

November 9, 2022

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

Scrip Code: 509675
Through Listing Center

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

Scrip Symbol: HIL
Through NSE Digital Portal

Sub: Investor Presentation on Q2 & H1 F23 Financial Results

Ref: Regulation 30 of SEBI LODR Regulations, 2015

Please find the attached Investor Presentation on Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and half year ended September 30, 2022.

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

Kindly take the same on record.

Thanking You.

Yours faithfully,

For HIL Limited

Digitally signed by MAHESH MADHUKAR THAKAR
DN: c=IN, o=Personal,
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serialNumber=d5fce31eb175be5daf255b740175c045d6be877064
b4af269199cf9242749f2e, cn=MAHESH MADHUKAR THAKAR
Mahesh Thakar

Company Secretary & Head of Legal



4th YEAR
IN A ROW

Great
Place
To
Work[®]

Certified
MAR 2022 - MAR 2023
INDIA

CK BIRLA GROUP | **HIL**

Financial Results Presentation

HI & Q2 FY2023



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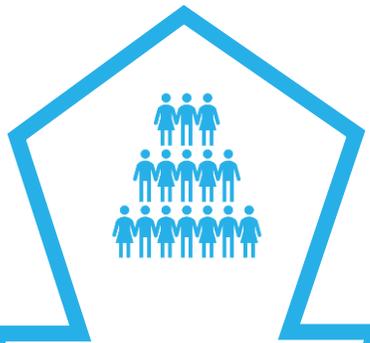
Disclaimer

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**



Present across **Five** Continents



Numerous **Patents & Awards**



Relationships & Philanthropy

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



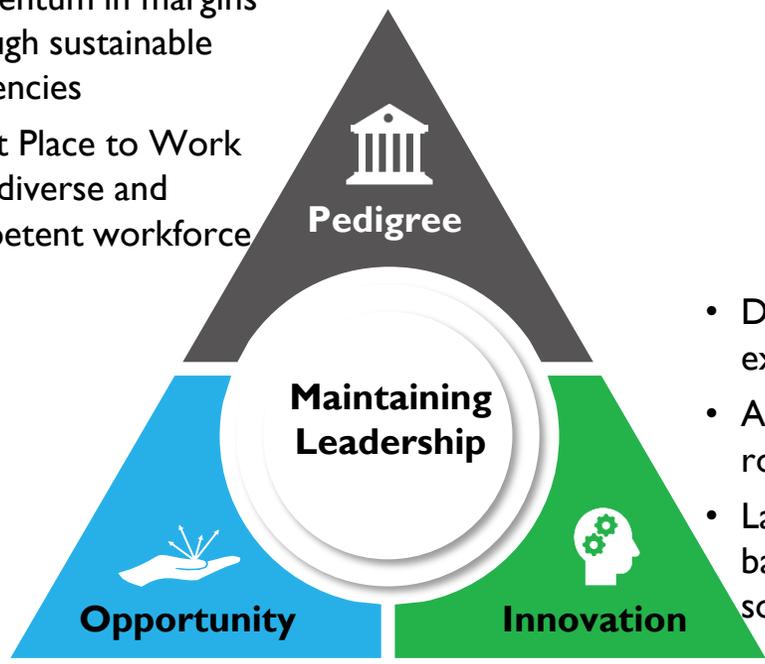
Mr. CK Birla:

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

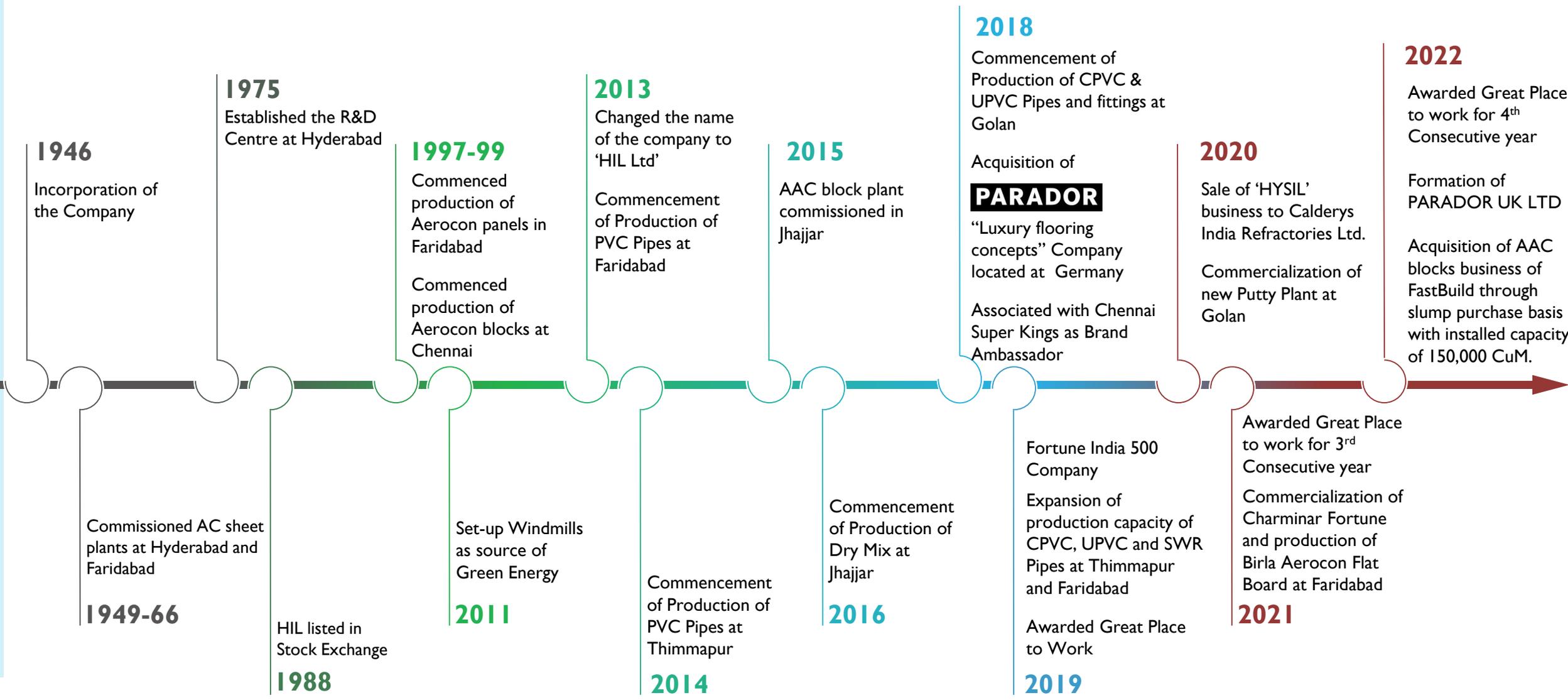


- Drive organic expansion
- Augment non-roofing portfolio
- Launch research based green solutions

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



75 Years Journey of HIL



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
- Primers & Stainers



Pipes & Fittings:

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

Wall Putty

New Products

- Water Tanks
- Gypsum Plaster

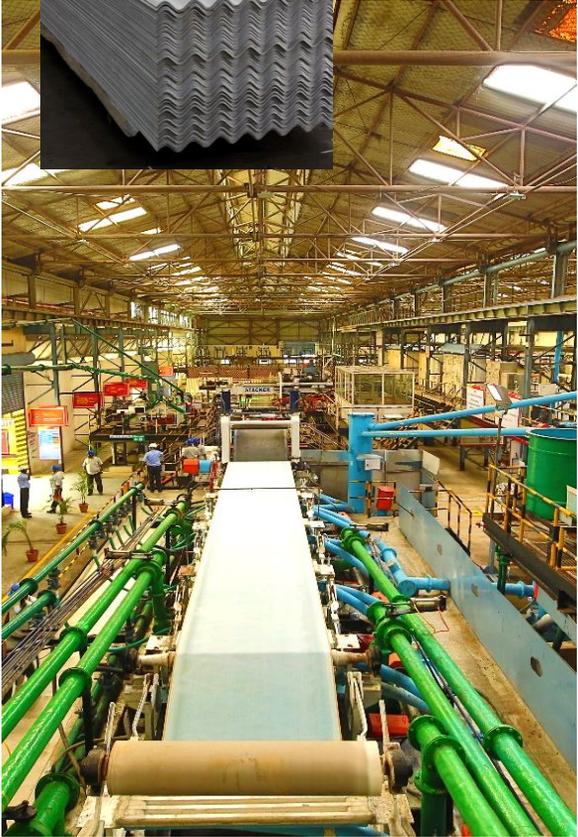


- Engineered Wood Flooring
- Laminate Flooring
- Resilient Flooring
 - LVT
 - ModularOne
 - SPC
- Skirting, Wall & Ceiling Panel and Accessories

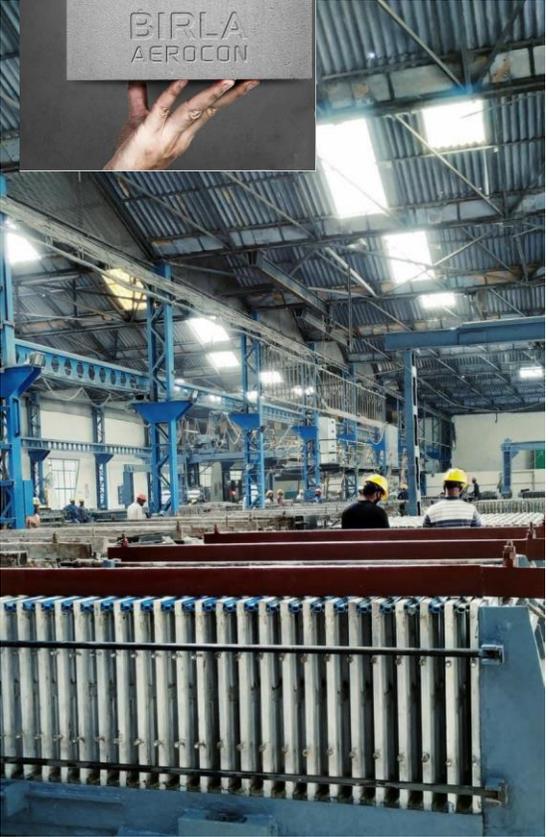
Manufacturing Prowess



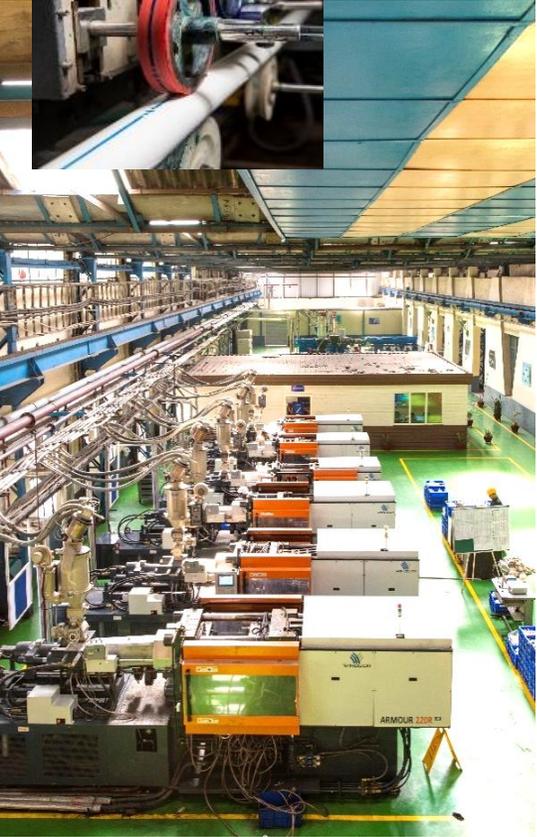
Roofing Solution



Building Solution



Polymer Solution



Flooring Solution



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

Awards Won



Most Promising Business Leaders of Asia , 2022
- The Economic Times



Top-Innovator 2022
- Top 100



Good Design Award 2022



Interior & Exterior Awards 2022



India's Most Trusted Brand Awards 2022



Best Brands in the Building Materials and Fittings Industry



Reddot Design Award



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**

Geographical Presence

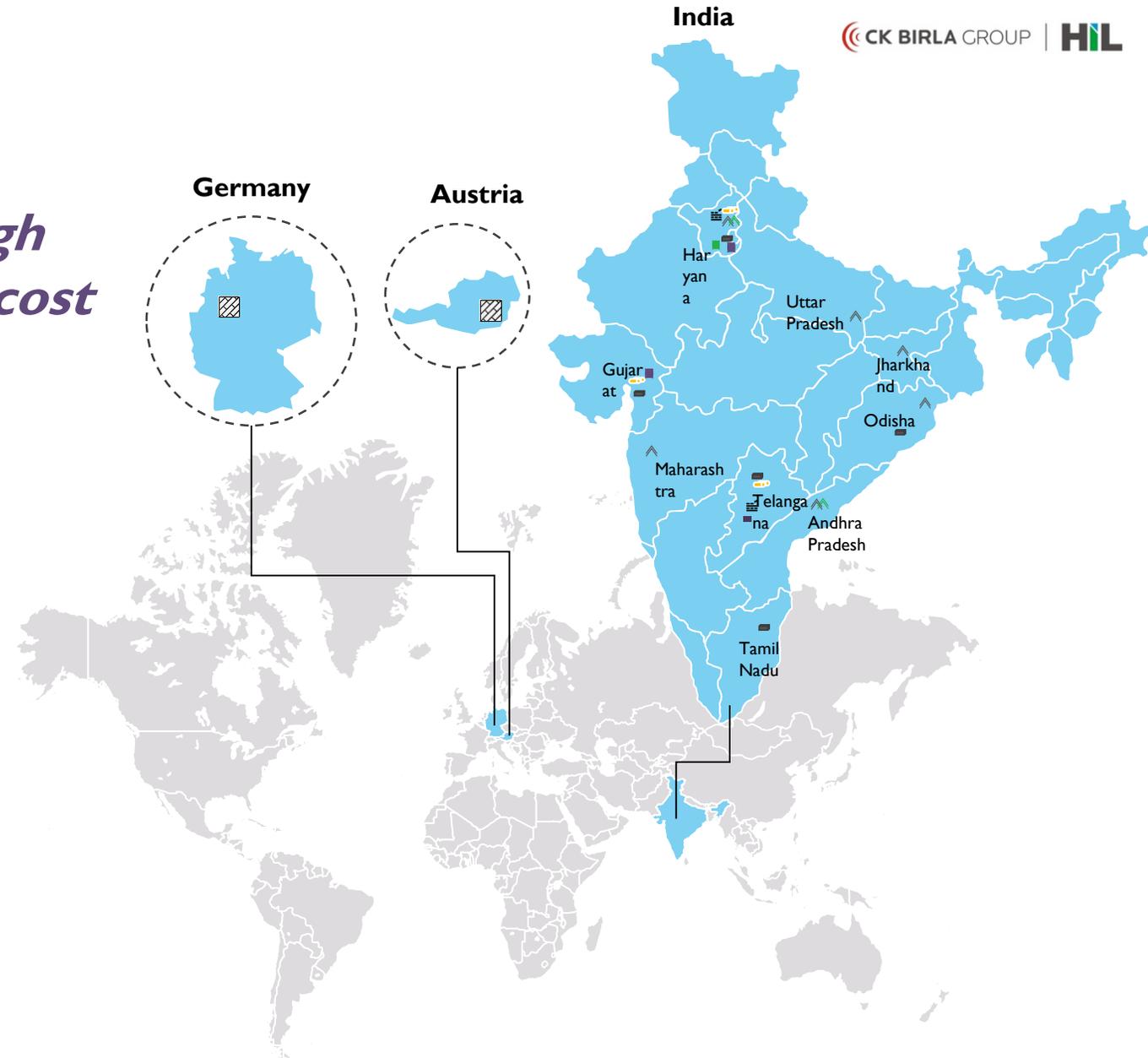
Key competitive advantage

- 23 Manufacturing facilities in India, 1 in Germany and 1 in Austria
- 41 Sales depots
- 4 sales offices
- 2,500 loyal stockiest/distributors
- 6,000+ sub-dealers
- 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

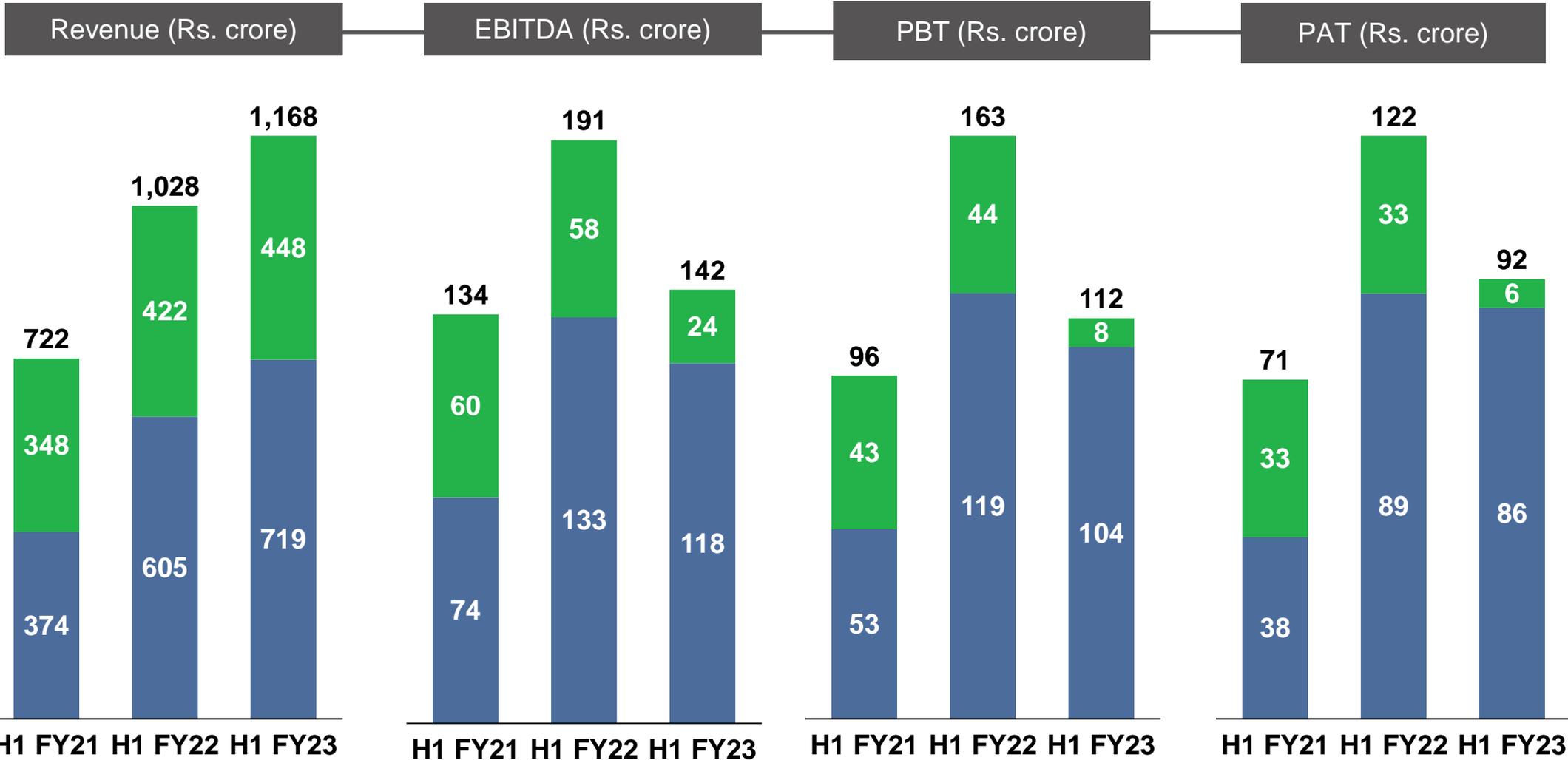
Manufacturing Units

-  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



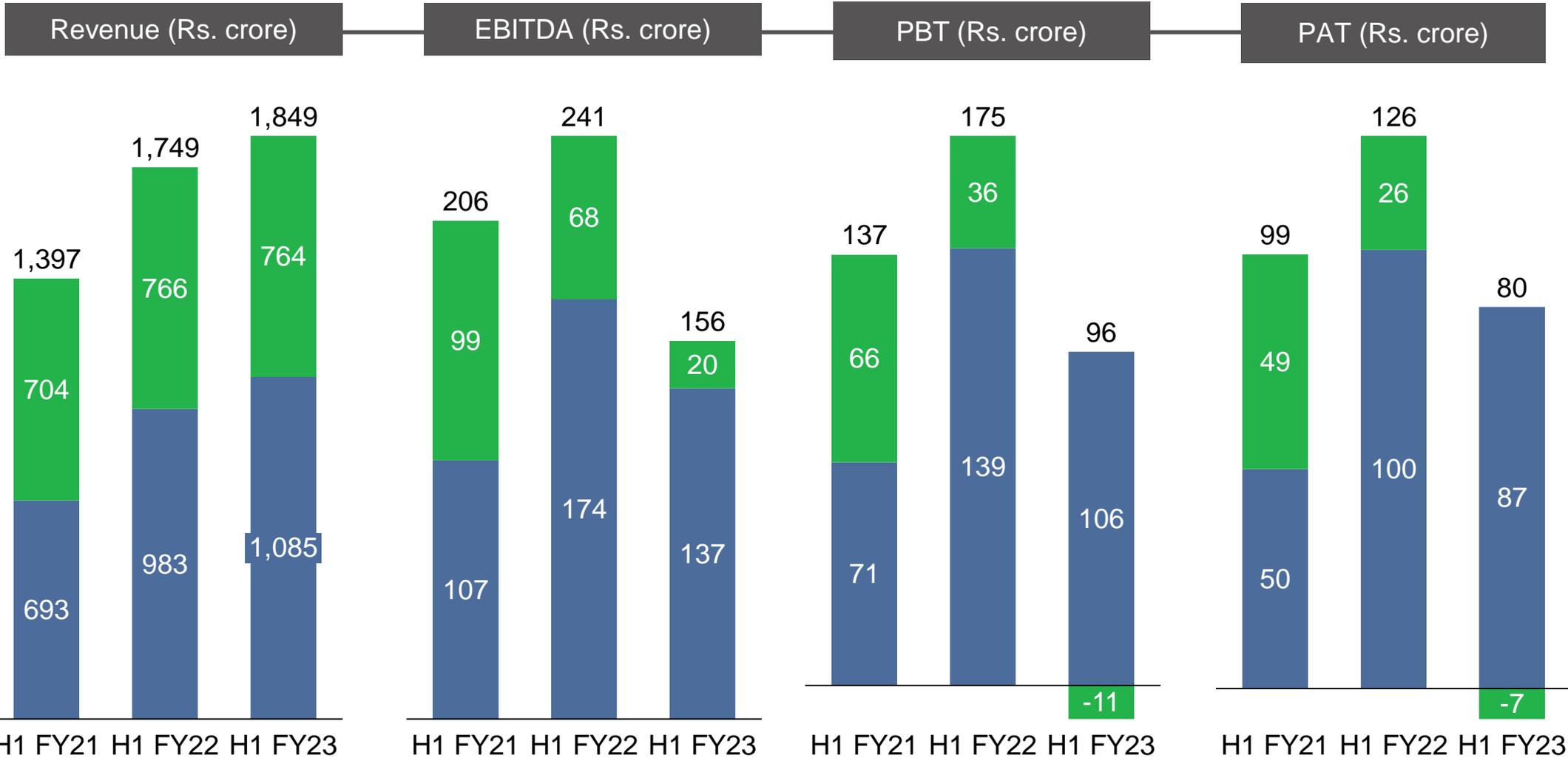
Quarterly Discussion

Highlights of Standalone H1 FY23 Performance



All numbers are exclusive of discontinued operations of Thermal Insulation business

Highlights of Consolidated H1 FY23 Performance



All numbers are exclusive of discontinued operations of Thermal Insulation business

Key Segment Performance

HI FY23 Revenue Growth

HI FY23 PBT

Roofing Solution

650
 8%
 600

157
 -23%
 121

Building Solution

248
 38%
 180

26
 218%
 8

Flooring Solution

723
 -6%
 681

15
 -190%
 -13

Polymer Solution

268
 10%
 244

19
 -155%
 -10

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 FY23	Q2 FY22	Y-o-Y	Q2 FY23	Q2 FY22	Y-o-Y
Total Income	456	429	6%	771	771	0%
Total Expenditure	432	371	17%	752	703	7%
EBITDA	24	58	-59%	20	68	-71%
Margins (%)	5%	13%	-828 bps	3%	9%	-623 bps
PBT	8	44	-81%	-11	36	-130%
Margins (%)	2%	10%	-845 bps	-1%	5%	-602 bps
PAT	7	33	-80%	-7	26	-126%
Margins (%)	1%	8%	-620 bps	-1%	3%	-427 bps
EPS	8.90	43.88	--	-9.01	34.85	--

- Highest ever Revenue in Q2 in HIL India
- Despite continuing raw material price inflation and higher sea freight, measures taken to control costs have proven to partially compensate the negative impact

Financial Statements – P&L

In Rs. Crore

Particular	Standalone			Consolidated		
	HI FY23	HI FY22	Y-o-Y	HI FY23	HI FY22	Y-o-Y
Total Income	1,191	1,042	14%	1,870	1,765	6%
Total Expenditure	1,049	851	23%	1,714	1,524	12%
EBITDA	142	191	-25%	156	241	-35%
Margins (%)	12%	18%	-636 bps	8%	14%	-530 bps
PBT	112	163	-31%	96	175	-45%
Margins (%)	9%	16%	-620 bps	5%	10%	-480 bps
PAT	92	122	-24%	80	126	-36%
Margins (%)	8%	12%	-393 bps	4%	7%	-284 bps
EPS	123.00	162.45	--	106.42	167.69	--

- Highest ever Revenue in HI in HIL India
- Volatility in PVC Resin prices has negatively impacted profitability of Polymer business

Financial Statements – Balance Sheet

In Rs. Crore

Particular	Standalone			Consolidated		
	30.09.2022	31.03.2022	30.09.2021	30.09.2022	31.03.2022	30.09.2021
A) Equity & Liabilities						
Shareholder's funds	1,090	1,030	980	1,192	1,167	1,104
Non-current liabilities	61	64	86	277	315	362
Current liabilities	403	439	363	665	741	641
Total Equity & Liabilities	1,554	1,533	1,429	2,134	2,223	2,107
B) Assets						
Non-current assets	1,066	1,014	1,001	1,222	1,212	1,220
Current assets	488	519	428	912	1,011	887
Total Assets	1,554	1,533	1,429	2,134	2,223	2,107

- Net worth increased to Rs.1,194 crore as on Sept 30, 2022 from Rs.1,167 crore as on Mar 31, 2022
- Total Debt increased by Rs.12 crore during HI FY23
- Total Debt to Equity at 0.25 as on Sept 30, 2022 vs. 0.25 as on Mar 31, 2022
- Focus on enhancing the health of the balance sheet and cash flows continues
- The acquisition of AAC Blocks business of FastBuild was completed on 17 August 2022. The fair value of assets and liabilities acquired have been determined provisionally in accordance with Ind AS 103 "Business Combinations"

Salient Highlights of AAC Blocks Plant Acquisition in Odisha

Fastbuild Blocks Pvt. Ltd. (FBPL) an AAC blocks manufacturer in Cuttack, Odisha is being acquired on a slump sale basis

Primary markets served by FBPL are Odisha, Jharkhand and West Bengal; Odisha's leading brand with superior quality product

Business Purchase Consideration is Rs. 37 Crore on debt free cash free basis

Manufacturing facility including 7.6 acres freehold land and net working capital are part of the acquisition

Revenue of Rs. 25 Crores in FY22 and an installed capacity of 150,000 CuM; potential to expand further in the facility

The acquisition was completed on 17 August 2022. The fair value of assets and liabilities acquired have been determined provisionally in accordance with Ind AS 103 "Business Combinations"

Will help HIL in expanding its presence in the fast growing AAC Blocks market in Eastern region and maintain its leadership position

HIL ESG Transformation Journey

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

External Recognition

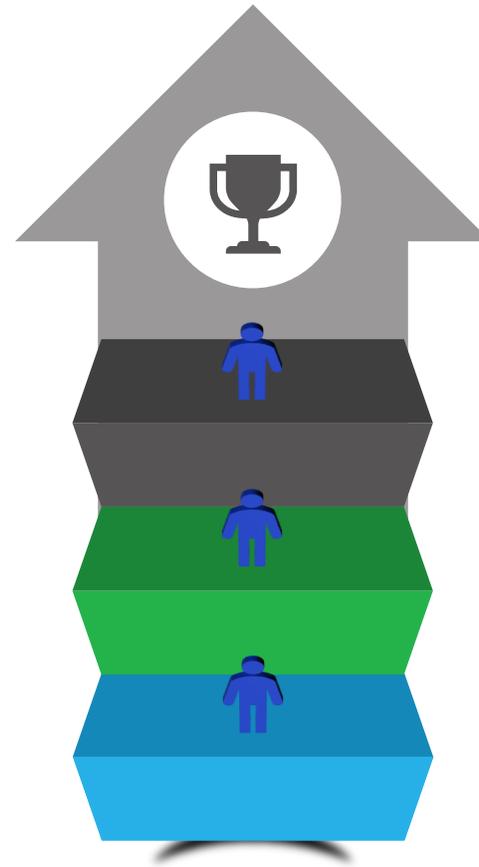
- HIL on route to obtain green certifications & ESG Ratings from MSCI, DJSI, Sustainalytics

Sustainability Strategy and Report

- ESG strategy & short & long term roadmap for goals and targets underway.
- Inaugural sustainability report in progress

Materiality Assessment

- Materiality assessment conducted to identify issues that are significant to stakeholders & business



Global disclosures

- HIL will align with global ESG reporting disclosures such as SBTi, TCFD, CDP, IR

ESG Governance Structure

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

Maturity Assessment

- Maturity assessment performed to determine current state scenario, identify and prioritize areas of intervention

GPTW Certified Company – 4th Consecutive year



- **GPTW Best Employers: Top 100 - Rank improved from 67 in 2020 to 57 in 2022 (this year's ranking is awaited)**
 - **Enhanced Engagement Scores from 86 (2021) to 94 (2022)**
 - **Best in Manufacturing: India Top 30 – 3 times in a row**
 - **Best in Cement and Building materials – 2 times in a row**
- **GPTW Certification four years in a row & ranked Top 100 - 3 times in a row**

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

Evaluation of launch of adjacent products and inorganic avenues in order to augment existing business mix.

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

Message from Managing Director & CEO



Dhirup Roy Choudhary

“Our performance during the first half of the year signify that we are an organization that’s agile, responsive, and transparent. Huge headwinds owing primarily to Geo-political situation in Europe clubbed with high material cost in India and volatility in PVC resin, are poised to deliver wider repercussions across countries and businesses. However, we have improved operational efficiencies and costs by implementing Digital shop floor using IoT 4.0 in 12 plants, various six sigma projects and Idea management tool. Our top line has grown by impactful last leg connect using BI tool.

I am pleased at the outset as our Roofing segment has shown marked improvement in volumes and pricing in H1 FY23. This is backed by the strength and quality of our product, which our teams have been able to distribute even deeper and wider into remote areas. Weak demand from June together with high cost of raw materials and sea freight, hit revenue growth and margin.

In Building Solutions segment, strategic efforts from sales and technical solutions team focusing on tier 2 / 3 cities for new customers has led to higher NSR and favourable payment terms which helped us to deliver a robust performance in H1 FY23. With our capacities fully utilized & successfully integrating AAC Blocks business of FastBuild during the quarter, our next growth lever will be our geographic expansion of Panels in Odisha and capacity enhancement at existing plants using digital efficiencies. We are developing Odisha facility for panels and boards. The acquisition of AAC Blocks plant in Odisha will immediately help us to profitably ramp up the blocks business in Eastern geography, where we see a huge demand potential.

We witnessed a healthy growth in volume and revenue in Polymer business. However, the margins are severely under pressure due to continuous fall in resin prices and higher cost of other chemicals and polymers.

With a current geo-political crisis, the economic hardships due to rising inflation and unprecedented heatwave, the EU segment is witnessing a challenge. Our teams are working relentlessly to mitigate these risks. However, our strategy in PARADOR of expanding operations in Europe remain unaltered. Looking to future growth profile in UK, we have incorporated a new legal entity in UK, while plan for further global expansion still on the table.

HIL is a people’s organization. Our business achievements are backed by the sterling contribution of our teams and the efficiency shown by the shop floor. As we navigate closer to our goals we will once again look upon the strength of our people to get to the next level.”

Contact Us

About Us:

Founded in 1946 and having completed 75 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\$2.8 billion conglomerate with diversified interests. With over 30,000 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>

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