

Date: August 13, 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,

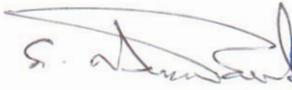
**Sub: Investors' presentation for the quarter ended June 30, 2019**

**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 ended June 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**

**Q1 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



# 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



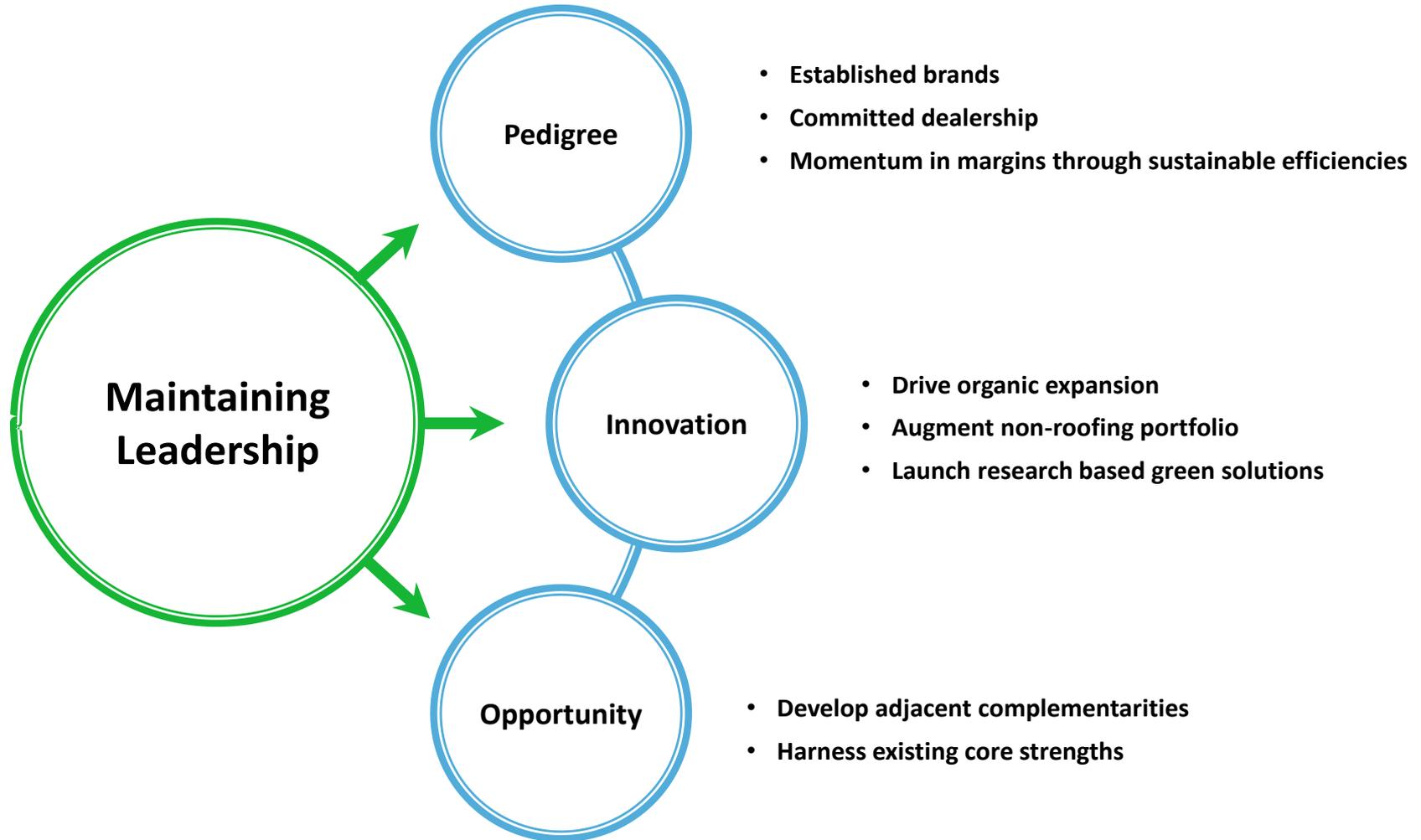
- Revolutionary High Temperature Insulation

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

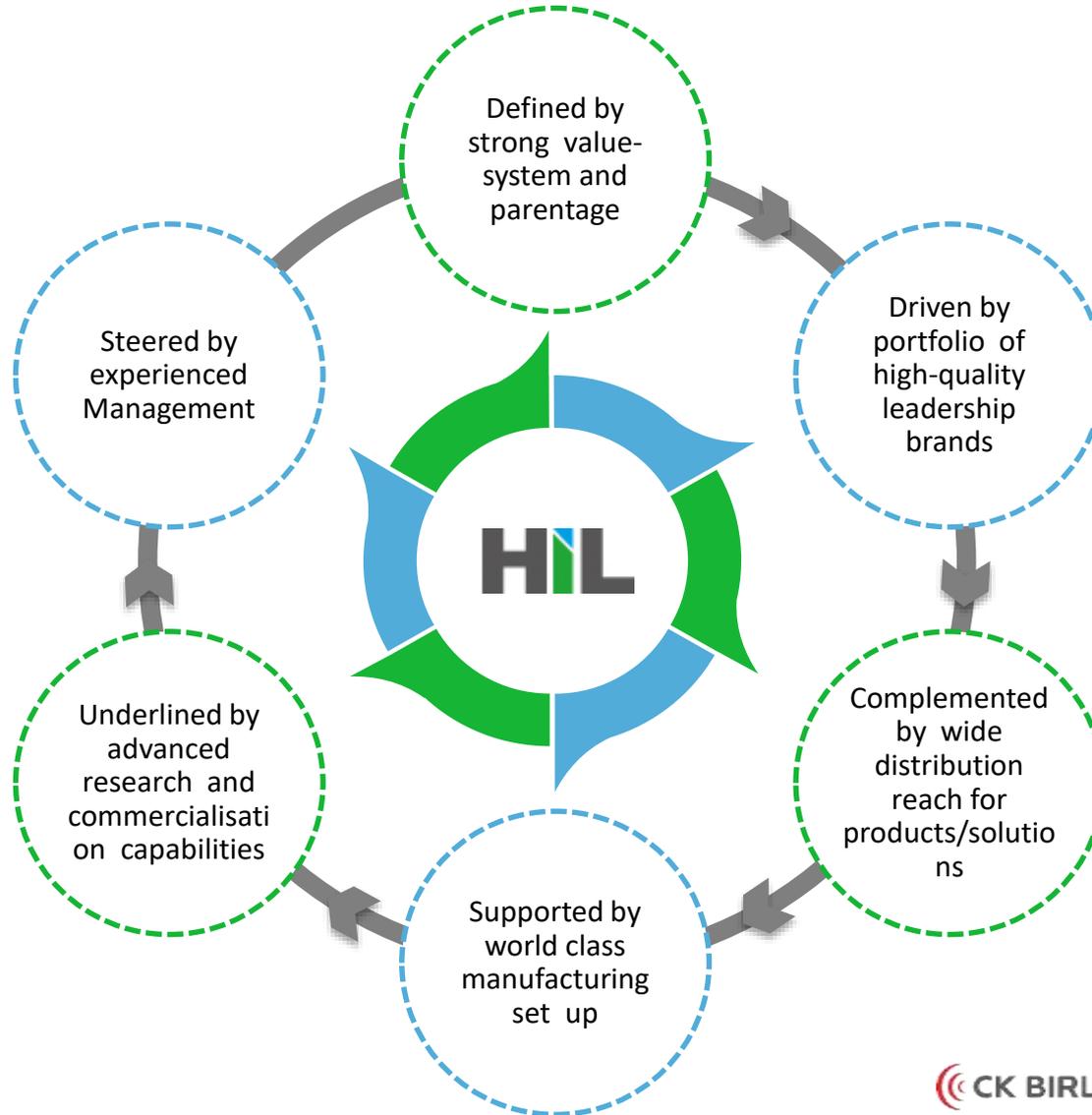
Unique product attributes driving competitive advantage: Highest strength, Least breakage, Durable across lifetime

*Leader in Transformation*

# HIL's Agenda for Growth



# HIL's Strengths



# The Superbrands

Out of 2,043 existing brands, only 36 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*

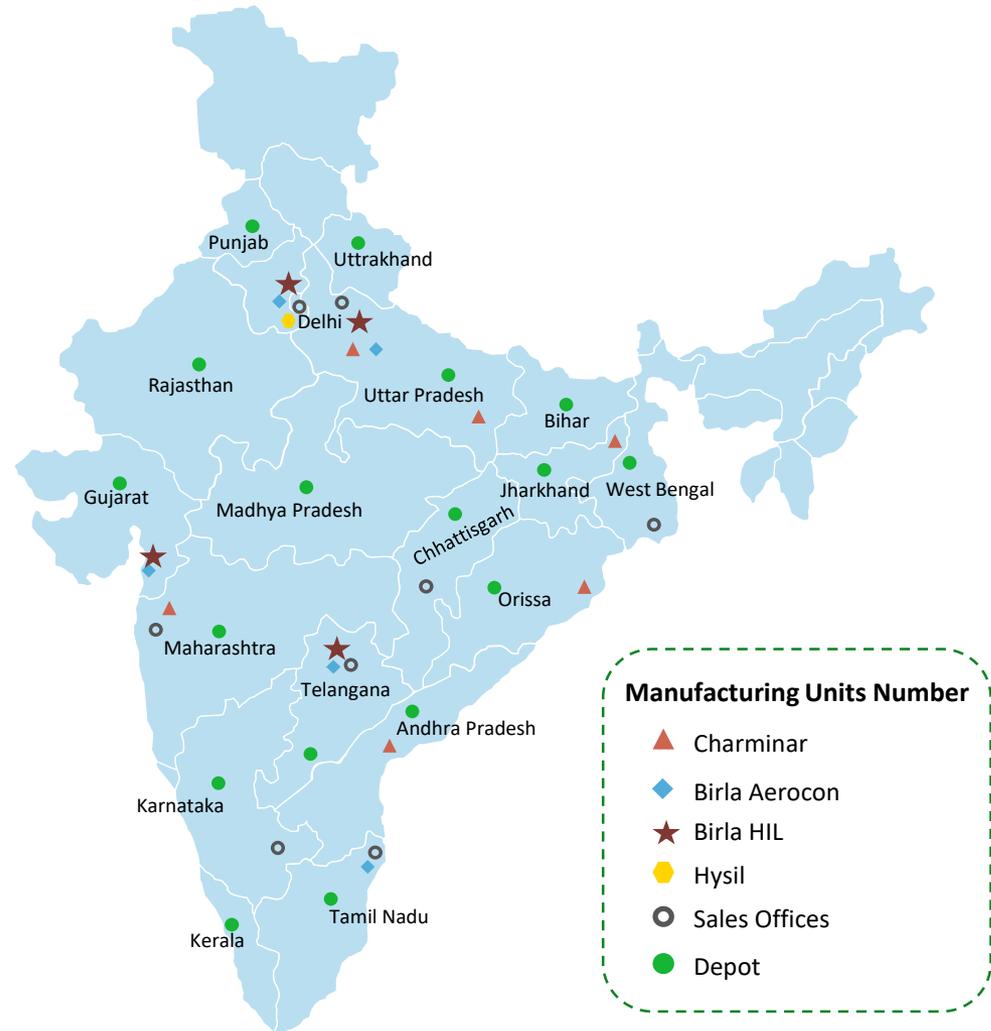
*First to set-up an Engineering Division (ED) to develop in-house state-of-the-art capability to manufacture plant and machinery for flat and corrugated sheets*

*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

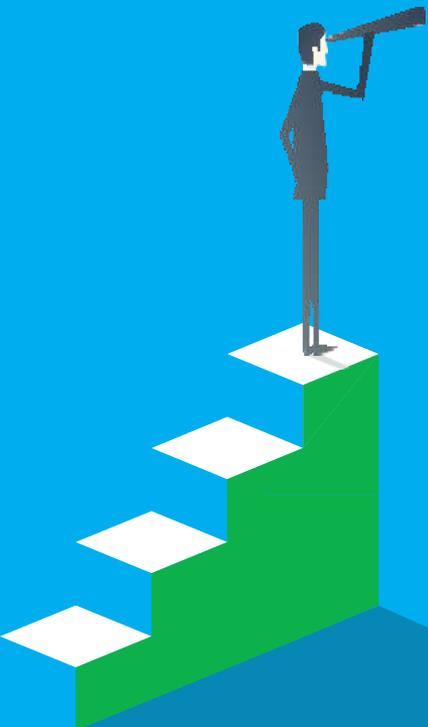


Polymer Solution



*World-class facilities. Transparent operations*

# Vision

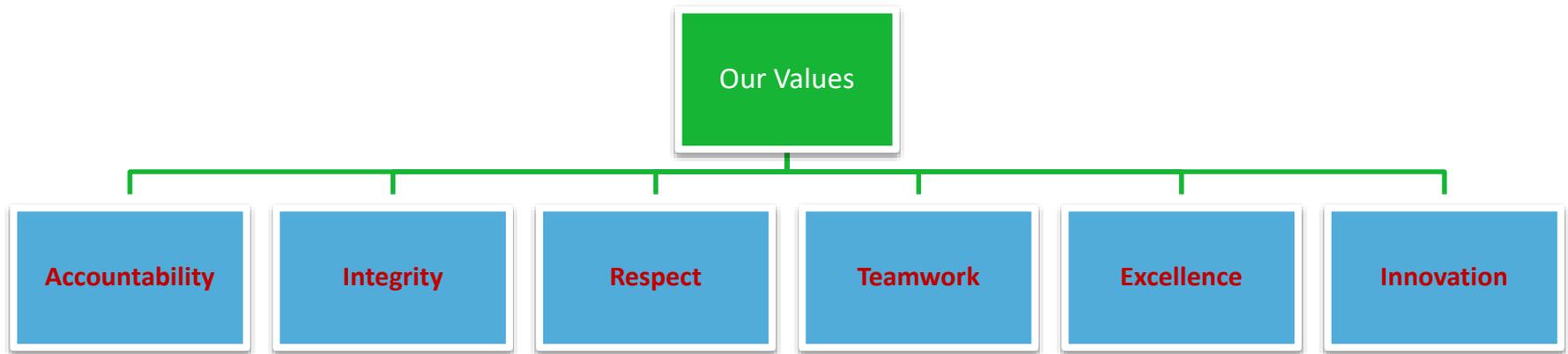


**“To be a leading, global, innovative, and eco-friendly, building and infrastructure solutions company and create sustainable value for our stakeholders”**

# 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



*HIL felicitated as Fortune Next 500 company*



*NAMC Award – Kondapalli Factory*



*Golden Peacock Award – Manufacturing Excellence*



*Asia's Most Trusted Award*



*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**

**FORTUNE  
THE NEXT 500  
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



Designer Flooring

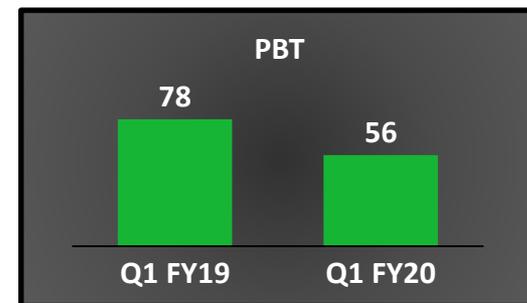
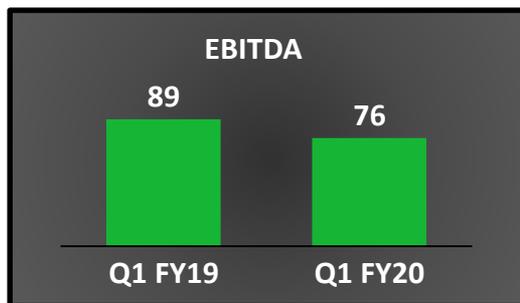


# QUARTERLY DISCUSSION

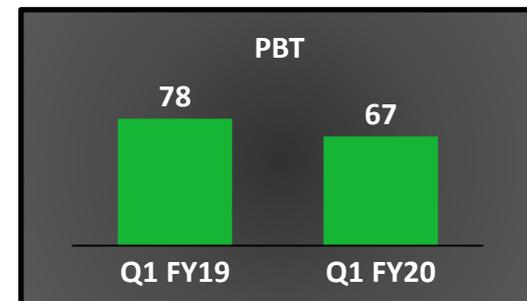
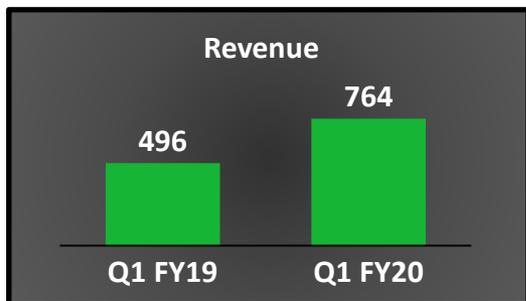
# Highlights of Q1 FY20 performance

In Rs. Crore

Quarter Ended  
(Standalone)



Quarter Ended  
(Consolidated)



## Highlights

Roofing solutions reflected a moderated trends on the back of softer momentum build up post Q4. The business continues to navigate raw material headwinds. Focus continues on market development initiatives to maintain leadership in profitability

Building solutions continue to deliver strong volume opportunities, with Q1 showing strong trends. The focus remains on establishing HIL's branded portfolio in a fragmented market

Polymer solutions are driving growth based on strong product positioning and targeted promotional initiatives. Together with consistently higher sales for wall putties the division is geared for strong volume growth overall as reach and portfolio get further established

Flooring solutions business started growing in German market by specific actions despite de-growth in market size

# Financial statements Consolidated – P&L

INR Crore	Q1 FY19	Q1 FY20	Y-o-Y	Parador Q1 FY20	Consolidated Q1 FY20	Y-o-Y
Total Revenue	501	462	-7.8%	309	768	53.3%
Total Expenditure	412	386	-6.3%	283	668	62.0%
EBITDA	89	76	-14.6%	26	100	12.5%
PBT	78	56	-28.4%	11	67	-14.2%
PAT	52	33	-36.5%	8	41	-21.9%
EPS	69.73	44.25		---	54.38	

Complied as per Ind AS

# Financial statements Consolidated – B&S

Particular (INR in Crore)	30.06.2018	30.06.2019	Consolidated 30.06.2019
<b>A) Equity &amp; Liabilities</b>			
Shareholder's funds	620	680	681
Non-current liabilities	117	349	663
Current liabilities	388	422	642
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>1,125</b>	<b>1,451</b>	<b>1,986</b>
<b>B) Assets</b>			
Non-current assets	576	1,078	1,190
Current assets	549	373	796
<b>TOTAL ASSETS</b>	<b>1,125</b>	<b>1,451</b>	<b>1,986</b>

Total consolidated bank borrowings as on 30<sup>th</sup> June 2019 - INR 624 crore

The D/E ratio stands at 0.91x at consolidated level

## Results discussion - segmental

Rs. Crore	Q1 FY19	Q1 FY20	Y-o-Y
Revenues			
Roofing Solutions	352	296	-16%
Building Solutions	91	95	4%
Polymer Solutions	51	62	23%
Flooring Solutions	--	309	--
Others	3	4	5%

*Complied as per Ind AS*

Revenue growth came from strong performance in Building Solutions and Polymer Solutions, backed by attractive product portfolio and sustained and directed promotional initiatives.

Roofing Solutions is factoring softer run up in volumes post Q4.

Parador continues to ramp up production run rates as per plan.

*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

Rs. Crore	Q1 FY19	Q1 FY20	Y-o-Y	Parador Q1 FY20	Consolidated Q1 FY20	Y-o-Y
EBITDA	89	76	-14.6%	26	100	12.5%
EBITDA Margin	18%	16%	-131 bps	8%	13%	-471 bps

Strong operating efficiencies achieved through dedicated initiatives are underlining improvement in margins profile. This complements the strong brand led growth in key businesses.

Focus on optimising working capital management is building in long term sustainability in trends.

Rs. Crore	Q1 FY19	Q1 FY20	Y-o-Y	Parador Q1 FY20	Consolidated Q1 FY20	Y-o-Y
PBT	78	56	-28.4%	11	67	-14.1%
PBT Margin	16%	12%	-346 bps	4%	9%	-684 bps

Healthy top line trends supported by efforts to drive a lean operation have contributed to good profitability at consolidated level.

# 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

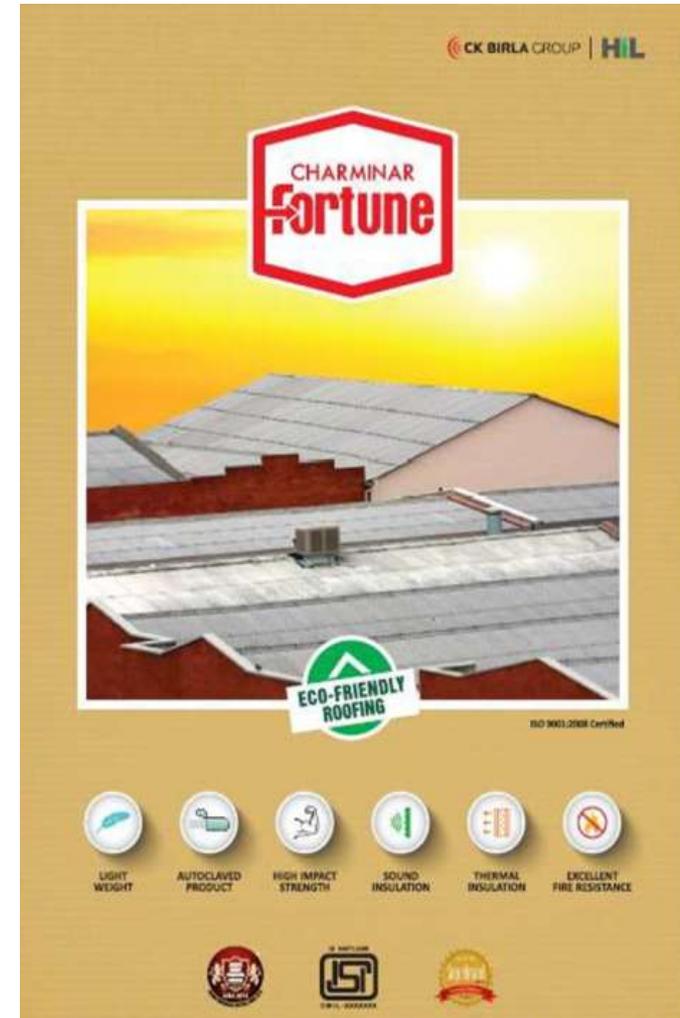
Offers superior product attributes vis-à-vis complimentary product at competitive prices

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 800 metric tonnes per month



# Message from Managing Director & CEO

## Dhirup Roy Choudhary

“It gives me great pleasure to present our performance for the first quarter. With a prudent combination of industry relevant solutions and products, a robust brand portfolio and a sharp focus on driving system efficiencies the business has delivered improvement in profitability.

We continue to build on our progress in Roofing Solutions where the industry has faced some impediments in the previous quarter. The on the grounds situation is slowly normalising and we are witnessing healthy trends in volume growth once again. Our distribution set up is geared to supporting a leadership presence in the marketplace and targeted promotions. All of those initiatives are helping us. Through our relationships with multiple suppliers we have been able to ensure continuity in supplies of asbestos fibre and together with softening in cement prices during the lean monsoon months the business stands protected in terms of raw material availability.

Our Building Solutions portfolio has been recording robust growth, so much that utilisation rates at our factories are at all time highs. The management has taken the decision to augment capacities across the country for panels and boards in order to meet exigent demand. Our brands enjoy strong recognition and presence and together with our strategy to offer a solutions based approach this business is growing at an attractive pace.

The Polymer Solutions business, housing our pipes and fittings and putties divisions is performing extremely satisfactorily. Whilst we remain on target to meaningfully enhance our presence through a wide array of SKUs and focused branding, an emphasis is also been given to build on the profitability trends that we have achieved in pipes and fittings. Putties, which have complementarities on the sales and distribution channels with pipes and fittings, too have shown remarkable performance thanks to the efforts taken by our team.

Charminar Fortune is making great strides in acceptance and initial orders with institutions of national repute. The product itself has demonstrated versatility and utility, having been in the market for over an year. Whereas the familiarisation and contracting process for these sheets is typically longer, we are engaged with several customers who have trialled initially and are ready to allow us to participate more substantially in their requirements. The completely indigenous development of this green product needs to be protected and nurtured and with this vision we have sought patents in not only India but also neighbouring countries where we are aiming to establish this product and gradually across other countries where we will seed it.

Parador has been a great asset to us. The process of integration financially is completed and we are focusing on harnessing the operating strengths of the company on a global platform. The available capacities are being matched with forays in novel markets such as China, where we have formed a JV to localise the offering. Our experience combined with Parador’s expertise in high end and advanced flooring solutions will go a long way in making the brand a resounding success in out of home markets for this company.

Going forward we look at HIL’s strengths across brand and product but also it’s people power and the way the operational excellence is building up to underline consistent gains in profitability. That will be our prime endeavour, to make HIL a great organisation to belong to as we chart a more balanced business mix on a global platform.”

# 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**