

Date: February 14, 2020

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 nine months ended December 31, 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 nine months ended December 31, 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

# Financial Results Presentation

Q3 & 9M FY2020



# Disclaimer

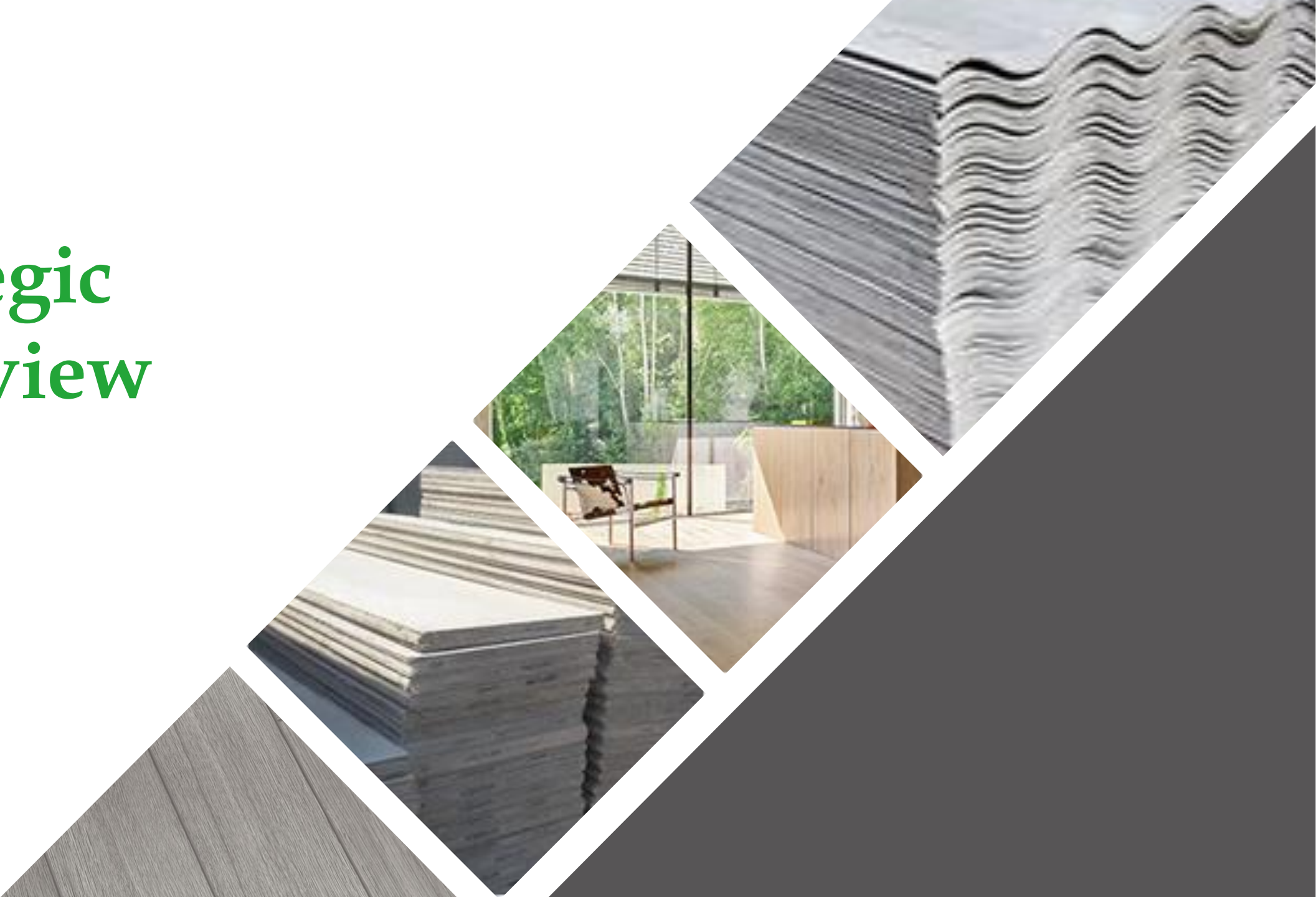
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# Strategic Overview



# CK Birla Group - 160+ Years of Rich Legacy

Over **US\$2 billion**  
Conglomerate



Present across  
**Five** Continents



Over **25,000**  
Employees



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



Numerous  
**Patents & Awards**



**Relationships &**  
**Philanthropy**



# Flagship Companies of CK Birla Group



## Home and Building



## Technology and Automotive



## Healthcare and Education



# HIL Overview

## Strong brand equity



- Fibre Cement Sheets
- Coloured Steel Sheets



### Dry Wall:

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

### Wet Wall

- AAC Blocks
- Block Jointing Mortar



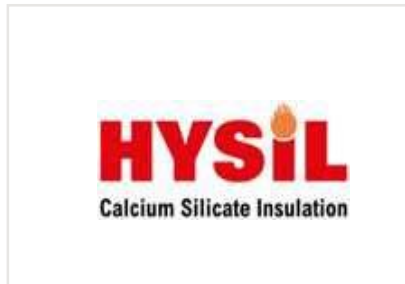
### Pipes & Fittings:

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

### Wall Putty



- Next Gen Non-asbestos Corrugated Roofing Sheets



- Revolutionary High Temperature Insulation



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

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

# HIL's Agenda for Growth

- Established brands
- Committed dealership
- Momentum in margins through sustainable efficiencies

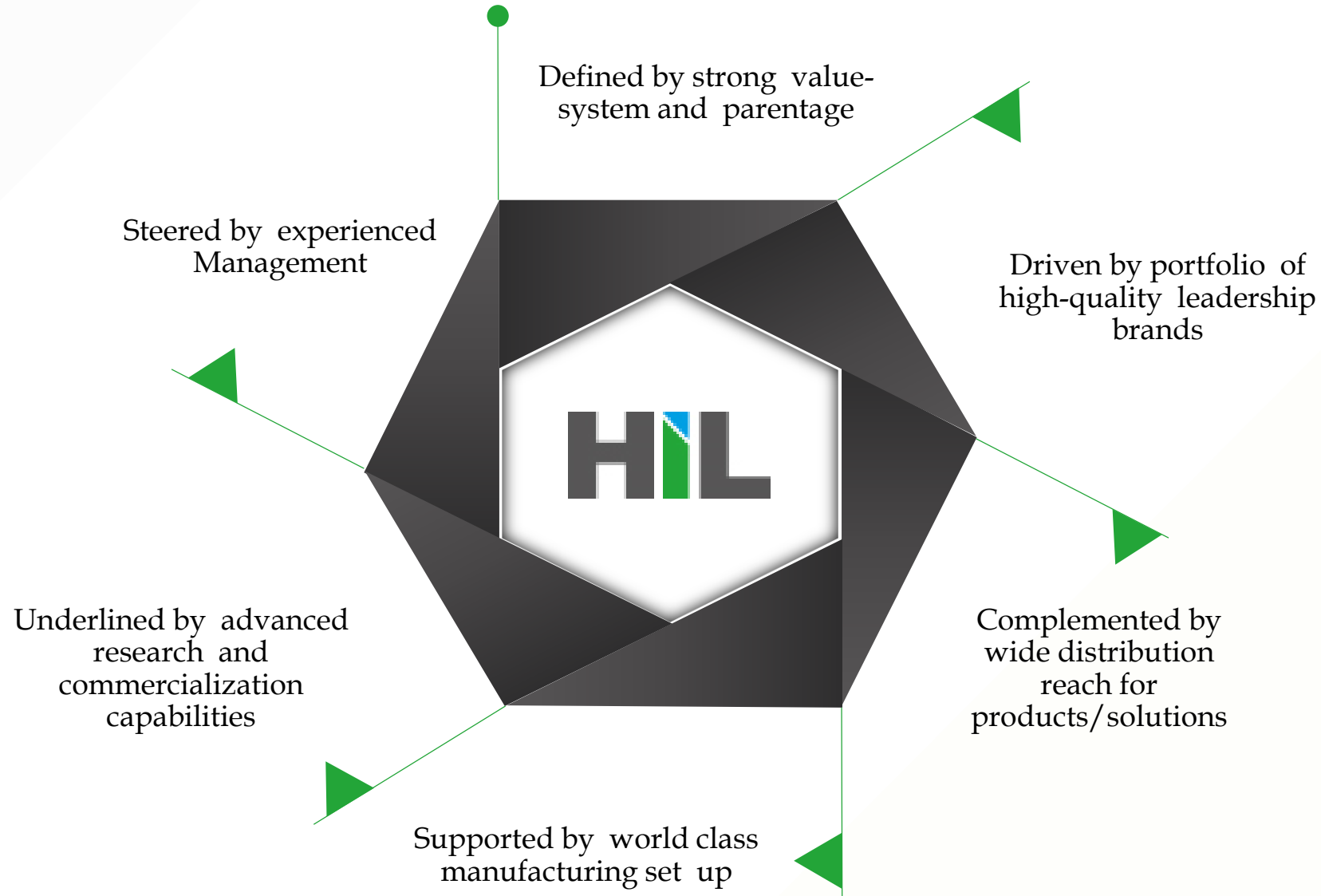


- Drive organic expansion
- Augment non-roofing portfolio
- Launch research based green solutions

- Develop adjacent complementarities
- Harness existing core strengths



# HIL's Strengths



# The Superbrands

HIL has been enjoying the Superbrand status for the past 5 consecutive years



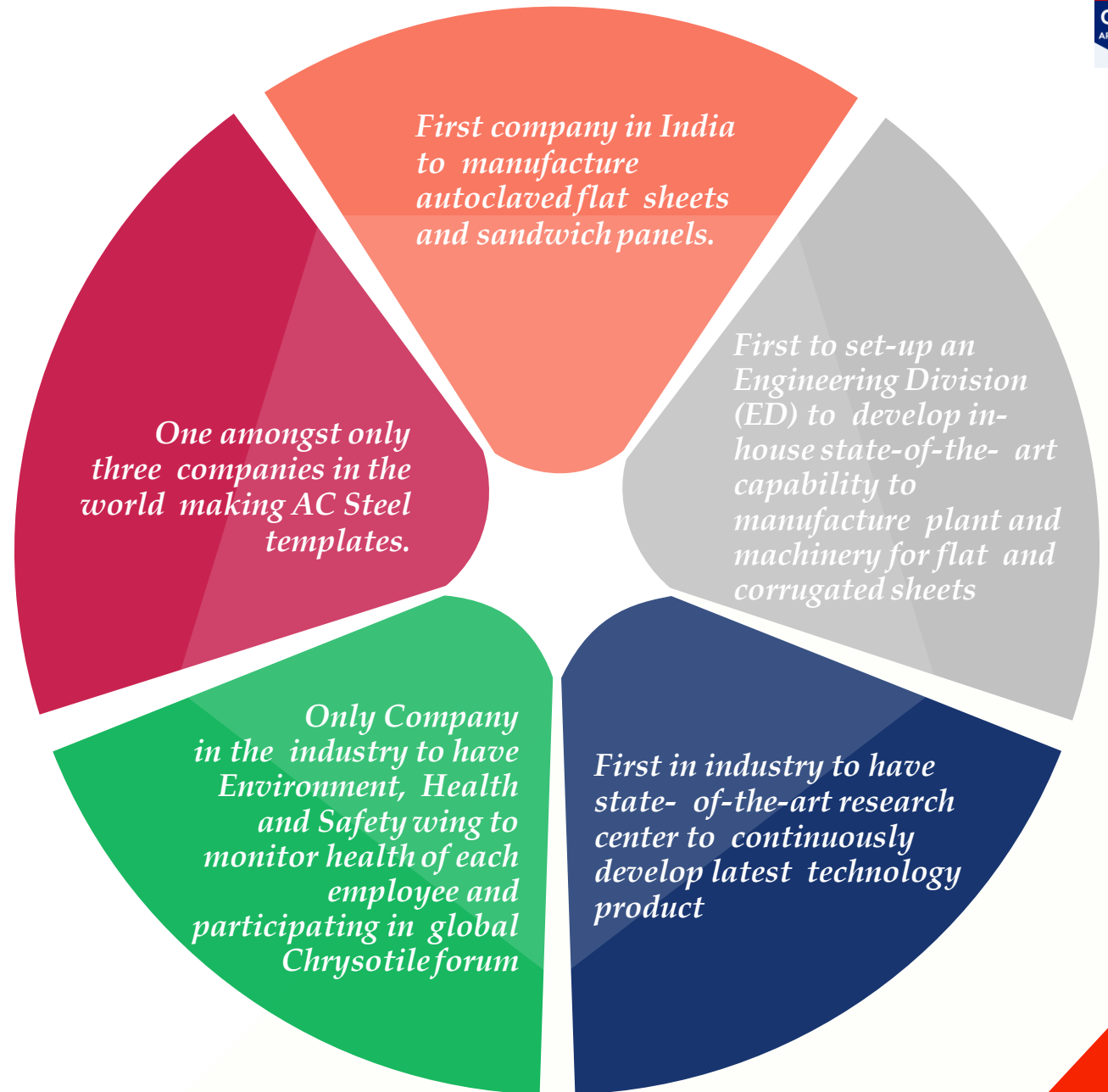
*A Superbrand is a recognition of a brand's commitment to quality and excellence of products and services.*

*Birla Aerocon and Charminar of HIL have been bestowed upon with the status of 'CONSUMER SUPERBRAND' this year. Both have been ranked one of the top 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**



# Distribution Spread

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

## 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



# Manufacturing Prowess

Roofing Solution



Building Solution

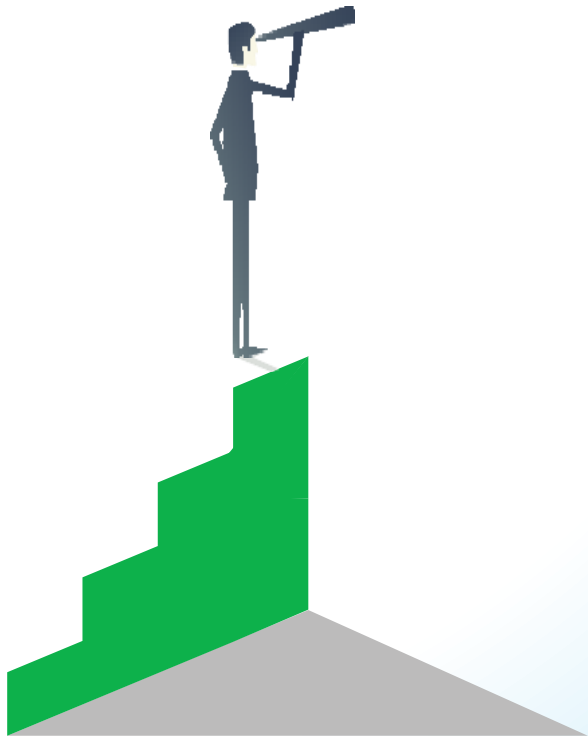


Polymer Solution



*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

## Our Values

Accountability

Integrity

Respect

Teamwork

Excellence

Innovation



### 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*



# Award Won Recently



Superbrand (India) of the year – 2019



Asia's Most Trusted Company, 2019 - IBC, USA



Most Promising Business Leaders of Asia , 2019-20 - The Economic Times



Design Award for Parador, 2019



Iconic Award for Parador, 2019



Fortune The Next 500



# Award Won Recently



GERMAN DESIGN  
AWARD SPECIAL  
2019



ICONIC AWARDS  
FOR INNOVATIVE  
INTERIOR PARADOR  
2020



GERMAN DESIGN  
AWARD WINNER  
2019



EFFIES AWARD  
2019-20 for TVC  
"NAAM DEKHKE  
LENA"



TECHNOLOGY  
SENATE AWARD  
Received by IT team for  
INDUSTRY 4.0



# Parador: Suite of Products

Laminate Flooring



Engineered wood flooring

Resilient Floor Covering

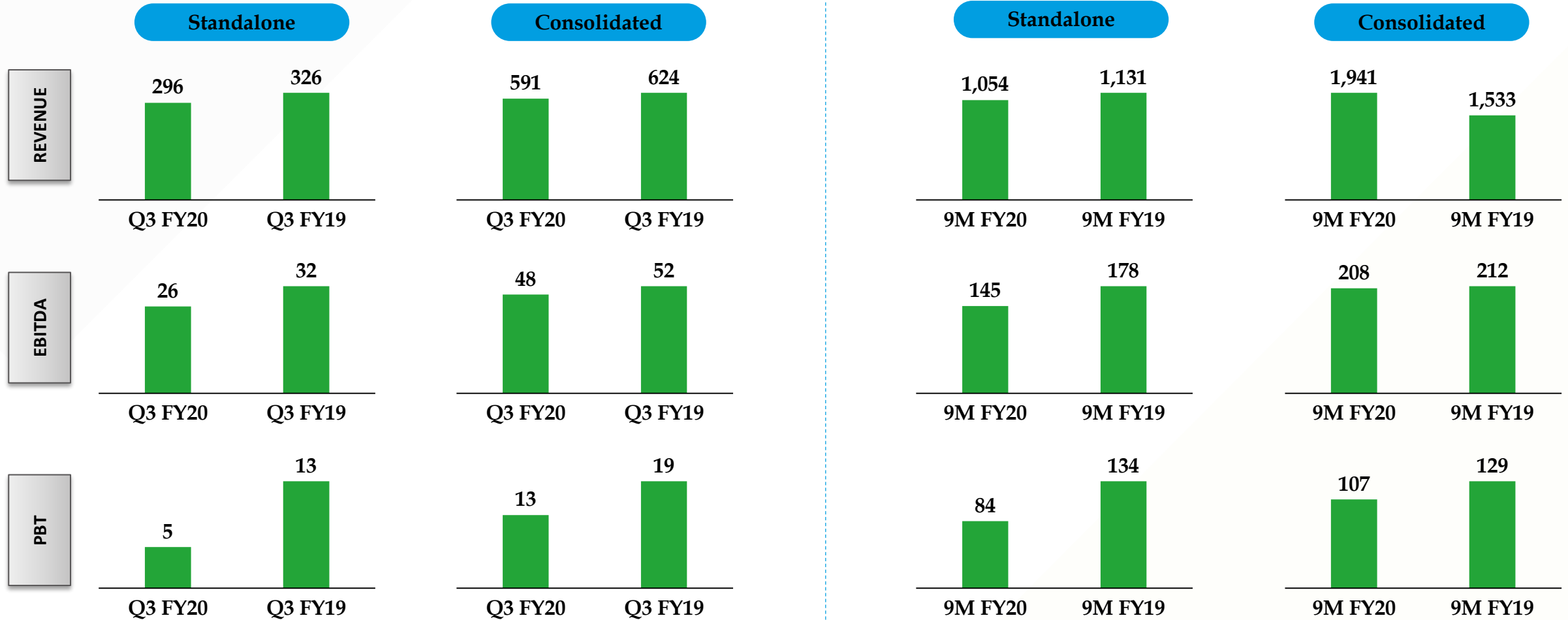


ModularOne Flooring

# Quarterly Discussion

# Highlights of Q3 & 9M FY20 Performance

In Rs. Crore



*Rural economy slowdown impact business performance*

Parador continues to show growth in margins with the implementation of 'Six Sigma' and improved efficiencies

# Financial Statements – P&L

INR Crore	Standalone		Y-o-Y	Consolidated		Y-o-Y
	Q3 FY20	Q3 FY19		Q3 FY20	Q3 FY19	
<b>Total Revenue</b>	302	331	-8.6%	595	624	-4.7%
<b>Total Expenditure</b>	276	299	-7.6%	547	572	-4.4%
<b>EBITDA</b>	26	32	-18.4%	48	52	-8.0%
<b>PBT</b>	5	13	-63.1%	13	19	-31.6%
<b>PAT</b>	5	7	-30.2%	10	10	-4.7%
<b>EPS</b>	6.54	9.38	--	12.88	13.53	--

*Complied as per Ind AS*

# Financial Statements – P&L

INR Crore	Standalone		Y-o-Y	Consolidated		Y-o-Y
	9M FY20	9M FY19		9M FY20	9M FY19	
<b>Total Revenue</b>	1,079	1,151	-6.3%	1,960	1,550	26.4%
<b>Total Expenditure</b>	934	974	-4.0%	1,752	1,338	30.9%
<b>EBITDA</b>	145	178	-18.6%	208	212	-1.9%
<b>PBT</b>	84	134	-37.5%	107	129	-16.7%
<b>PAT</b>	68	86	-21.1%	82	74	10.7%
<b>EPS</b>	90.64	115.04	--	109.97	99.43	--

Complied as per Ind AS

# Results discussion - Segmental

In Rs. Crore

Rs. Crore	Q3 FY20	Q3 FY19	Y-o-Y	9M FY20	9M FY19	Y-o-Y
Revenues						
Roofing Solutions	136	174	-21.5%	580	686	-15.4%
Building Solutions	89	88	1.8%	273	269	1.3%
Polymer Solutions	67	63	7.6%	192	168	14.4%
Flooring Solutions	298	297	0.1%	894	402	122.4%
Others	2	3	-15.1%	9	11	-13.5%

Complied as per Ind AS

**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

- Roofing Solutions witnessed tough market conditions with continued focus on margin conservation
- Building Solutions business delivers stable performance amidst severe market challenges
- Polymer Solutions and Flooring Solutions growth duly supported by the attractive product portfolio and well targeted promotional initiatives
- Parador continues to ramp up production and judiciously foray outside European markets



# Results discussion

In Rs. Crore

INR Crore	Standalone			Consolidated		
	Q3 FY20	Q3 FY19	Y-o-Y	Q3 FY20	Q3 FY19	Y-o-Y
EBITDA	26	32	-18.4%	48	52	-8.0%
<i>EBITDA Margin</i>	8.6%	9.6%	-103 bps	8.1%	8.3%	-29 bps
PBT	5	13	-63.1%	13	19	-31.6%
<i>PBT Margin</i>	1.6%	4.1%	-243 bps	2.2%	3.1%	-87 bps
PAT	5	7	-30.2%	10	10	-4.7%
<i>PAT Margin</i>	1.6%	2.1%	-50 bps	1.6%	1.6%	0 bps

- Focus is on driving efficiencies and productivity in the system to conserve margins
- Product lines maintain lead in quality and pricing
- Focus on maintaining robust working capital processes and evolution of product mix driving sustainable positive performance

INR Crore	Standalone			Consolidated		
	9M FY20	9M FY19	Y-o-Y	9M FY20	9M FY19	Y-o-Y
EBITDA	145	178	-18.6%	208	212	-1.9%
<i>EBITDA Margin</i>	13.4%	15.4%	-202 bps	10.6%	13.7%	306 bps
PBT	84	134	-37.5%	107	129	-16.7%
<i>PBT Margin</i>	7.7%	11.6%	-388 bps	5.5%	8.3%	-283 bps
PAT	68	86	-21.1%	82	74	10.7%
<i>PAT Margin</i>	6.3%	7.5%	-118 bps	4.2%	4.8%	-59 bps

# Charminar Fortune – Seeding increases

Dindigul Railway Stn,  
Tamilnadu



Modern High School, West  
Bengal



South Western Railway qtrs.,  
Karnataka



Farm House Project,  
Bangalore, KNTK



SH college, Kochi, Kerala



Nandyal Railway Qtrs,  
Andhra Pradesh



# Message from Managing Director & CEO



Dhirup Roy Choudhary

“A singular focus on conserving margins has guided our operational decisions and resultantly we have demonstrated industry leading metrics on profitability yet again. We are taking steps to further reduce the debt on the standalone entity’s balance sheet through planned divestiture of assets that are not core to us and over the few quarters we should once again be in our ideal range.

As an industry asbestos roofing is passing through an acute phase on the raw material aspect. Our approach is twin fold, to streamline the relationship with our new supplier-partners and to optimize the composition of the product. In terms of building in better efficiencies efforts are underway at the production end whereas we are being more intensive with our selling strategies at the retail end. With the strong underlying product premise that is apt for its customer segment we are confident that we will be able to deliver volume growth in the coming period.

Charminar Fortune is gradually building up as a portfolio and our investments in the dedicated facility will help scale it up. Volumes continue to build out quite healthily as we expand beyond trialing within the institutional target set. The larger objective will be to enhance the contribution to margins progressively.

We are also developing additional capacities in the building blocks segment and continue to witness attractive prospects there. The solutions oriented approach we have pursued is yielding the intended traction and we are happy to continue.

I am pleased at how the product range has developed in Polymer solutions. Our research wing has done an excellent job in terms of quality and functionality and I believe we are up there with the leaders. Our ‘go-to-market strategy’ combines pipes and putties and with inputs from the roofing solutions SBU we are driving the sales effort tirelessly. Last mile activations where we are engaging with the retailers and plumbers, is supplementing this effort. The business remains on track and with scale up in volumes we should comfortably meet our milestones.

Parador has exceeded our expectations, the uptake within the EU region is very encouraging. Not only have we turbo-charged the marketing effort in our large home markets of Germany and Austria but also driving significant gains in countries adjacent. I must mention that our Chinese JV is doing a great job of establishing presence in this hugely attractive market. The customer is highly discerning and appreciates premium quality. At the back end we have introduced manufacturing best practices and are pursuing processes to enhance efficiencies so that as the business grows we are able to do so efficiently and build in better margins.

HIL is transforming as a total solutions provider within the building material solutions sector. Each of our segments enjoys a strong right-of-play. Enterprise wide we are prioritizing efficiencies, productivities and profitability and our entire employee strength is with us on this journey. As we emerge into the global arena we are doing so with great confidence; we are a great Indian company that is making its mark in key out of home markets.”

# Outlook

Growth from leadership roofing business through optimised distribution and stronger marketing

Investment in creating opportunities for growth in AAC Blocks & Panels by way of capacity expansion

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

Build a sustainable distribution network by establishing Sales Joint Ventures / subsidiaries in selected markets

*Committed to driving profitability momentum in coming quarters*

# Awards



*Asia's Most Trusted Brand Award*



*Technology Senate Awards, 2019*



*Economic Times Most Promising Business Leaders Of Asia Award to MD and CEO of HIL 2019-20*

# Corporate Social Responsibility



New Classroom building in Somnathpur Girls high school



Distributed books and notebooks in Center of Social services, Hyderabad



Toilet in Chennai, Thiruvalluvar District



Training in Etasha skill development program



**वनवासी रक्षा परिवार फाउण्डेशन**

( वनबंधुओं के उत्थान को समर्पित )

Address:- B-4, 2<sup>nd</sup> Floor, Housing Society South Ext-1, New Delhi-110049  
Contact us :- 011-4798-0066, +91-96672-60911, [www.vrpf.org.in](http://www.vrpf.org.in), [info@shss.org.in](mailto:info@shss.org.in),

Vanvasi Raksha Pariwar Foundation, Sponsored Rural development

# Contact Us

Ajay Kapadia

AVP Finance

HIL Ltd

Tel: +91 40 68249121/ +91 40 30999121

Email: [ajay.kapadia@hil.in](mailto:ajay.kapadia@hil.in)

Siddharth Rangnekar/ Karl Kolah

CDR India

Tel: +91 22 6645 1209/1220

Email: [siddharth@cdr-india.com](mailto:siddharth@cdr-india.com)

[karl@cdr-india.com](mailto:karl@cdr-india.com)

## 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 billion conglomerate with diversified interests. With over 25,000 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. 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 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>

# Thank You

