

Ref: HIL/SE/2023-24/50

August 1, 2023

To
BSE Limited
P.J.Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 509675

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

Sub: Investor Presentation on Q1 FY24 Financial Results
Ref: Regulation 30 of SEBI LODR Regulations, 2015

Dear Sir/Madam,

Please find the attached Investor Presentation on the financial results of the Company for the first quarter ended June 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 and disseminate on the website.

Thanking You.

For HIL Limited

Akshat Seth
Managing Director & CEO
DIN: 10039820



5th YEAR
IN A ROW



CK BIRLA GROUP | **HIL**

Financial Results Presentation

Q1 FY2024

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.

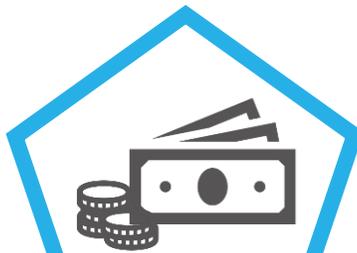
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Disclaimer

The CK Birla Group – 165+ Years of Rich Legacy

Over **US\$2.8 billion**
Conglomerate



Over **30,000+**
Employees



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



Present across
Five Continents



Numerous
Patents & Awards



Relationships &
Philanthropy

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 digitalize processes end-to-end for business excellence

To build a strong corporate brand present across all continents

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



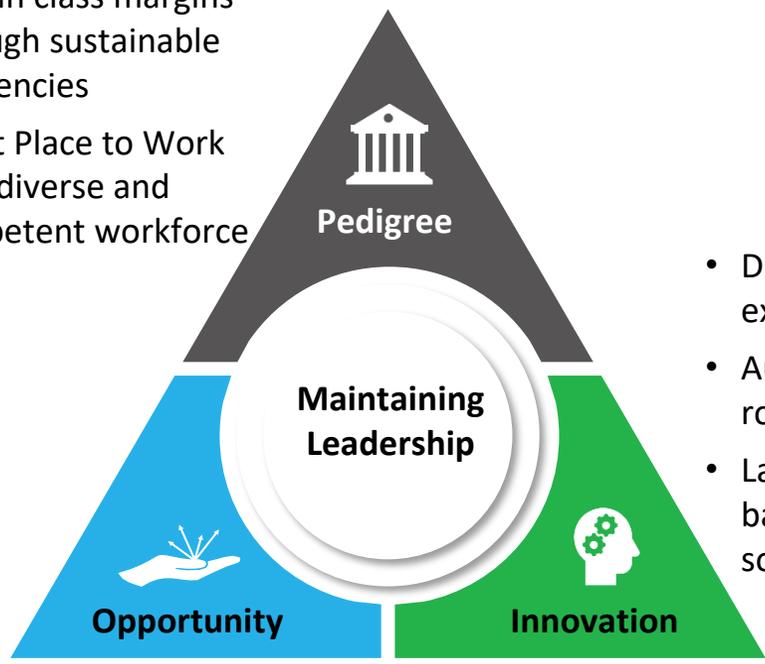
CK Birla:

Business must be conducted with the 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

- Establish strong brands
- Committed dealership
- Best-in class margins through sustainable efficiencies
- Great Place to Work with diverse and competent workforce



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

- Develop adjacent complementarities
- Diverse and sustainable portfolio
- Harness existing core strengths



76 Years Journey of HIL

1946

Incorporation of the Company

1975

Established the R&D Centre at Hyderabad

1997-99

Commenced production of Aerocon panels in Faridabad

Commenced production of Aerocon blocks at Chennai

2013

Changed the name of the company to 'HIL Ltd'

Commencement of Production of PVC Pipes at Faridabad

2015

AAC block plant commissioned in Jhajjar

2018

Commencement of Production of CPVC & UPVC Pipes and fittings at Golan

Acquisition of

PARADOR

"Luxury flooring concepts" Company located at Germany

Associated with Chennai Super Kings as Brand Ambassador

2020

Sale of 'HYSIL' business to Calderys India Refractories Ltd.

Commercialization of new Putty Plant at Golan

2022

Awarded Great Place to work for 4th Consecutive year

Formation of PARADOR UK LTD

Expansion of blocks business through an acquisition of plant with installed capacity of 150,000 CuM.

Commissioned AC sheet plants at Hyderabad and Faridabad

1949-66

HIL listed in Stock Exchange

1988

Set-up Windmills as source of Green Energy

2011

Commencement of Production of PVC Pipes at Thimmapur

2014

Commencement of Production of Dry Mix at Jhajjar

2016

Fortune India 500 Company

Expansion of production capacity of CPVC, UPVC and SWR Pipes at Thimmapur and Faridabad

Awarded Great Place to Work

2019

Awarded Great Place to work for 3rd Consecutive year

Commercialization of Charminar Fortune and production of Birla Aerocon Flat Board at Faridabad

2021

Brand and Product Overview



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

- Next Gen Non-asbestos Corrugated Roofing Sheets

Dry Wall:

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

Wet Wall

- AAC Blocks
- Block Jointing Mortar

Birla Construction Chemicals

- Water Proofing Solution
- Tile Adhesive
- Primer
- Distemper

Pipes & Fittings:

- UPVC Pipes and Fitting
- CPVC Pipes and Fitting
- SWR Pipes and Fitting
- Column Pipes
- Pressure Pipes
- Water Tanks

Wall Putty

- Gypsum Plaster

Construction Chemicals:

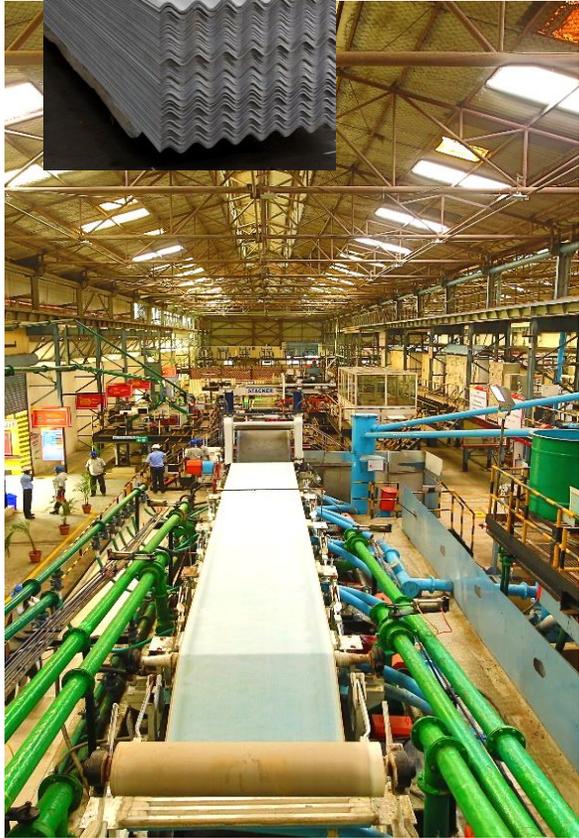
- Primers & Stainers
- Tile Adhesives
- Water proofing Solutions

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

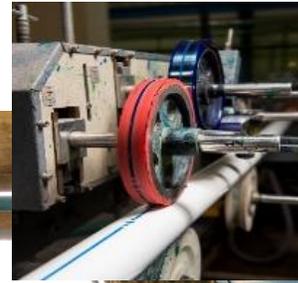
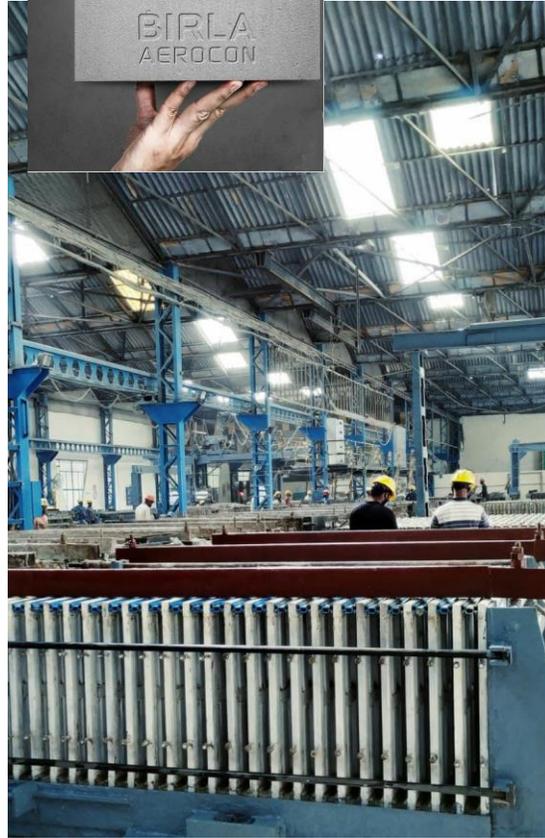
Manufacturing Prowess



**Roofing
Solution**



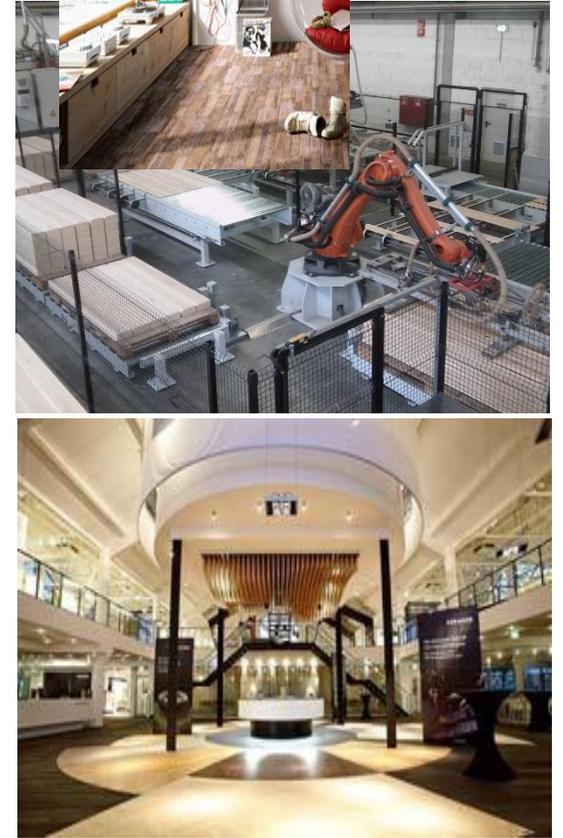
**Building
Solution**



**Polymer
Solution**



**Flooring
Solution**



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



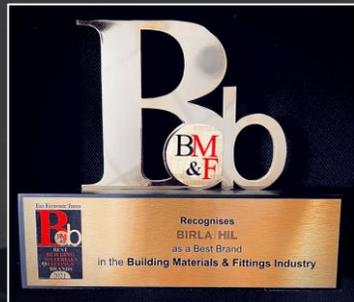
Good Design Award 2022



Interior & Exterior Awards 2023



India's Most Trusted Brand Awards 2022



Best Brands in the Building Materials and Fittings Industry



Charminar as Brand Of the Decade 2023 under Infrastructure Roofing Solutions



German Design Award 2022



HIL LIMITED India's most ethical award Nov'21



Most trusted Brand Birla HIL Putty



Best Workplaces in
Manufacturing



Brand of the year – CEO
magazine



Iconic Awards For Innovative
Interior Parador 2021



Best of Content Marketing



Top Challenger
Award 2020



Best Information Security Project
” & “Best Modern Technology
Infrastructure Project”



Annual Multimedia
Award 2022



Germany's Most Popular
Provider - Life & Living –
Parador - ntv and the German
Institute for Service Quality

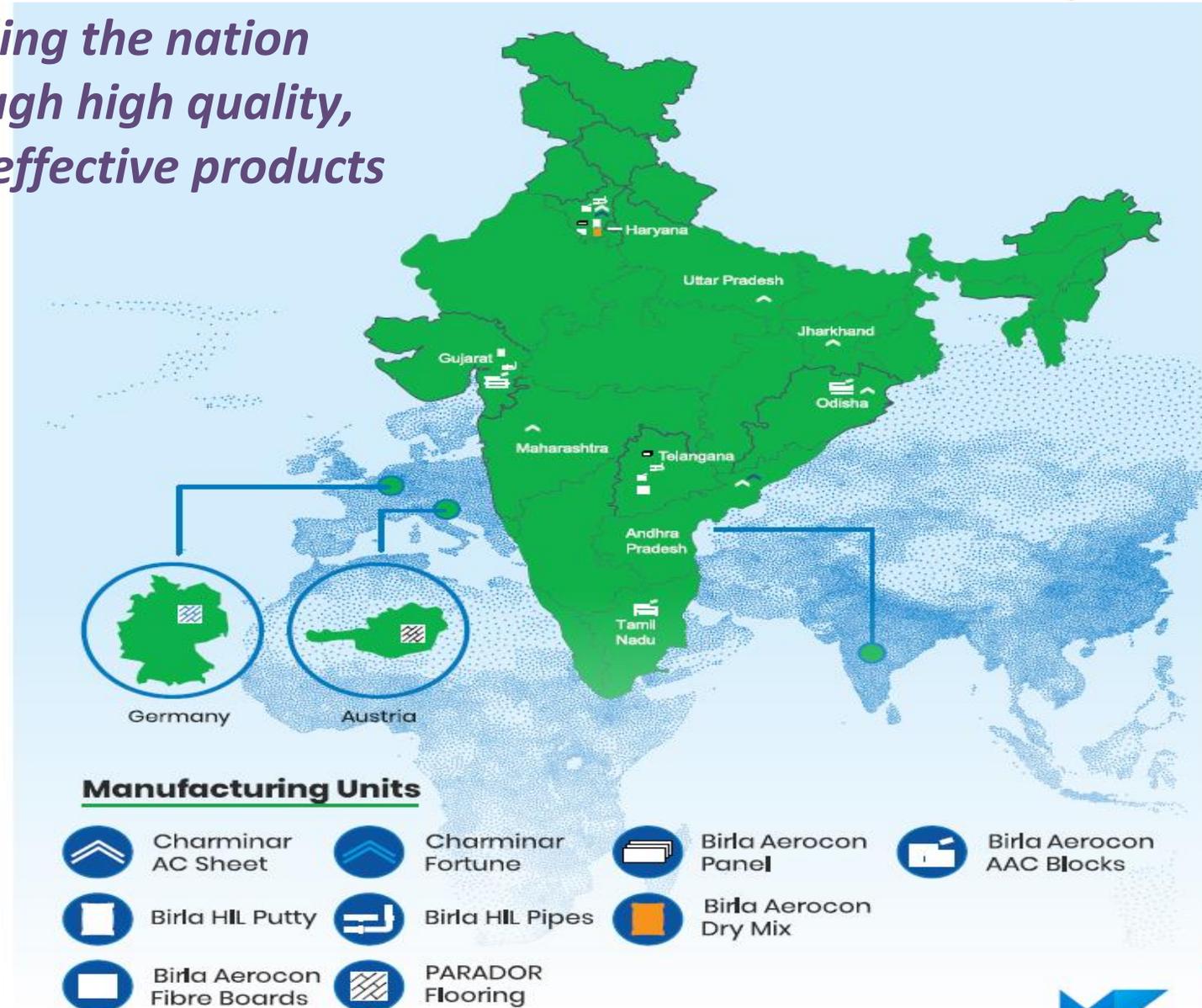
Awards Won

Geographical Presence

Key competitive advantage

- 25 Manufacturing facilities in India
1 in Germany and 1 in Austria
- 42 Sales depots
- 4 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

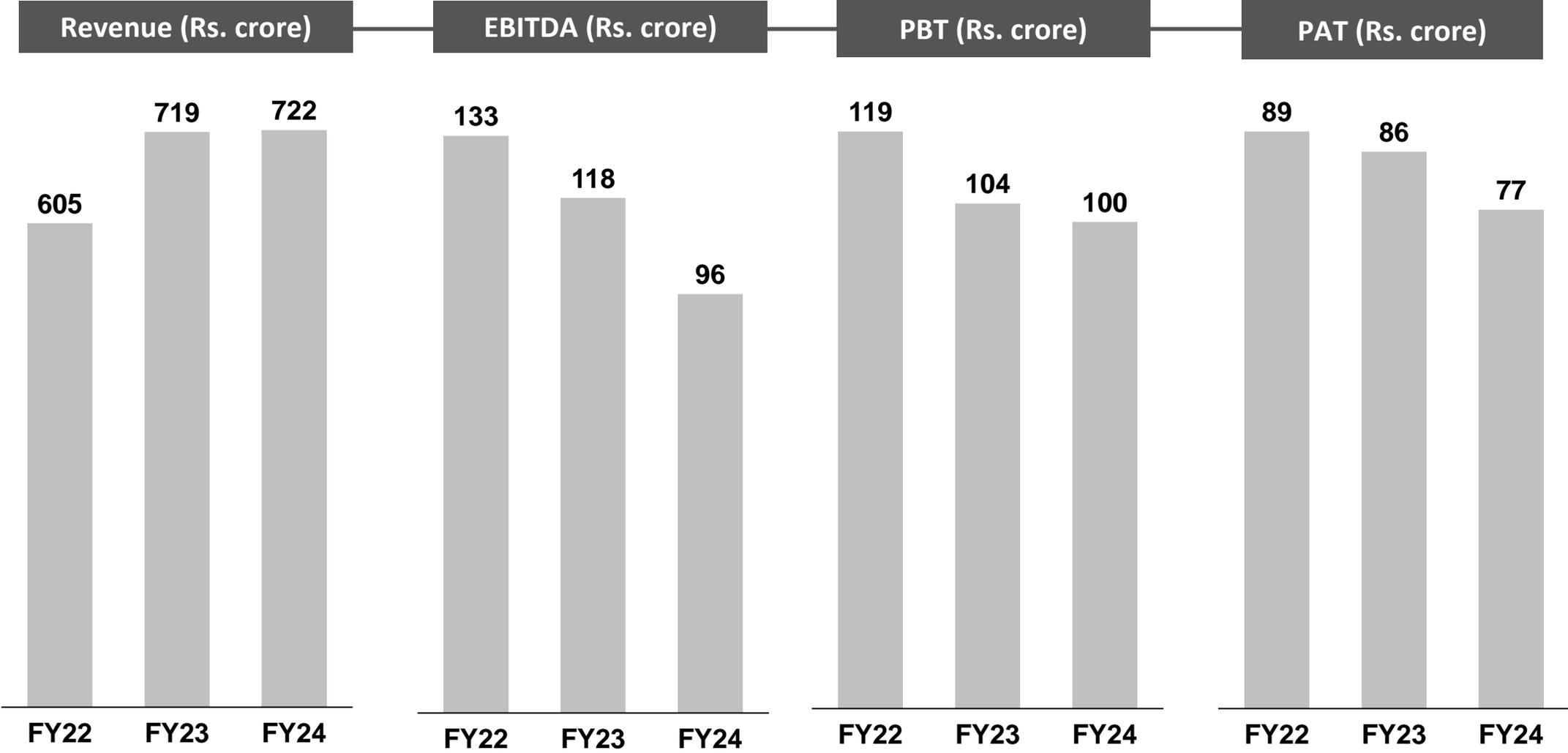
Building the nation through high quality, cost effective products





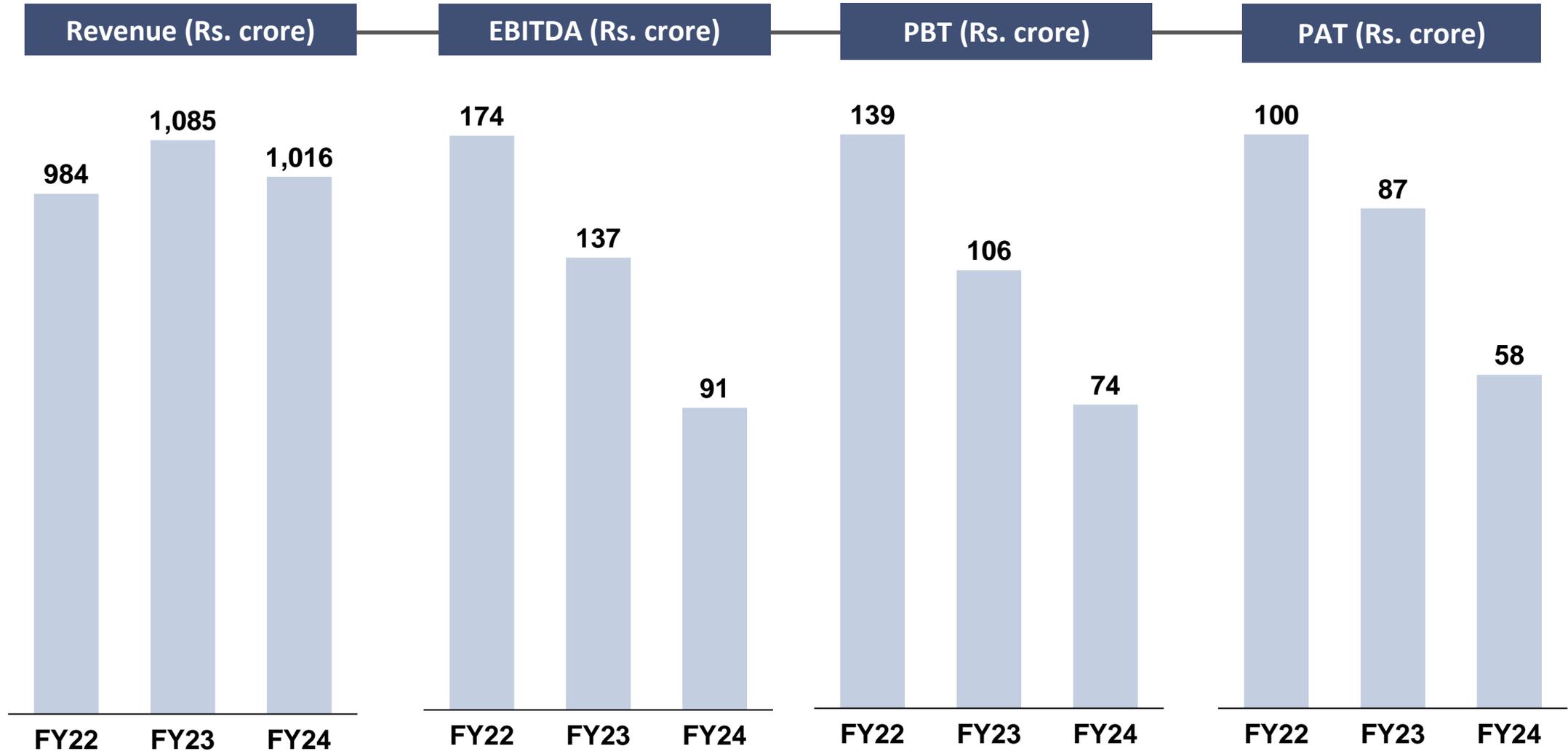
Quarterly Discussion

Highlights of Standalone Q1 FY23 Performance



FY24 PBT includes Rs.22.65 crore profit on account of sale of assets

Highlights of Consolidated Q1 FY23 Performance



FY24 PBT includes Rs.22.65 crore profit on account of sale of assets

Key Segment Performance



Roofing Solution

466
 4%
 450

101
 -20%
 81

Building Solution

134
 8%
 124

14
 -38%
 9

Polymer Solution

143
 -16%
 120

3
 203%
 -3

Flooring Solution

365
 -20%
 294

4
 -738%
 -25

Note: all figures in Rs. Crore

Progressively advancing towards becoming a "One-Stop" Global Building Material & Solution provider

Financial Statements – P&L

In Rs. Crore

| Particular | Standalone | | | Consolidated | | |
|--------------------|------------|---------|----------|--------------|---------|----------|
| | Q1 FY24 | Q1 FY23 | Y-o-Y | Q1 FY24 | Q1 FY23 | Y-o-Y |
| Total Income | 728 | 735 | -1% | 1,020 | 1,099 | -7% |
| Total Expenditure | 632 | 617 | 3% | 929 | 962 | -3% |
| EBITDA | 96 | 118 | -19% | 91 | 137 | -33% |
| <i>Margins (%)</i> | 13% | 16% | -287 bps | 9% | 12% | -349 bps |
| PBT | 100 | 104 | -4% | 74 | 106 | -31% |
| <i>Margins (%)</i> | 14% | 14% | -38 bps | 7% | 10% | -245 bps |
| PAT | 77 | 86 | -10% | 58 | 87 | -33% |
| <i>Margins (%)</i> | 11% | 12% | -111 bps | 6% | 8% | -222 bps |
| EPS | 101.90 | 114.10 | -- | 76.76 | 115.43 | -- |

- PBT includes Rs. 22.65 crore profit on sale of assets
- Positive impact of efforts on sourcing, cost management & value enhancement initiatives has partially compensated the negative impact of fibre cost increase and softer market
- Favorable RM price evolution & proactive sourcing efforts have kept gross margins healthy

Financial Statements – Balance Sheet

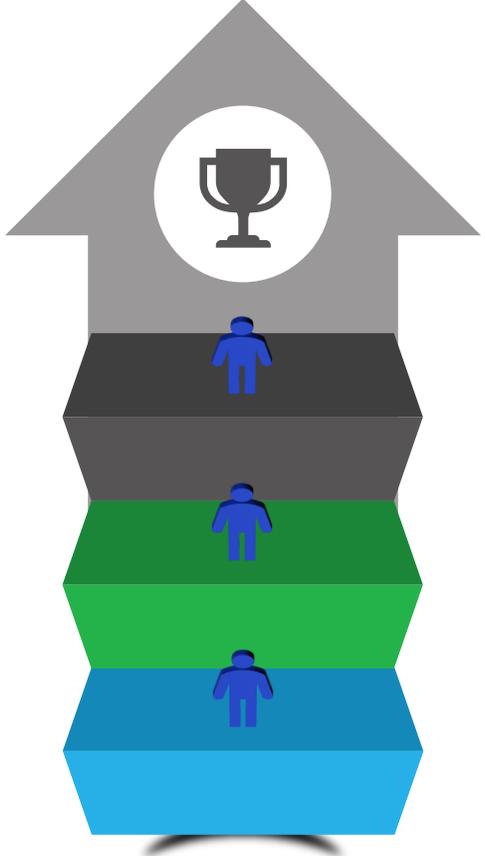
In Rs. Crore

| Particular | Standalone | | | Consolidated | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 30.06.2023 | 31.03.2023 | 31.03.2022 | 30.06.2023 | 31.03.2023 | 31.03.2022 |
| A) Equity & Liabilities | | | | | | |
| Shareholder's funds | 1,191 | 1,114 | 1,030 | 1,299 | 1,244 | 1,166 |
| Non-current liabilities | 62 | 68 | 64 | 334 | 351 | 315 |
| Current liabilities | 481 | 494 | 439 | 768 | 769 | 742 |
| Total Equity & Liabilities | 1,734 | 1,676 | 1,533 | 2,401 | 2,364 | 2,223 |
| | | | | | | |
| B) Assets | | | | | | |
| Non-current assets | 1,097 | 1,096 | 1,014 | 1,307 | 1,319 | 1,212 |
| Current assets | 637 | 580 | 519 | 1,094 | 1,045 | 1,011 |
| Total Assets | 1,734 | 1,676 | 1,533 | 2,401 | 2,364 | 2,223 |

- Net worth increased to Rs.1,299 crore as on June 30, 2023 from Rs.1,244 crore as on March 31, 2023
- Total Debt to Equity at 0.23 as on June 30, 2023 vs. 0.33 as on March 31, 2023
- Focus on enhancing the health of the balance sheet and cash flows continues

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



- GPTW Best Employers: Top 100 - Rank improved from 67 in 2020, 55 in 2021, 57 in 2022 and 27 in 2023
- Enhanced Engagement Scores from 77 (2019), 82 (2020), 86 (2021), 94 (2022) and 93 (2023)
- Best in Manufacturing:
 - India Top 30 – 3 times (2020, 2021 and 2022); and
 - Best in Manufacturing: India Top 25 – 2023
- Best in Cement and Building materials – 4 times in a row (2020, 2021, 2022 and 2023)
- GPTW Certification five years in a row – (2019, 2020, 2021, 2022 and 2023)

Outlook

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

Growth from leadership in roofing business through deeper distribution and stronger marketing

Build a sustainable distribution network by establishing sales joint ventures / subsidiaries in prioritized markets



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

Establish the innovative non-asbestos roofing solutions especially for institutional & MNC customers in India and overseas

Launch adjacent products and explore inorganic avenues to augment existing business mix

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

Message from Managing Director & CEO



Akshat Seth

“Our performance during Q1 reflects HIL’s inherent resilience and ability to win in a difficult market. In a soft demand regime – both in India and Europe – HIL & Parador outperformed its peers gaining market share across categories. Strong efforts on sourcing, cost management & value enhancement initiatives have ensured healthy margins and profitability. 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 is Parador, where we are driving a significant change agenda, short term geo-political headwinds aside. Our recent on-boarding of David (Neel) Bradham as the CEO of Parador is a clear statement of our vision to make Parador one the most valuable interiors & flooring brand, globally. We are entering new markets in Americas, Middle-east and Asia and building the commercial channel to hedge against the weaker outlook in Europe. In Modular One, we have a block-buster product in resilient flooring that is both sustainable and design forward. We are excited at the growth prospects of Parador and are going full throttle to ensure we have the enablers for an accelerated realization of this potential.

In Pipes & Fittings, I am proud to say we are the fastest growing major brand – 32% CAGR since FY20 vs industry growth of 8-10% in the same period. In this time, we have built the strategic muscle of a pan India distribution network, a comprehensive product portfolio of 1500+ SKUs, state of the art R&D and production facilities and a digitally enabled sales force. With a superior product mix and value focus, we command superior realization per MT compared to our peers. Leveraging our brand legacy, we are poised for significant growth in this segment. In Q1 too, we grew our volumes by 17%.

In Roofing solutions, we have extended our market leadership in volumes and pricing during the quarter. 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, short term demand blip in North and West markets and the on-going strike at Chennai led to lower growth during the quarter. These are transient factors and we expect next phase of growth to come from enhancement of blocks capacities in Golan and Jhajjar plant and with the commissioning of new boards and panels plant at Odisha.

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 a result of all-round efforts, HIL is ranked #27 amongst the 100 Best Places to Work in GPTW 2023; #1 amongst Manufacturing companies. 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:

Founded in 1946 and having completed 76 glorious years HIL Limited is an integral part of a burgeoning marketplace. It is the flagship company of the CK Birla Group, which is a growing US\$2.8 billion conglomerate with diversified interests. With over 30,000 employees, 47 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 3 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 and Wet Walling products. Birla HIL, manufactures and distributes Plumbing solution, Wall Care Putty and range of Construction Chemicals products. 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 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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