

NEAPS/BSE ONLINE

11th February, 2022

**The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
1st Floor, New Trading Ring
Rotunda Dalal Street,
Mumbai - 400 001
Scrip Code - 542905**

**The Secretary,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block
Bandra - Kurla Complex,
Bandra(E), Mumbai – 400 051
Scrip Code - SHIL**

Dear Sir/Madam,

Sub: Financial Result Presentation for the third quarter and nine months ended 31.012.2021

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Financial Result Presentation on the Unaudited Standalone & Consolidated Financial Results of the Company for the third quarter and nine months ended 31st December, 2021.

The aforesaid presentation will also be available on the website of the Company i.e. www.shilgroup.com.

You are requested to take the enclosed document on records.

For Somany Home Innovation Limited


Payal M Puri
(Company Secretary & V. P. Group General Counsel)

**Name: Payal M Puri
Address: 301-302, 3rd Floor, Park Centra, Sector-30, Gurugram-122001
Membership No.: 16068**

Encl: As above

Somany Home Innovation Limited

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Registered Office: 2, Red Cross Place, Kolkata-700001, West Bengal, India. T. +91 33-22487407/5668

wecare@hindware.co.in. | www.shilgroup.com | CIN: L74999WB2017PLC222970



Driving Customer Aspirations
Enriching Experiences | Innovative Offerings

**Q3 & 9M FY22 Financial
Result Presentation**

February 11th, 2022



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Business Overview

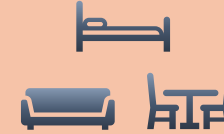


Building Product
Segment

**Premium Consumer Appliances and
Building Products Company**

hindware

Owner of Brand
Hindware™



Retail Segment
(Focus on Franchise &
E-commerce business)



Consumer Appliances
Business (CAB)

Leader in
Sanitaryware and second
largest in the faucets
segment

**Industry leading
growth in Plastic Pipes
& Fittings Business**



32 patents filed
since inception

45

New launches in
9M FY22

**Strong Growth
Outlook**



Retail Touch Points
35,000+



Distribution Partners
3,100+



Modern & Retail Outlets
700+

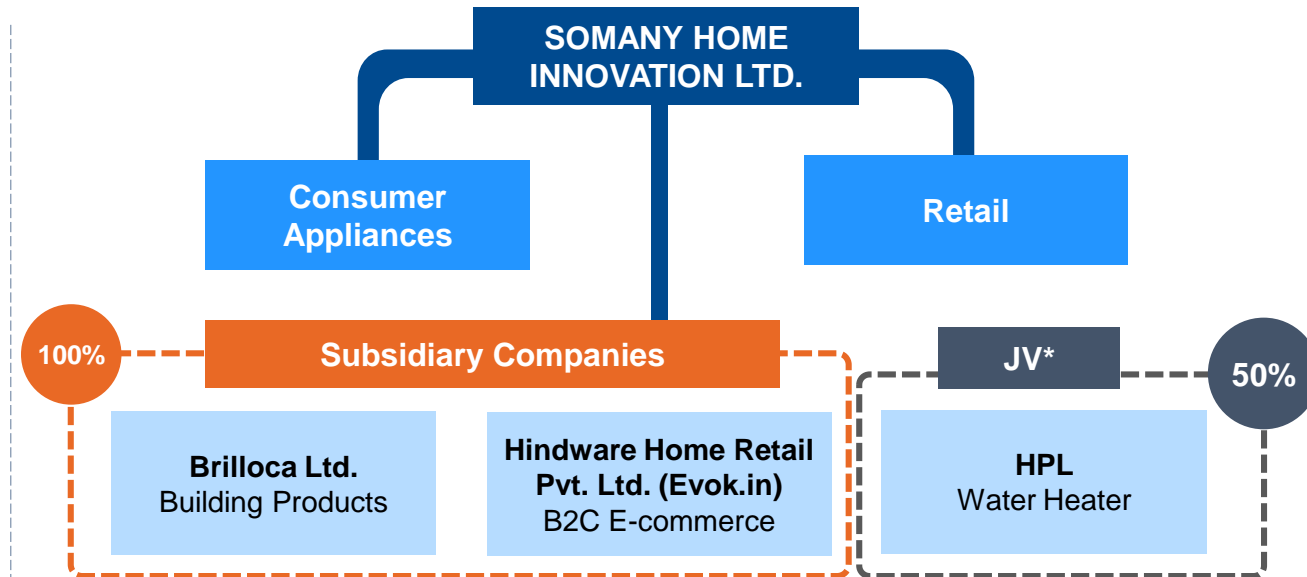


Omni-channel
presence

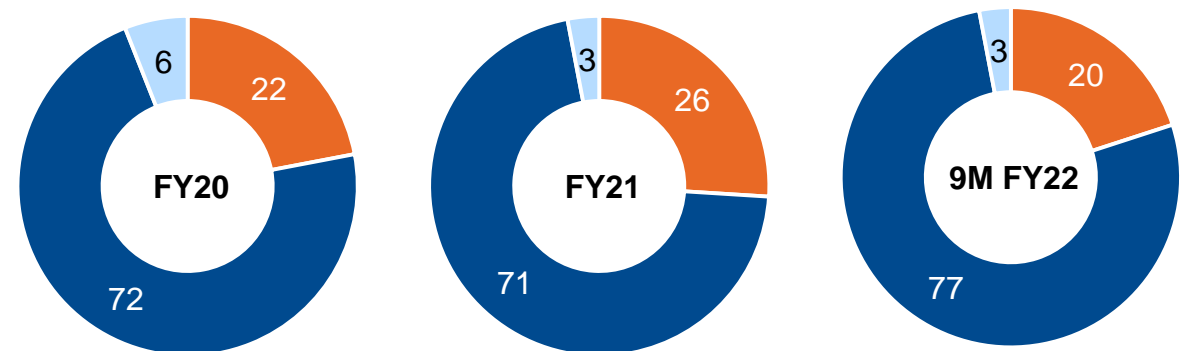
3 Distinct Channels
Sanitaryware & Faucets
Consumer Appliances
Hardware (Pipes)

About Us

- ⊙ The Consumer Appliances and Building Products Company
- ⊙ **Hindware™**, a reliable and trusted brand across India
- ⊙ Leveraging innovation and expansive distribution infrastructure across businesses
 - **Building Products Business** –
 - Leading player in sanitaryware & faucets space
 - Growing presence in plastic pipes and fittings solutions with a recent foray in overhead water storage & column pipes segment
 - **Consumer Appliances Business** – innovative product offerings across varied categories
 - **Retail Business** - Specialty home interior products under the brand 'Evok by hindware'
- ⊙ **Hintastica Private Limited (HPL)** is a 50:50 JV with Groupe Atlantic, leaders in heating solutions globally



Revenue Mix (%)



*Note: Wholly-owned subsidiary of SHIL as on 31st March 2021

Our Approach



Introduce innovative products across categories

- ⊙ Several successful launches at regular intervals
- ⊙ Strong R&D capabilities help in introducing an innovative range of products to gain market share



Leverage distribution channels

- ⊙ Harnessing distinct distribution networks to market newer products and cross-selling
- ⊙ Expansive distribution reach across all segments, enabling us to service existing markets & reach out to newer markets
- ⊙ Strong connect with trade partners



Prudent capital allocation

- ⊙ Investments undertaken in recent past towards new product segments and distinct distribution networks have started delivering results
- ⊙ Capital allocation towards fast growing profitable segments



Multiple revenue streams

- ⊙ Scaling up presence in fast growing Consumer appliances and Plastic pipes and fittings segments
- ⊙ Differentiated product mix supported by intelligent marketing and branding campaigns



Capital efficient model

- ⊙ Emphasis on further improving capital return ratios in long term
- ⊙ High quality, versatile manufacturing operations (post proposed acquisition of BPD manufacturing assets of HSIL) combined with strong supply chain ensure efficient delivery of a wide range of products

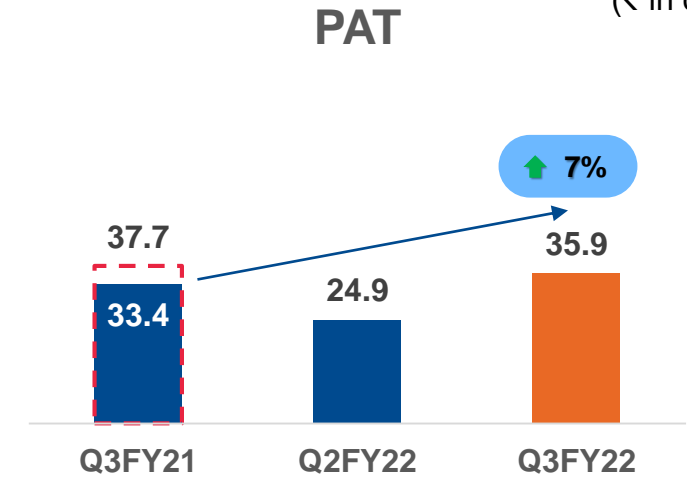
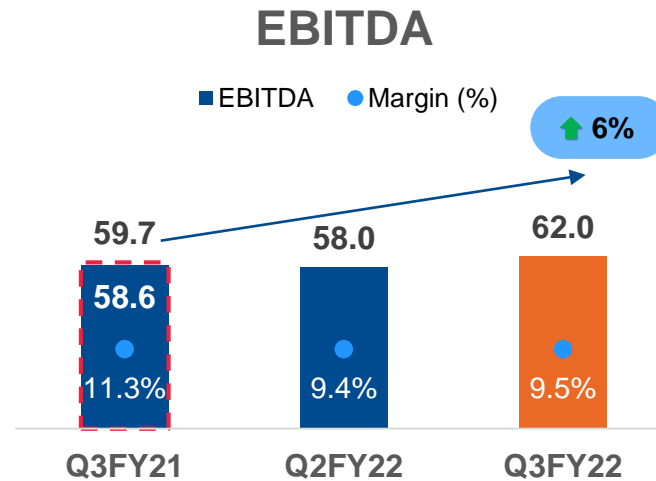
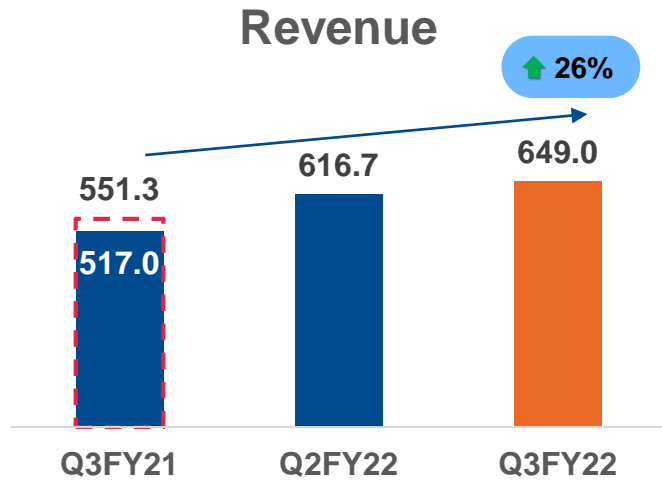
Q3 & 9M FY22 Financial Performance



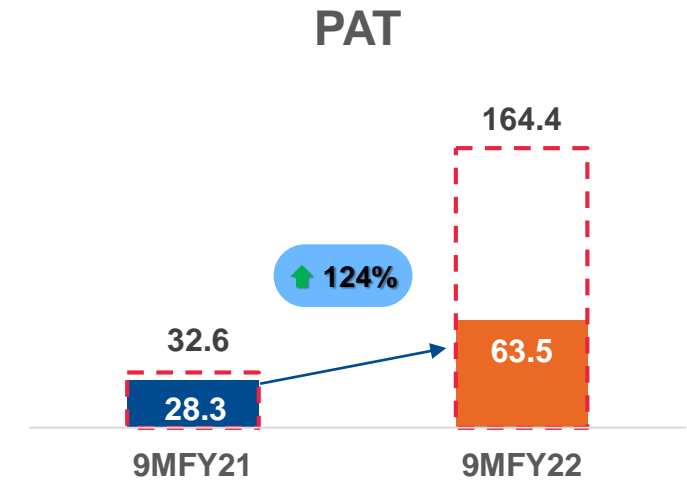
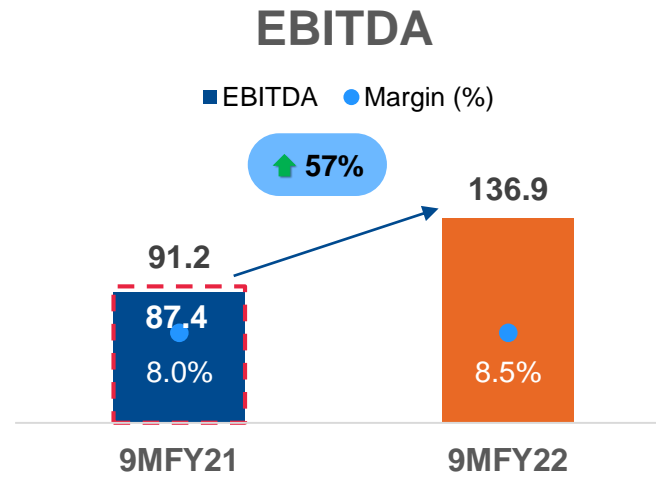
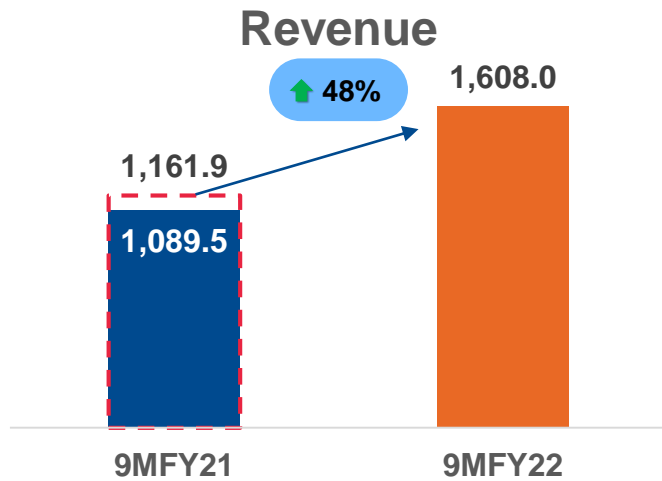
Q3 & 9M FY22 Performance (Consolidated)

(₹ in crore)

Q3 FY22

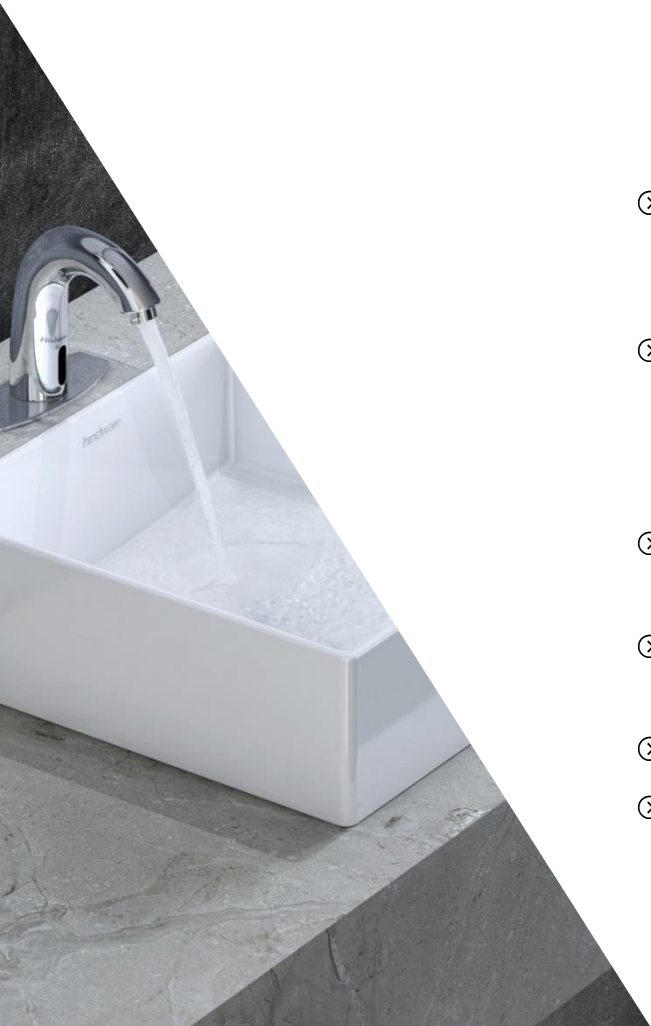


9M FY22

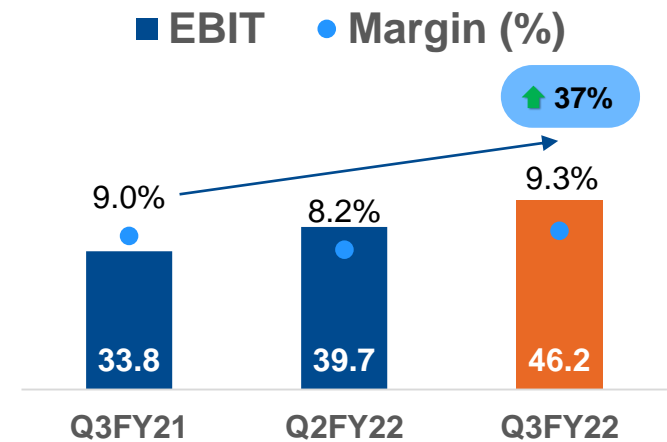
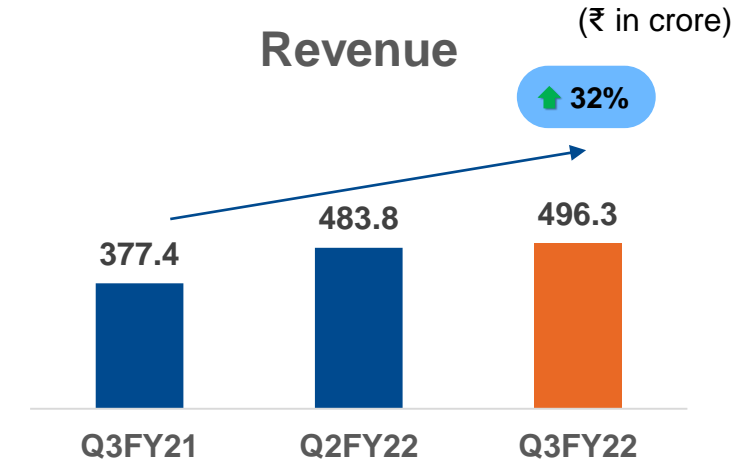


Note: Revenue, EBITDA and EBITDA margins of Q3 FY21 and 9M FY21 are adjusted for contribution from the Water Heater business. Revenue, EBITDA and EBITDA margins Y-o-Y growth have been calculated on the management reported adjusted figures. Also, PAT of Q3 FY21 and 9MFY21 exclude tax refund of ₹4.3 crore.

9MFY22 PAT includes a fair value (gain) of ₹66.11 crore of its investment in HPL on account of loss of control of the subsidiary and recorded gain of ₹34.75 crore on account of slump sale of Water Heater Business Undertaking by the Company to HPL. Growth has been calculated for the adjusted figure.



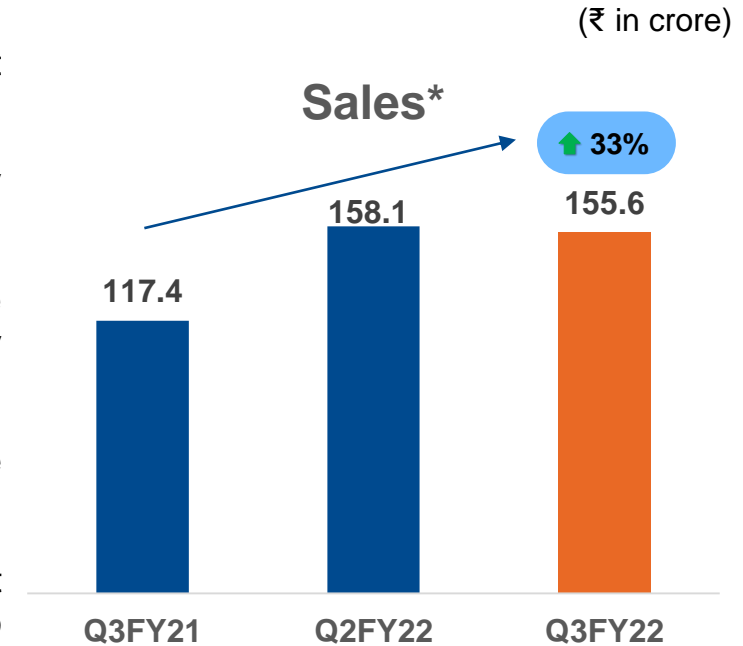
- ⊙ Stellar growth witnessed
 - Industry-leading performance in Sanitaryware and Faucet segments over the past quarters
 - Revenue grew by 32% Y-o-Y to ₹496.3 crore
 - EBIT increased by 37% Y-o-Y by to ₹46.2 crore
 - EBIT margin improved to 9.3% from 9.0% in Q3 FY21 despite input price inflation
- ⊙ Demand is supported by customers going for home improvement and growth of real estate sector owing to low-interest rates, Government incentives, and increasing sales
- ⊙ Hindware recorded significant rise in both Sanitaryware and Faucets market shares on the back of product and design leadership, brand salience, wide product portfolio, and distribution network
- ⊙ Strengthened the retail and distribution network to bolster presence in tier 1 & 2 markets and reach out to tier 3-5 markets
- ⊙ Launched Aspiro range of Sanitaryware and faucets which is seeing great traction in the market
- ⊙ Our strengthened Institutional business contributed to growth
- ⊙ Consolidation of the brand teams continues to improve profitability



Note: Revenue and EBIT for BPD include contribution from Plastic Pipes & Fittings business



- ⊙ TRUFLO registered a growth of 33% Y-o-Y to report sales of ₹155.6 crore
 - Pipes Business continues to contribute positively to the bottom line
- ⊙ TRUFLO grew in sales, volumes and market share owing to the wide acceptance of the brand and quality of the products
- ⊙ Despite frequent fluctuations in raw material prices, the business has grown substantially
- ⊙ The business recorded a favorable mix of product sales, with the CPVC range contributing significantly to the overall realization
- ⊙ We continue to engage with the plumbing community to enhance awareness of our products

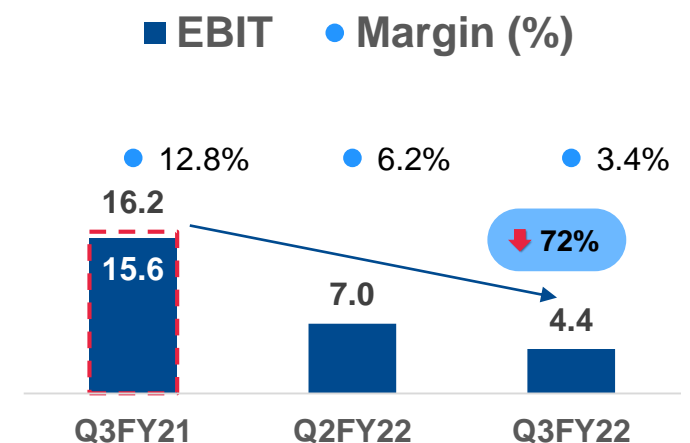
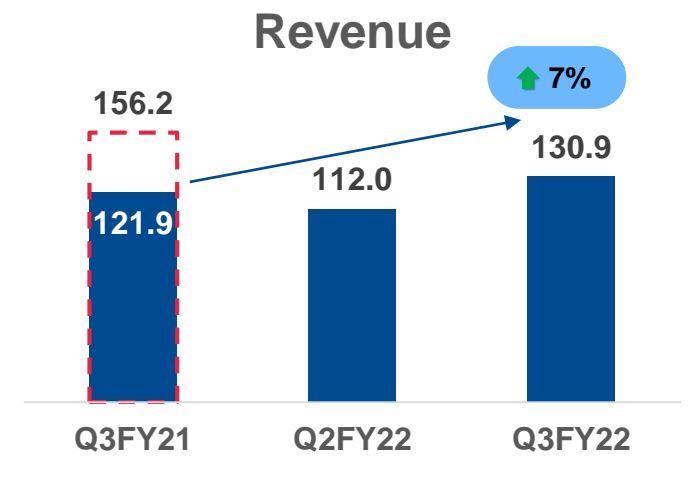


Note: Sales is as per management reported figures and is included in BPD segment reported numbers

Q3 FY22 – Consumer Appliance Business Update

(₹ in crore)

- ⌚ Growth in revenue but profitability was impacted on account of significantly higher input costs and slow market demand
 - Revenue for the quarter stood at ₹130.9 crore, growing by 7% Y-o-Y
 - EBIT came in at ₹4.4 crore
 - EBIT margin stood at 3.4%
- ⌚ Appointed 93 new distributors to capture growing consumer demand
- ⌚ Launched 16 new exclusive kitchen galleries (140 total pan-India) during the quarter to be available to customers through as many touchpoints as possible
- ⌚ 19 new launches across product categories in Q3 FY22 to expand product range
- ⌚ Launched a 360-degree campaign for kitchen appliances and a radio led campaign for water heaters during the festive season

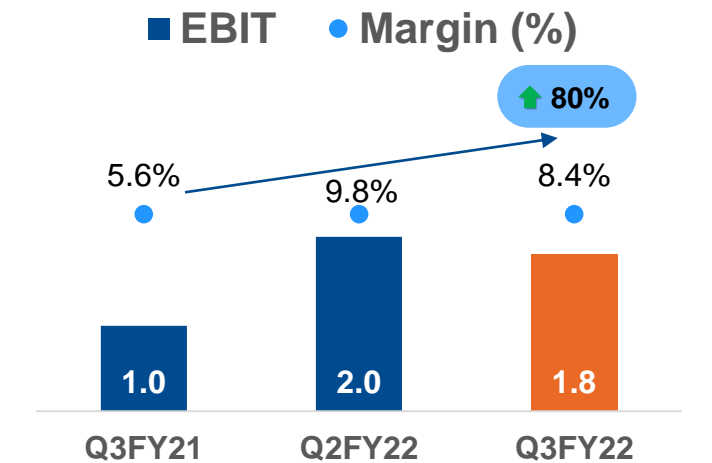
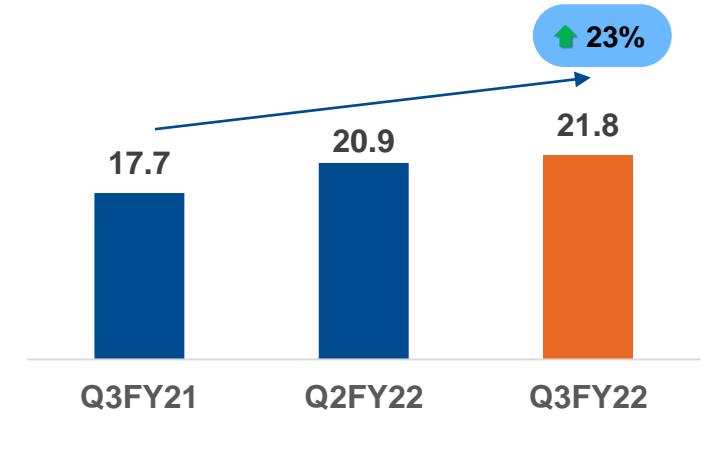


Note: Revenue, EBIT and EBIT margin of Q3 FY21 are adjusted for contribution from Water Heater business, which was transferred under slump sales to HPL, which is now a 50:50 JV with Groupe Atlantic, to make it comparable to Q3 FY22. Revenue, EBIT and EBIT margin Y-o-Y growth have been calculated on the management reported adjusted figures.

- ⌚ Increased demand for home renovations led to growth in revenue and profitability
 - Revenue stood at ₹21.8 crore, growing by 23% Y-o-Y
 - EBIT came in at ₹1.8 crore, growing by 80% Y-o-Y
 - EBIT margin for the quarter stood at 8.4%
- ⌚ Launched ~200 new products to expand the product portfolio to offer variety across price points
- ⌚ Added 10 new EVOK Franchise stores to strengthen omnichannel presence
 - The Franchise store count now stands at 39

(₹ in crore)

Revenue



Business Segment Overview



Building Products Division



- ⊙ **Leading player in sanitaryware & faucets segments**
 - Brands available across price points – luxury, premium and mass categories
- ⊙ **Strong Network of distribution and service**
 - 250+ Brand Stores for an immersive customer experience
 - 225+ Distributors for wide network
 - 7000+ direct retail touchpoints: Indirect reach covering around 20,000 touchpoint
 - Catering to 1100+ institutional clients
 - A service network of 400+ technicians pan India covering more than 640 districts, with a TAT of 24 hours in metro markets and 48 hours in upcountry markets
- ⊙ **Building eco-system for accelerated growth**
 - Constant engagement with intermediaries & end-users
 - Providing platform to all the channel partners to help them keep track of their operations
 - Establish Hindware as a modern, innovative, design-led brand to connect with millennials
 - Increased product consideration and awareness using beautiful design & thoughtful features (technology and innovation) as a bedrock for all new product launches
 - Increased brand salience at retail (product displays and refreshed in-shop imagery)
 - Expand the distribution reach to establish a truly pan-India presence



Market Size

~₹4,800 crore

Sanitaryware

~₹9,000 crore

Faucets



hindware



Sanitaryware & Faucets

hindware
ITALIAN COLLECTION
Thoughtful is beautiful



Sanitaryware & Faucets

QUEO
NOTHING LESS WILL DO



Sanitaryware & Faucets

NEOM
NEO MODERN TILES



Tiles

TANKLESS
FUTURE OF BATHROOM

151
TIME IN INDIA

- Unique Space Saving Design
- Water Saving Efficient 4L Flushing
- Hassle-Free Installation

GRABS ATTENTION.
WITHOUT MAKING NOISE.

WATER CLOSETS WITH **AQUASHEET**
TECHNOLOGY FOR QUIETER FLUSHING.*

*QUIETER THAN A REGULAR FLUSH

TOUCH-FREE TECHNOLOGY

WATER CLOSETS WITH TOUCH-FREE FLUSHING
FOR GREATER SAFETY & HYGIENE.

#TouchFreeIsCarefree

AUTOMATE

INTELLIGENT CLOSETS

A range of Hi-tech Toilets that come with a remote control to cater to all your needs at just the press of a button.

- Easy Computerized Control Panel
- Foot Press Flush
- Minimalist Touch Remote

E Clenz

Intelligent wall mounted
water closet at a smart price

SENSOR FAUCETS

- INFRA RED SENSOR
- LOW CONTACT
- WORLD CLASS TECH
- LONGER LIFE CYCLE
- SAVE WATER



- ⊙ TRUFLO by Hindware™, is the fastest growing plastic pipes and fittings brand in India
 - With 1,100+ SKUs already being offered and many more being added, TRUFLO aims to be amongst the top 5 players in 5 years
- ⊙ Offers best-in-class, NSF-certified (uses CPVC compound Durastream, supplied by ~US\$10 bn Sekisui Chemical Co. Ltd.), CPVC pipes for hot and cold water plumbing applications, along with lead-free UPVC pipes, SWR pipes, PVC pipes for potable water, column pipes and overhead water storage tanks
- ⊙ Export to ASEAN and Middle Eastern countries
- ⊙ Complete range of TRUFLO pipes is Lead-free

Market Size

~₹10,000 crore

TRUFLO by Hindware™, addressable market size



Consumer Appliance Business



Consumer Appliances Business

④ Emphasis on innovation

- Widest range of connected and smart appliances in the industry

④ Forward looking portfolio spanning categories

- Kitchen appliances & food sanitizer
- Air coolers
- Water purifiers
- Ceiling & pedestal fans
- Water heaters (*part of 50:50 JV with Groupe Atlantic*)
- Kitchen & Furniture fittings (*brand FGV Powered by Hindware™, a strategic tie-up with Italian company Formenti & Giovenzana*)

④ Strong Distribution reach

- 10,000+ Retail outlets
- 1,000+ Distributor partners
- 700+ Modern & large retail outlets
- 140+ Exclusive Kitchen galleries

#2

Player in the Kitchen
Chimney Segment

#5

Player in the Air Cooler
Segment

#6

Player in the Water Heater
Segment (50:50 JV with
Groupe Atlantic)



Emphasis on R&D and Innovation

- ⊙ Recognized in-house R&D, registered with DSIR
 - *Registered 4 new patents in FY22, taking the total to 32 patents since inception*
- ⊙ Hindware Konnect, an IoT platform, connects intelligent products to customers through Hindware appliances mobile app for remote operation
 - *Works with Alexa and Ok Google*
- ⊙ Hindware, mentioned among the top companies in the Smart Homes domain at Google's IO, a global event

Achelous Premium iPro Water Purifier

- *India's 1st IoT enabled water purifier*
- *Makes life easy for consumers as it tells them the exact time to replace the RO membrane and filters*

Optimus iPro Chimney

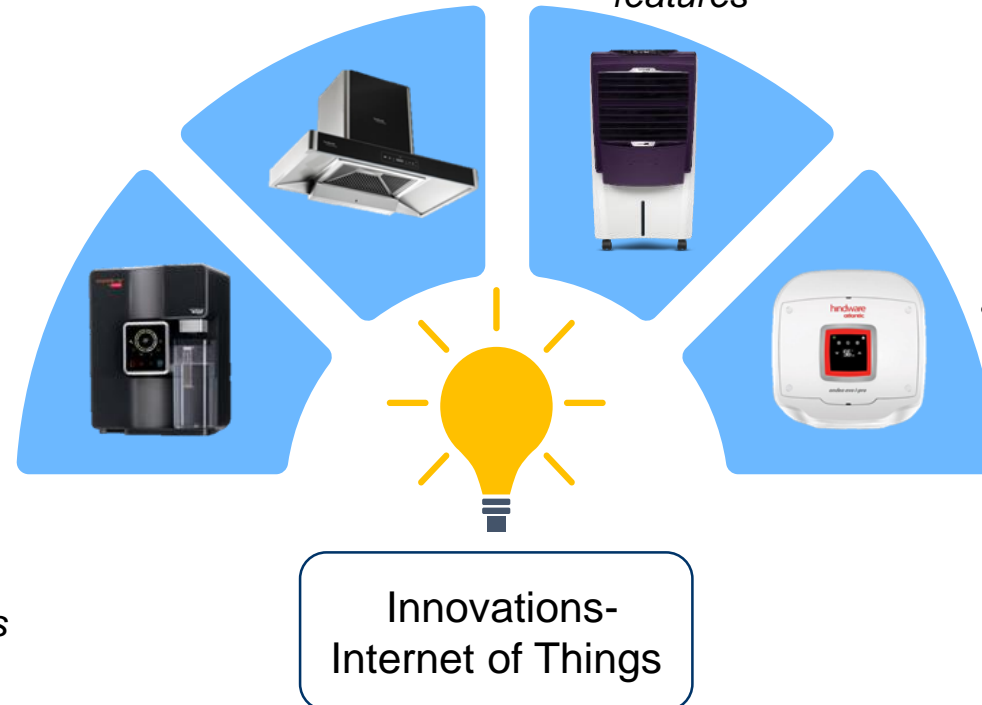
- *India's 1st ever IoT – enabled chimney*
- *MaxX Silence Technology**

Spectra iPro

- *Equipped with features such as Geo-fencing and Wi-Fi Direct, and Alexa-controlled features*

Ondeo Evo iPro Water Heater

- *Operate from anywhere, track monthly power consumption and status of your complaint 24x7*



* Patent applied

Diverse and Exciting Products & Brands

hindware



Kitchen Appliances

hindware
SNOWCREST



Air Coolers

hindware

moonbow
by hindware



Water Purifiers

hindware
SNOWCREST



Fans

FORNENTI & GIOVENZANA
Powered by hindware
Italian Designs - Great Value



Kitchen & Furniture Fittings

hindware
atlantic



**Water Heaters
(50:50 JV with Groupe Atlantic)**

Retail Division



- ⊙ Specialty home interior products through modern format stores and digital platforms under the brand 'EVOK'
- ⊙ Offering a range of 3,600+ products across 16,700+ pin codes
- ⊙ 2 Display and Sales centres in Delhi and Faridabad and a growing chain of franchise stores
- ⊙ Strong e-commerce presence through online portal [EVOK.in](https://www.evok.in) and other sites like Amazon, Flipkart, Pepperfry, etc.
- ⊙ Delivering and installing furniture in 16,700+ pin codes across India
- ⊙ Priorities of go-to-market approach
 - Maintain franchise – based large format store
 - Focus on on-line retail channels
 - Reach new geographies
- ⊙ Emphasis on minimising overheads; higher profitability – move from Cash burn to Cash earn

2

Company owned stores

39

Franchise Stores



Thank You



Naveen Malik



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