completely in-house. R&D spend of only Rs. 13 crore

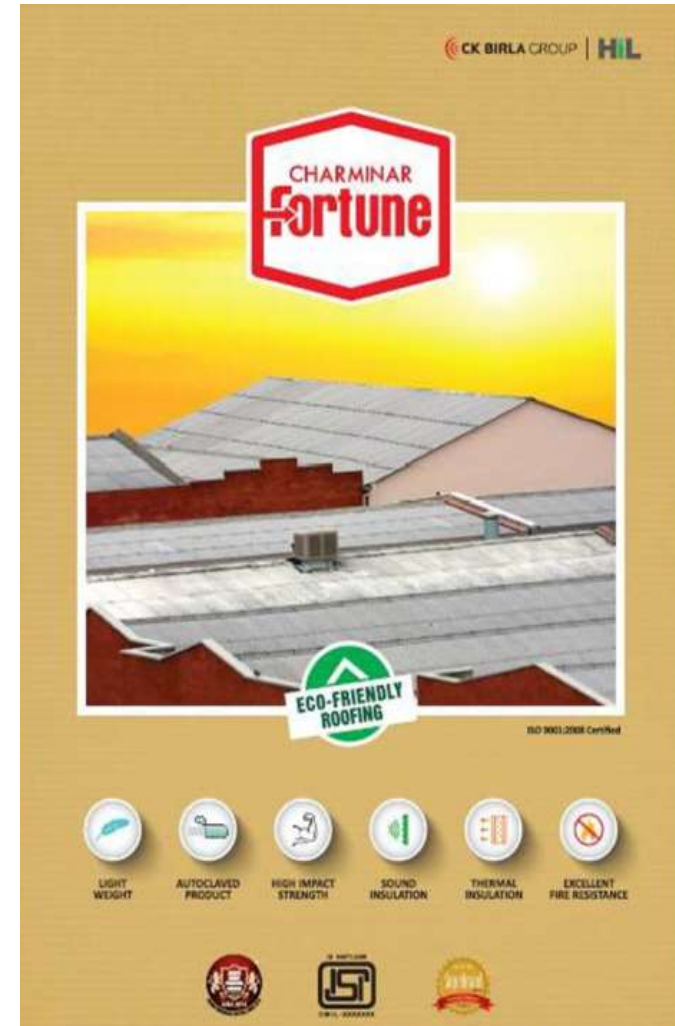
Superior product attributes vis-à-vis competition at lucrative prices

Tailored to requirements of institutional customers –launched initially with few customers

Commenced commercial production at Kondapalli Plant, Andhra Pradesh with a capacity of 33,600 MT PA

Initial focus on seeding this product, product education and mindshare gains

Response from target segment has been encouraging; generating sales of close to 1,000 metric tonnes per month



# Message from Managing Director & CEO

## Dhirup Roy Choudhary



“Our consistent focus while driving HIL forward has been to prioritize margins across business lines. QoQ our performance reflects that. Strategically we are transforming the segment mix in order to de-risk business and define predictable growth in the years to come. The addition of green roofing solutions and flooring solutions should be seen in such context; these are investments for our future as a responsible global company.

The slack in business witnessed in the roofing segment during Q1 has continued. Moreover as an industry we are as yet working to streamline the supplies and pricing for asbestos fibre. On its part HIL intends to maintain its premier position in the market as is reflected by our steady margins albeit on a lower volume. In tandem we are set on achieving best cost efficiencies that the industry has seen whereas we see some benefit from softer cement pricing and gradual improvement in the situation in the coming months on the volume side.

Building solutions as a segment has done exceptionally well for us. Our plants have demonstrated quality output even at high utilization levels. It is logical therefore to pursue augmentation in throughput.

As we diversify away from our traditional lines of business we are seeing strong traction in the piping solutions, green roofing solutions and flooring solutions segments.

As our product mix stabilizes we anticipate the piping solutions business to demonstrate a better margin profile on enhanced volumes. In fact our brand range continues to make headway in target markets and is balancing out the rural slant of the roofing segment. As we commission the last leg of our new capacity we remain on schedule to achieve the scale of operation as envisaged.

We are very enthused with the response that Charminar Fortune has received from the institutional clients across the public and private sectors. Our monthly run rate has substantially increased YoY. What we have is truly a world-class product, and through intensive trials across seasons we have demonstrated its advantages. As the order book builds up domestically we are investing in a dedicated capacity to support the growth we see coming. The product is also expected to gain traction in select export markets and we are extremely positive that it will absolutely stand out.

Q2 traditionally corresponds to a lull in the European market as it coincides with summer. We expect the momentum in flooring solutions to accelerate. Our branding and business development teams are hard at work to seed novel regions outside our home base, where there is naturally a strong pull for these products.

HIL is emerging as a world-player within the ambit of building materials and as we grow in stature we are taking steps to maintain a disciplined line on debt, working capital and target returns. As we balance the need to promote our portfolio and brands we are driving a lean operation that systematically fosters talent. Our employees, partners and the entire ecosystem is truly the bedrock of this enterprise that will help channel our future.”

# Outlook

Growth from leadership roofing business through optimised distribution and stronger marketing

Investment in creating opportunities for growth in Pipes & Fittings by way of capacity expansion

Focus on driving non-roofing portfolio comprising Building 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*





# Contact Us

## 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\$2.5 billion conglomerate with diversified interests. With over 20,000 employees, 43 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 2016 by IBC INFOMEDIA. HIL also holds the SuperBrand title and ranks amongst the top 20% of all other Super Brands across all categories in India.

HIL manufactures a comprehensive range of products. Its Charminar brand is an established market leader in roofing solutions. HYSIL, an industrial thermal insulation is used in a range of applications in energy-intensive industries. Birla Aerocon, provides Green Building Solutions that includes Dry Walling & Wet Walling. Birla HIL includes Pipes & Fittings and Wall Putty. 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>

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**THANK YOU**