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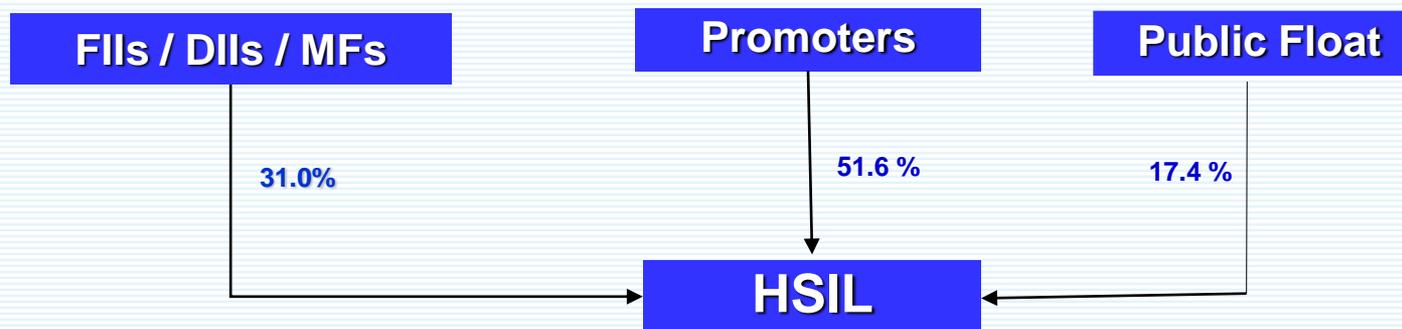
- A leading player in two business segments – Building Products and Packaging Products
  - Complete Bathroom Solutions (Products & Services)
  - Glass & Plastic Containers for packaging beverages, liquor, pharma and food products (\*GPPL has been merged with HSIL in March' 2014)
- Incorporated in 1960. Corporate Office in Gurgaon, Haryana, 6 Regional offices and 4 Area offices
- 8 state of art manufacturing facilities :
  - ❖ Sanitaryware – 2 Plants (Haryana & Telangana)
  - ❖ Container Glass – 2 Plants (Telangana)
  - ❖ Faucet – 2 Plants (Rajasthan)
  - ❖ Plastic Containers – 2 Plants (Uttarakhand & Karnataka)
- Listed on NSE and BSE. Total 66 million fully paid up Equity shares of Face value INR 2/- each.
- Consistent dividend track record, with FY 14 dividend per share of INR 3/- (Dividend 150%).

- Largest player in Sanitaryware and 2<sup>nd</sup> largest in Container Glass.

- Net Sales break-up(%) :

	2013-14	2012-13
Building Products Div.:	50.33%	44.53%
Packaging Products Div.:	49.67%	55.47%

- Ownership Profile as on 30.09.2014:

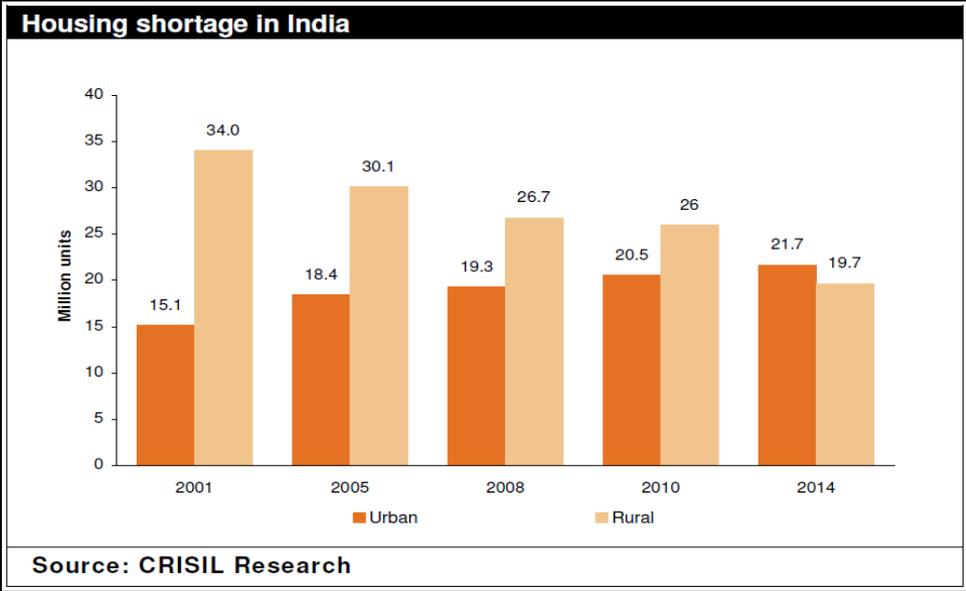
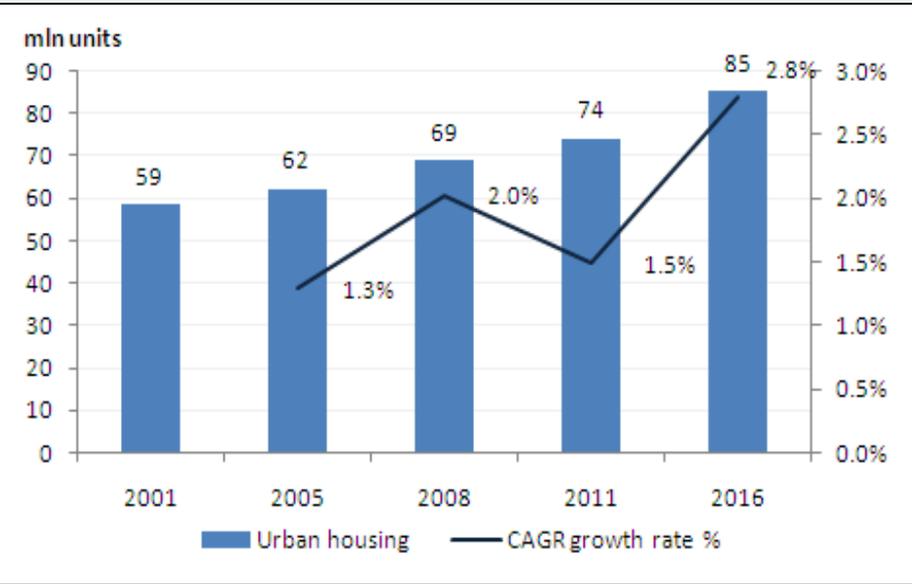


- Indian Sanitaryware Market is estimated at INR 30000 million – approx. 60% organized
- The organized segment growing at ~ 14-16 %
- Consumer preferences are changing from low end basic product mix towards middle and high end premium products
- India is rated as the second largest Sanitaryware market by volume in Asia Pacific
- Increased demand for New Houses due to sustained economic growth, rapid urbanization, higher aspiration levels
- 100% FDI allowed in township sector
- Rising middle class- increasing affordability
- Easy availability of cheap housing finance – Interest rates down from ~14% in 2000 to ~10% at present
- Only about ~ 40 per cent of the households have access to safe sanitation facilities  
Increasing trends in replacement demand for sanitaryware products.
- Major thrust on improving sanitation standards in the country

**Big potential of Turnover growth in line with expected Housing Sector growth**

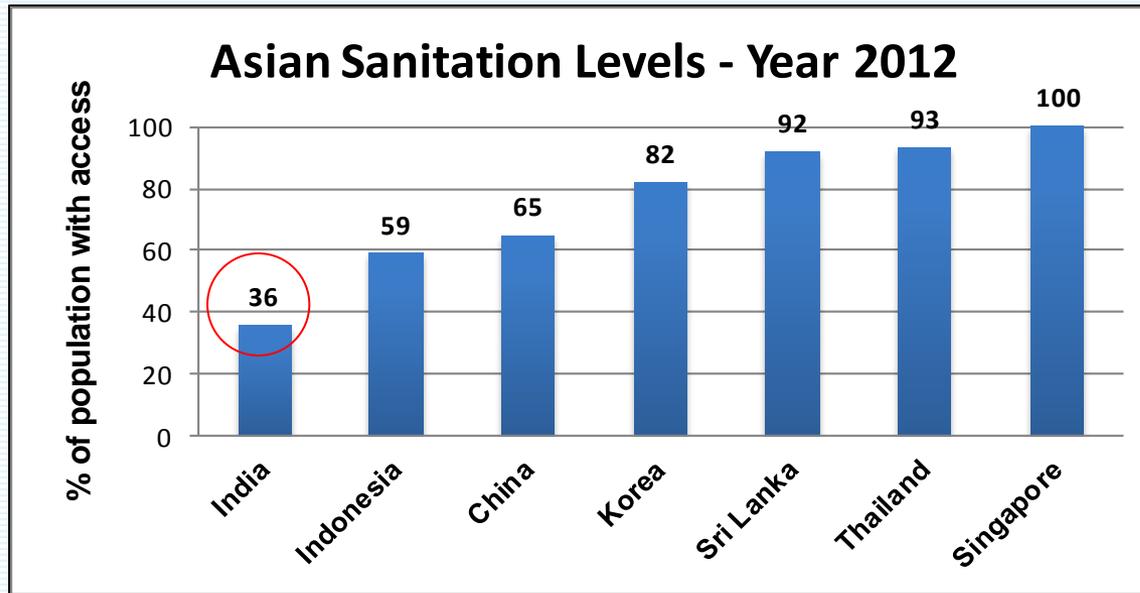
## Housing Scenario- ALL INDIA

### Growth in supply of URBAN Housing units



Source: CRISIL Research

*Improvement in Sanitation levels will increase market size*



Source: WHO/ Unisef Joint Monitoring Programme for Sanitation

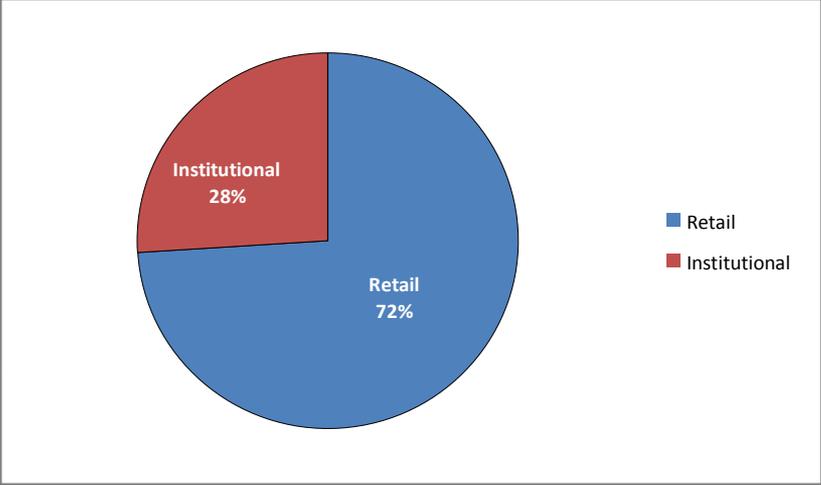
*New housing demand – major demand driver for the Indian markets*

Sanitaryware Industry	New Demand	Replacement Demand
Developed Economies	20%	80%
India	92%	8%

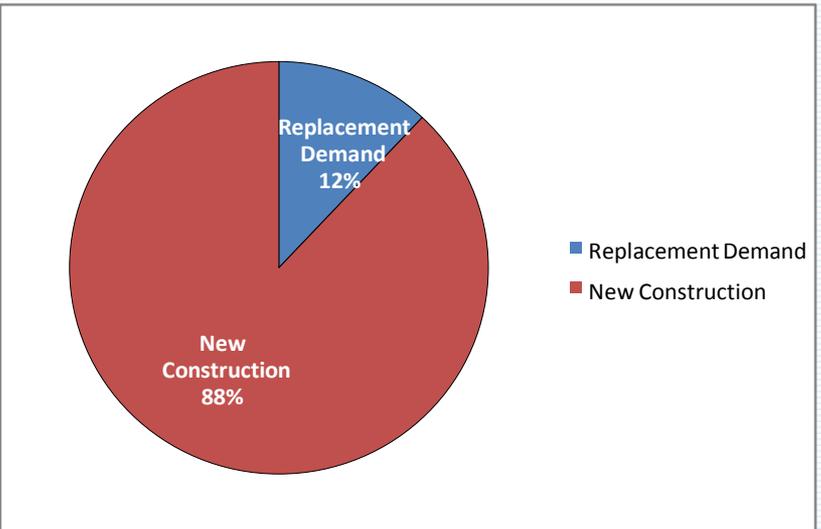
- Sanitaryware production started at Bahadurgarh Plant in 1962, through JV with Twyfords, UK
- Acquired Krishna Ceramics and Raasi Ceramics in 1989 & 1999 respectively
- Manufacturing facilities:
  - Bahadurgarh, Haryana (Sanitaryware) – 1.8 million pieces p.a.
  - Bibinagar, Telangana (Sanitaryware) – 2.0 million pieces p.a.
- Largest distribution network in India
  - 2900+ Dealers and 18,000+ Retailers
- Diversified into the *Faucets, Kitchen, Wellness & Tiles* segments to leverage upon the extensive distribution network and the brand



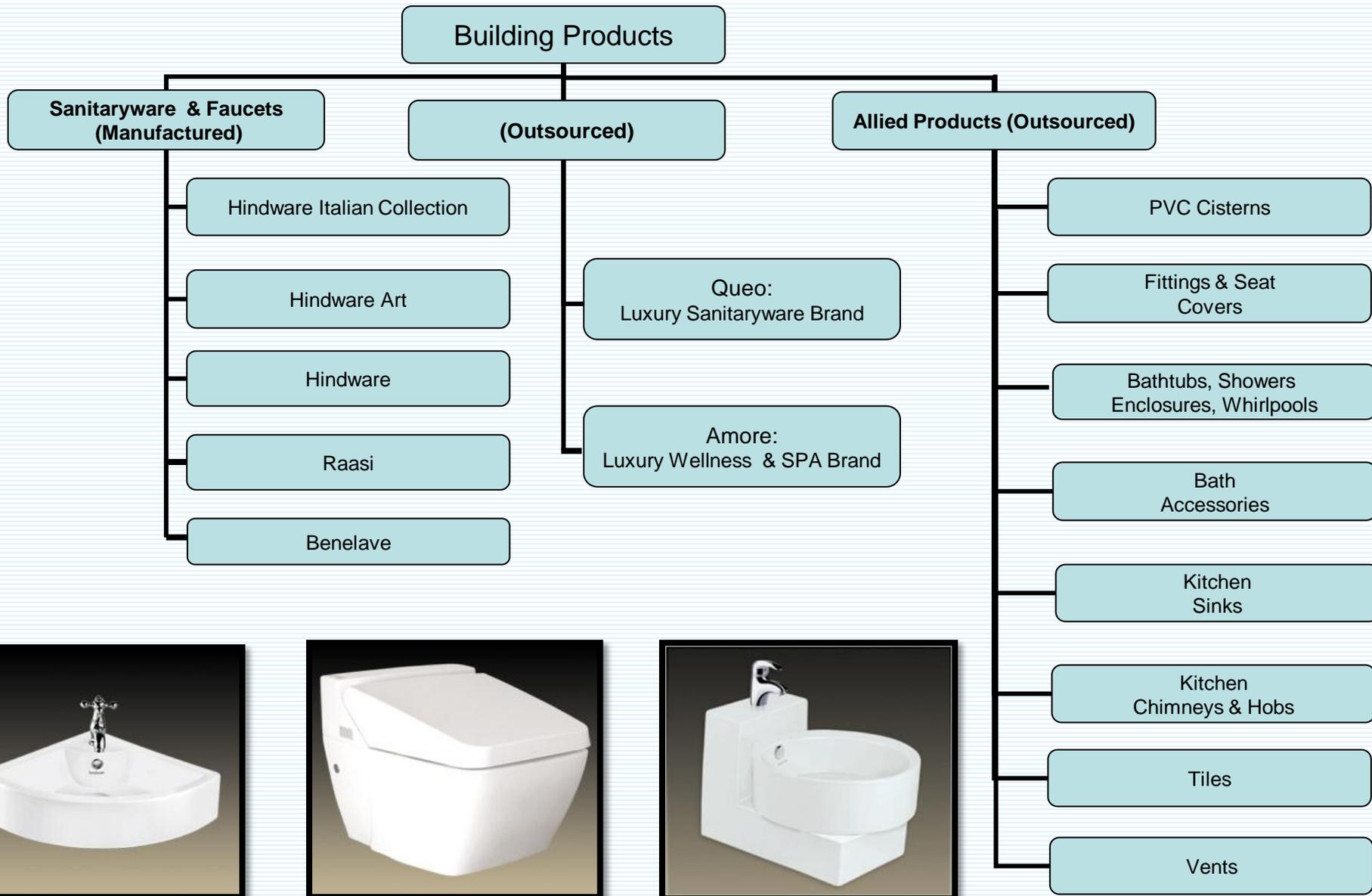
## HSIL- Mix of Retail vs. Institutional customers



## HSIL – Mix of New Construction & Replacement Demand



# Bathrooms, Kitchens & Beyond



- Hindware has been honoured with the "Super Brand Consumer Validated" ,since last four consecutive years (2013,2012,2011,2010)
- Master Brand Award from CMO Asia for excellence in branding & marketing in 2012.
- Hindware has been honoured with the "Power Brand 2012" and "Star Brand 2011" by Planman Consulting.
- Hindware won the "Best Bathroom Fixtures" Brand award in the first edition of Good Home Awards organized by the Zee Business Channel in Nov 2012.
- Won Reader's Digest "Most Trusted Brand – "Gold Award" & "Platinum Award" in 2013, 2012 ,2009 & 2008.
- League of American Communication Professionals (LACP), USA Awards for Best Annual Report 2011/12- Won Platinum Award viz. Best Report Financials and for Excellence within its industry. Overall Ranking 62<sup>nd</sup>, Worldwide out of 6500 companies participated globally and also ranked 3<sup>rd</sup> among Top 10 "Indian" Annual Reports of 2012.

- Awarded as India's Best company in “Glass & Ceramics” sector from the Dun & Bradstreet - Rolta Corporate Awards 2011.
- Business Super brand India Award 2010-11 Industry Validated- for the growth and reach of our products by Super brands India which is a branch of Super brands Ltd., UK, in three consecutive editions.
- Hindware product AUTOMATE awarded as “Best Smart Bathroom Product” by Waves (magazine) and Architectures Association of Noida.
- The Bizz 2011’ for being an “Inspirational Company” & ‘The Bizz 2010’ for “Business & Managerial Excellence” by World Confederation of Businesses (WORLDCOB). Texas, U.S.A.
- Golden Peacock Award for Innovation 2011.
- Golden Peacock Award for Quality 2010
- Golden Peacock Award for Environment Management 2009.
- Hindware rated 93<sup>rd</sup> amongst “The 100 most valuable brands in India” by the 4P’s journal in 2010 (the only bathroom brand in this selection).

- Elle Deco International Design Award 2008 & 2010 for “Unique Design” in Bathroom Category
- Our Container Glass Division won The New Era Award for Technology, Innovation & Quality from Association Otherways Management and Consulting, Paris, France
- 1st Rank at 9th Construction World- Annual Awards 2011 being the largest company in Sanitaryware category.
- Confederation of Indian Industries-Godrej Green Building Council National Award for “The Most Innovative Water Saving Products” in 2010.
- Recognized as the fastest growing company in the Building Products Division by Construction World Magazine in 2010 (also in 2005, 2006 & 2007).
- Institute of Marketing and Management (IMM) Award for Business Excellence in 2010.
- "Peak Of Success 2011" prestigious Award for its excellent business model, at an international level by (WORLDCOB).

# RECOGNITIONS



IMM



CII



- Robust system for quality – ISO9001, ISO14001, OHSAS18001
- Strong product quality – first licensee of Bureau of Indian Standards – *Indian standards are now aligned to European Standards*
- Series of 18 quality tests before the final delivery to ensure minimal rejection rate (<0.1%)
- Golden Peacock Award for Quality 2010



# Faucets Business



- Indian faucet market – INR 50000 million – 45% organized, 55% unorganized
- Major players – Jaquar, Grohe, Parry , ESS ESS, Marc.
- The faucets are sold under three brands namely “Queo” “Benelave” and “Hindware”
- Bhiwadi, Rajasthan (Faucets & fittings) installed capacity 0.5 million pieces p.a.
- Green field expansion at Kaharani, district Bhiwadi, Rajasthan with capacity of 2.5 million pieces. Commercial production commenced from 1st July 2014.
- For HSIL, this business is major thrust area with topline target of INR 3000 – 3500 Mn by FY 2016.



- Kitchen Chimneys



- Kitchen Hobs & Cooktops



- Vents



- Trash mashers



# HSIL launches new luxury Brand “QUEO”



## *HSIL launches new luxury Brand “QUEO”*

- In Dec.11, HSIL unveiled a new luxury Sanitaryware Brand “Queo” from the stable of UK based boutique Sanitaryware maker Barwood Products which we had acquired in 2010.
- HSIL launched its first showroom “Queo Emporio” in Gurgaon in October 2012. And second one in Delhi.
- Queo products are priced in range of INR 15,000 to 100,000 and available at select showrooms in key markets. At present, we have 40 dealer showrooms in Metros & Tier 1 Cities
- Luxury products constitute 10-15% of total Sanitaryware market and is growing faster than mid-end and low-end segments.
- HSIL plans to grab 25% market share in high end sanitaryware segment within next 3 years.



# HSIL launches new luxury Brand “Amore”

The logo for the brand "Amore" is written in a blue, cursive script. A red heart is drawn at the end of the word, with a red underline that curves around the heart.

- “Amore” from HSIL is a new brand launched recently under the category of “Wellness” & “SPA”.
- After QUEO, “Amore” is the next brand from HSIL targeted to the luxury bath ware market.
- At present ,we have 19 dealer showrooms of 1500 - 2000 sq ft.









Civil Station Road

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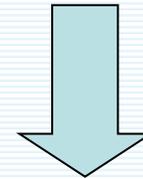
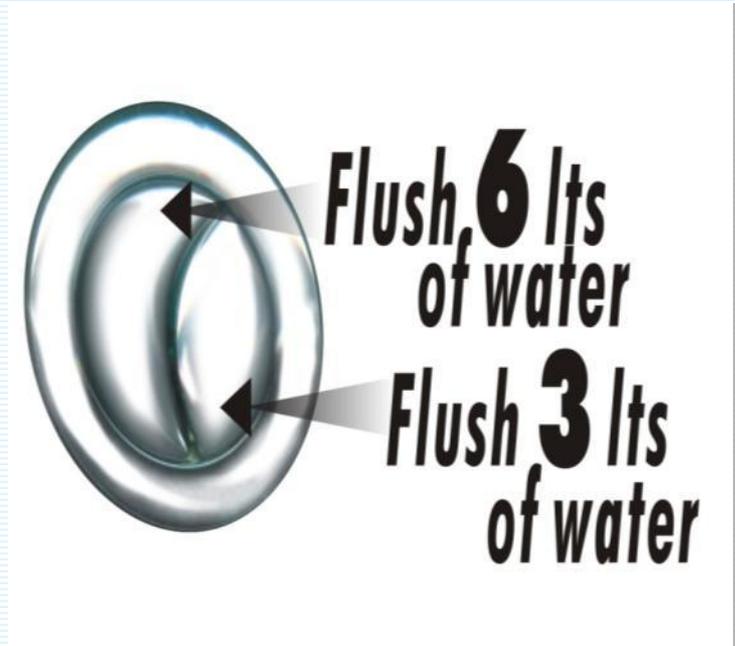
welcome



# PONCHO – KID BATHROOM



# THE GREEN BUILDING PRODUCTS



**NOW FLUSH WITH  
4 & 2 LTRS**



## Aquafree Waterless Urinals



## Nano with 1.5 Ltrs Flushing

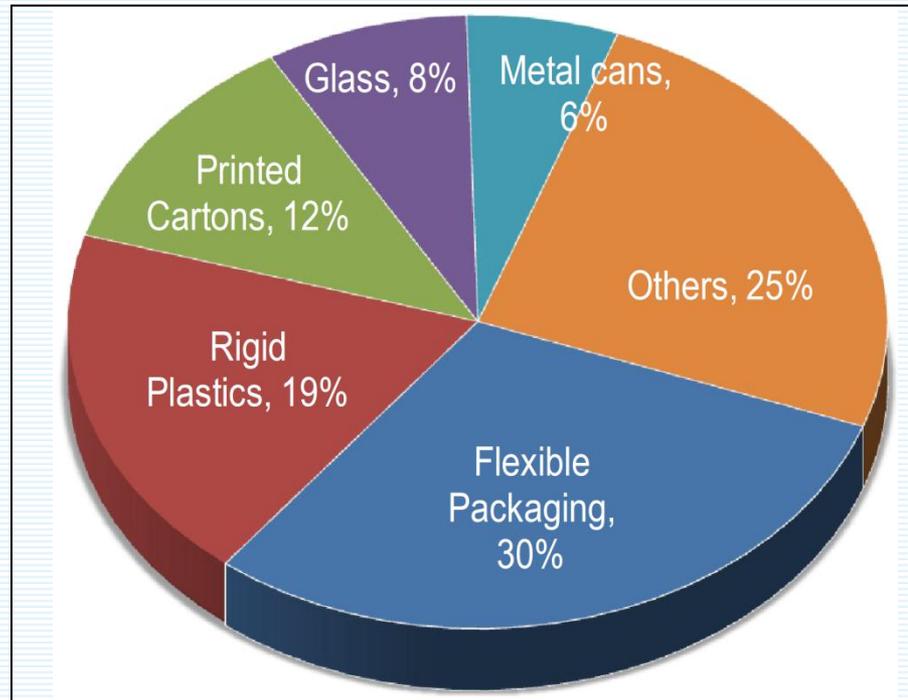


# Container Glass Industry Overview



- Indian Glass Container Market is estimated at INR 70000 million accounting for 8% of Packaging Industry
- Markets currently growing at 6-8% p.a.
- Regional Industry – freight cost is critical
- Demand is driven by the growth in the user industry

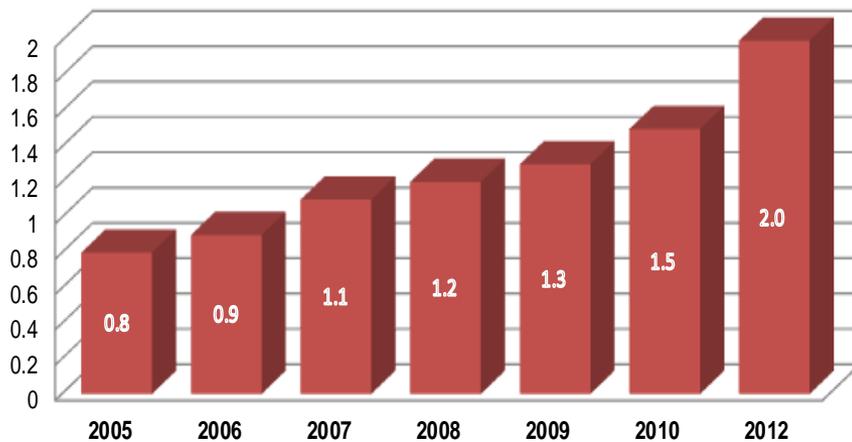
**India Packaging Market (by Value)**



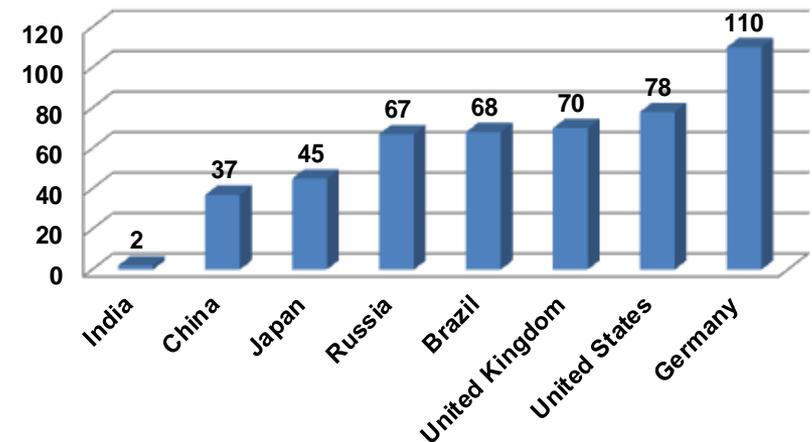
# Container Glass Market: Trends & Demand Drivers

- Large young addressable population is a key growth driver.
- India's per capita Beer consumption is expected to grow to 2.6 litres by 2016.  
(Source: Beeronomics 2013)
- Liquor Industry expected to grow at 8% CAGR (Source: Moneycontrol, April 2014)
- Indian Pharma industry to grow at 20% CAGR over the next five years: India Ratings, Fitch Company  
(Source: Business Standard Dt. 08.05.2014)
- Food industry expected to double in next 5 years
- Coca Cola remains committed to USD 5 Bn investment in India.  
(Source: The Economic Times Dt. 27.10.2013)

India: Per Capita Beer Consumption (in litres)



Per Capita Beer Consumption (Litres) - Year 2012



- Andhra Pradesh/ Telangana – largest consumer of soft drinks, liquor and beer
- Company has 2 Container Glass (CG) Plants strategically located in Hyderabad and Bhongir, Telangana.

Manufacturing Installed Capacities	Tons per day (TPD)
Hyderabad Plant (2 furnaces)	650
Bhongir Plant (2 furnaces)	950
<b>Total</b>	<b>1600</b>



- Both the Plants are equipped with Dual Firing Technology i.e. can run on both Natural Gas and LSHS/ FO.

- Combined installed capacity of about 2.30 billion pcs. of bottles and jars.
- Highly automated production process with State-of-the art Furnaces
- Highly efficient, environment-friendly
- Integrated manufacturing facility.
  - Mould making
  - Own quartz mining
  - Printing - applied color labeling
- Strength in manufacturing flexibility.
  - To manufacture in flint, amber & green color.
  - Wide range of shapes & designs to suit all user segments (pharma, beer, liquor, aerated beverages & processed food)
- Largest capacity for bottle printing at a single location
  - Prints 6 colors at a single time

# AGI - SPECIAL COLOURED BOTTLES



- HSIL is India's sole producer of special coloured bottles.
- We have adopted special German technology and advanced machinery for producing different coloured bottles.
- Currently, we are producing dead leaf, green and blue bottles for our clients.
- These bottles act as an import substitution and fetch higher realisation.
- HSIL has adopted high-end, cost effective technology to emerge as India's sole special coloured bottle producer.



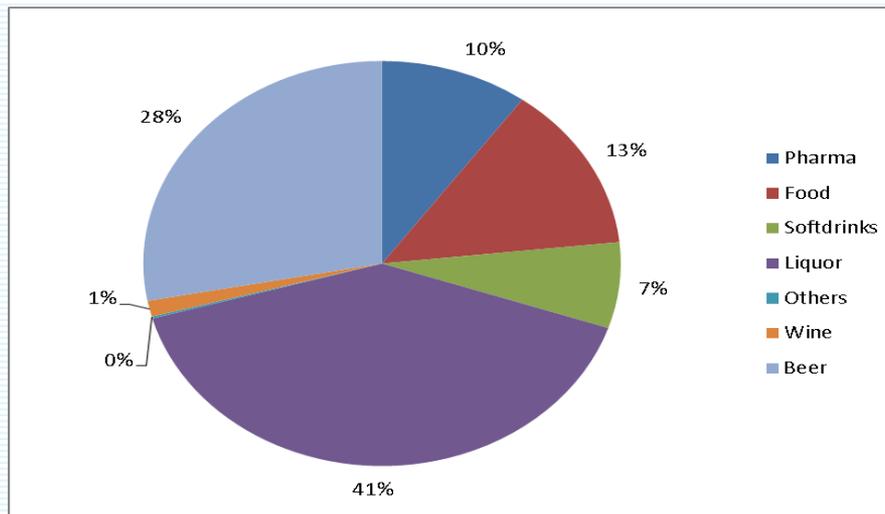
# AGI has a Customer base across sectors



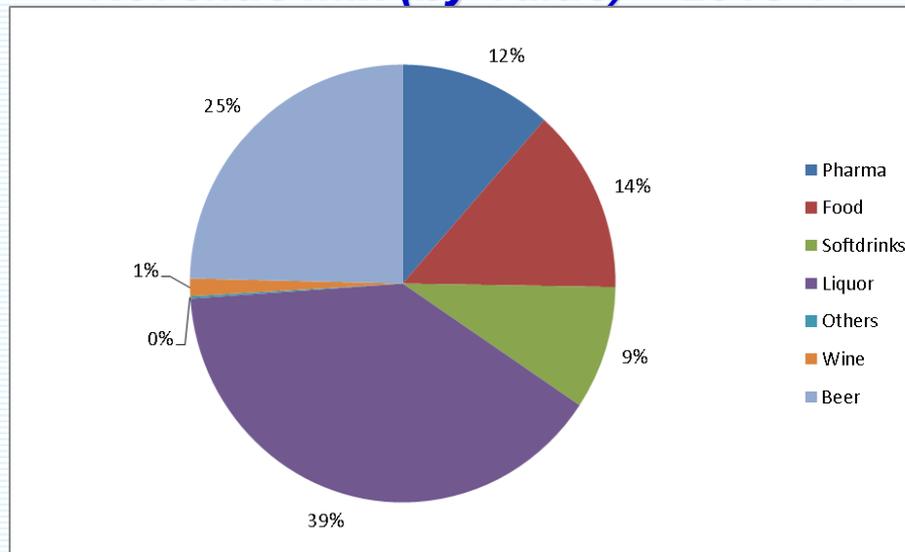
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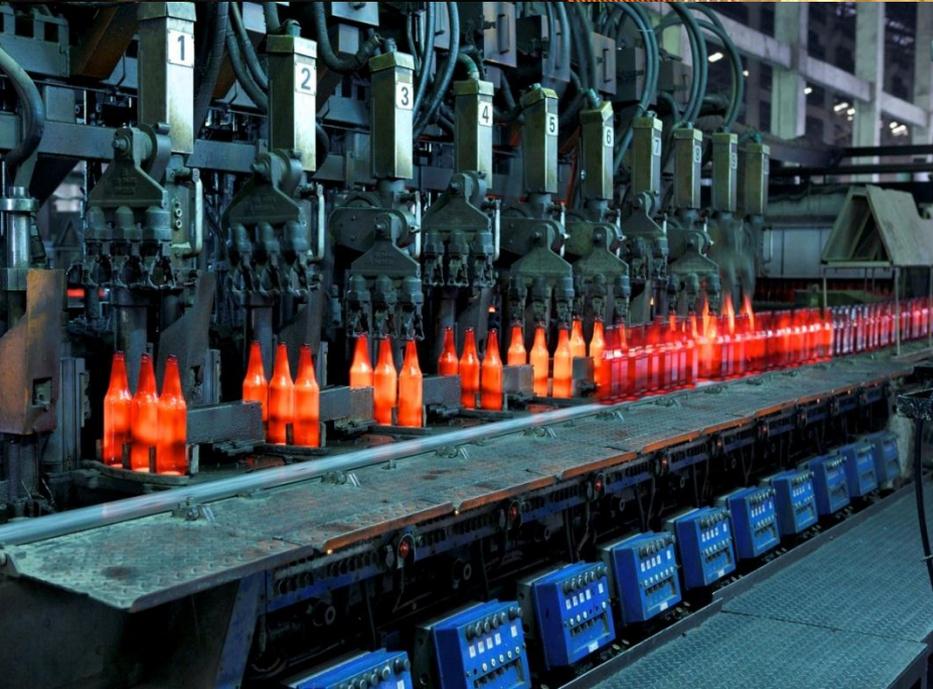
Liquor & Beer	Pharma	Food	Soft Drink
United Spirits Ltd.	GSK Pharma	GSK Consumer Healthcare	Pepsi Co India
United Breweries Ltd	Johnson & Johnson Limited	Heinz India Limited	Hindustan Coca Cola
SAB Miller India Ltd	Pfizer Limited	Hindustan Unilever Limited	
Carlsberg India Pvt Ltd	Apex Laboratories Limited	Parle Agro Pvt Ltd	
Radico Khaitan Limited	Thermo Fishers Scientific India Pvt Ltd	Tata Coffee Limited	
Tilaknagar Industries Limited	Wardex Pharmaceuticals Limited	Global Green Ltd	
John Distilleries Pvt Ltd	Ranbaxy Laboratories Limited	ITC Limited	
Bacardi India Pvt Ltd	Himalaya Drug Company Limited	Dabur India Limited	
Diageo India Pvt Ltd	Abbott Healthcare Pvt Ltd	Cavinkare Pvt Ltd	
Jagatjit Industries	Piramal Healthcare Limited	Nestle India Limited	
Crown Beer India Ltd	Astrazeneca Pharma India Ltd	Reitzel India Pvt Ltd	
Nashik Vintners Limited	Tablets India Ltd	KMF Milk Ltd	
Inbev India International Ltd	R F C L Limited	Heritage Foods Limited	
Pernod Richard India Pvt Ltd	Merck Speciality Pvt Ltd		
Kals Distilleries Pvt Ltd	Dr. Reddy's Laboratories Ltd		
Molson Coors Cobra Pvt Ltd	Reckitt Benckiser India Ltd		
	SBL Industries Pvt Ltd		
	Albert David Ltd		

## Revenue mix (by volume) – 2013-14



## Revenue mix (by value) – 2013-14

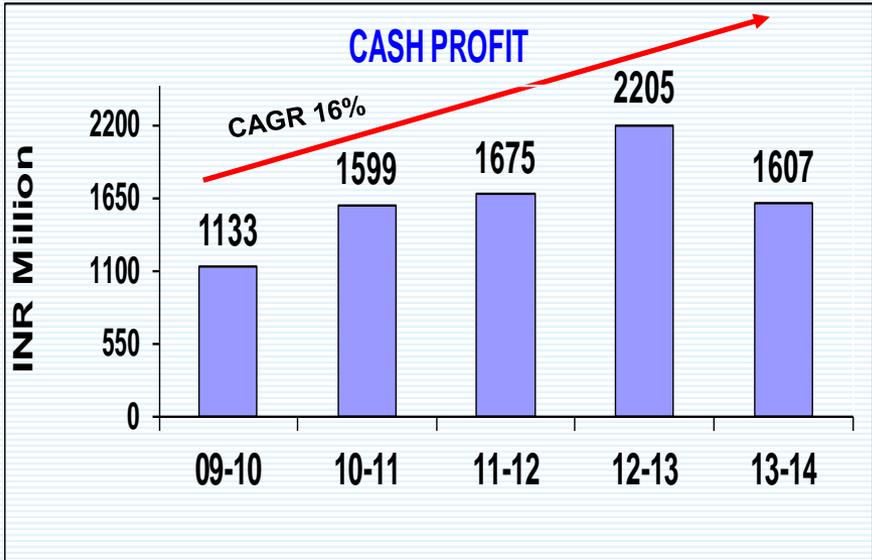
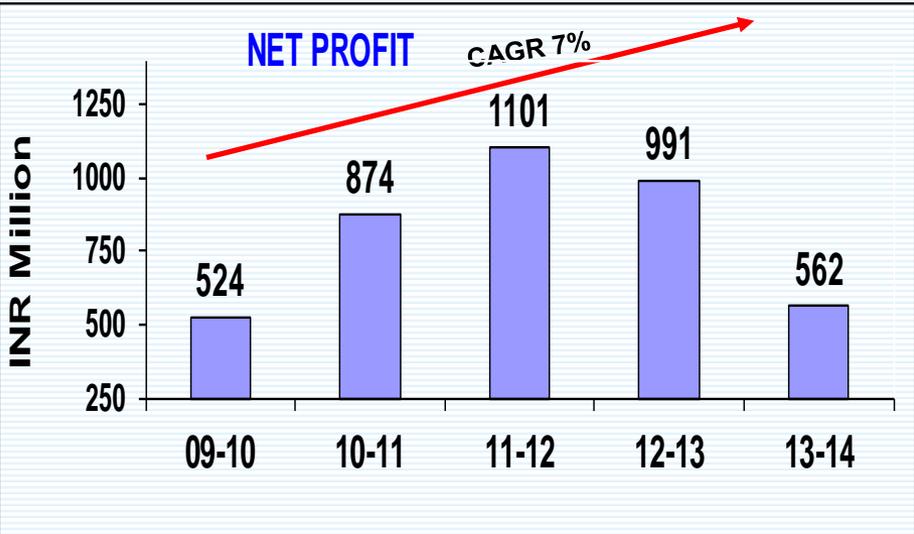
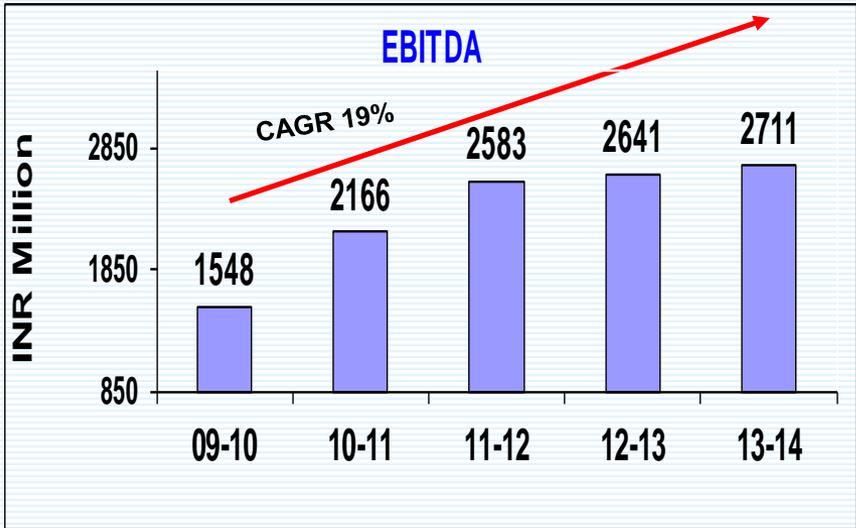
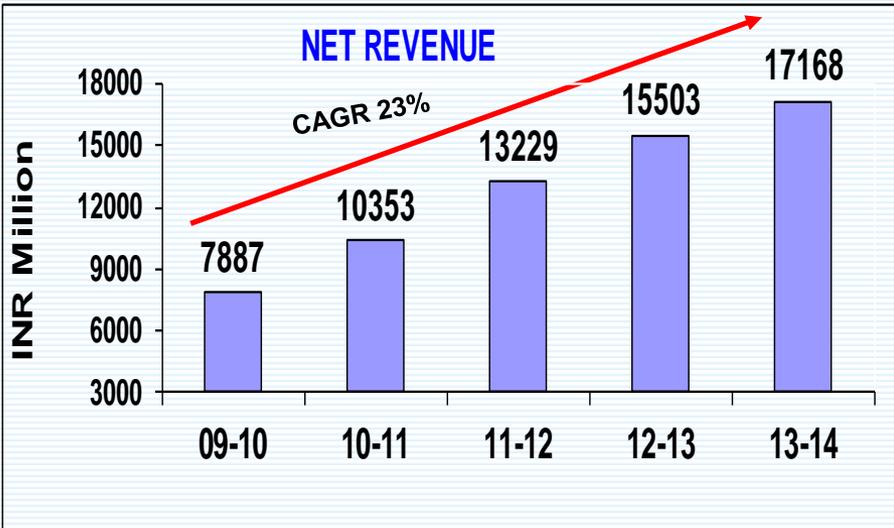




# CONTAINER GLASS PRODUCT RANGE

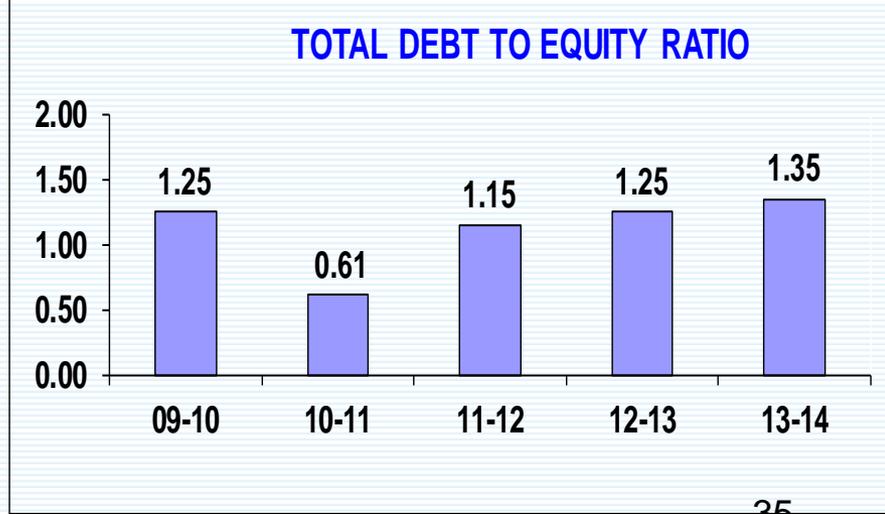
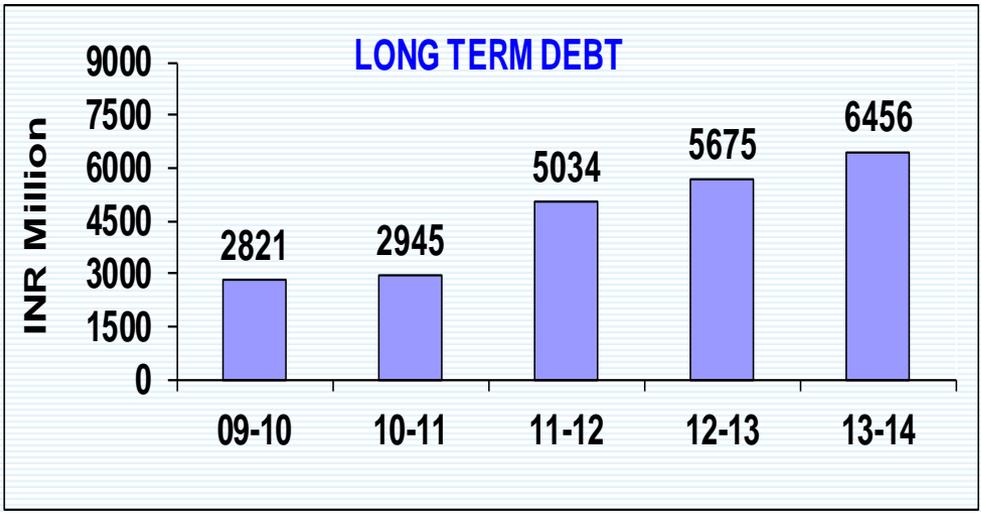
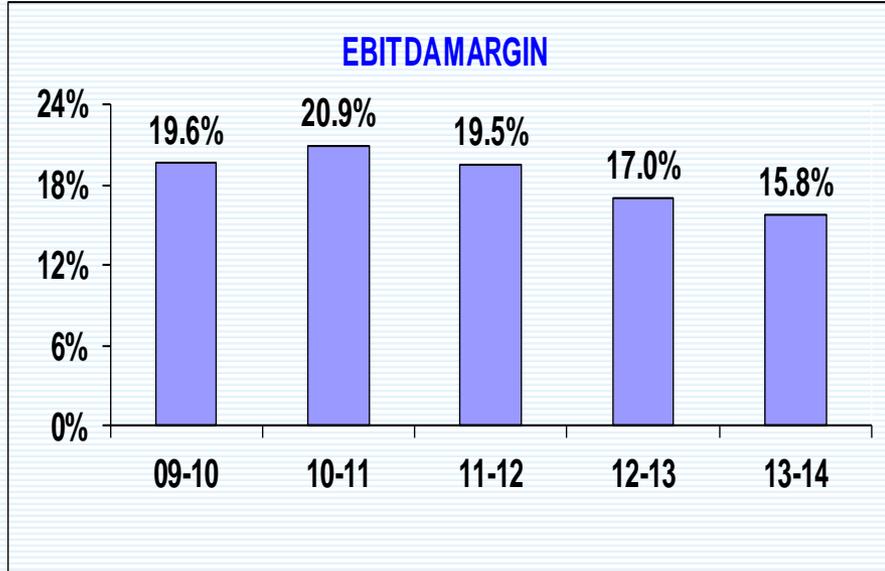
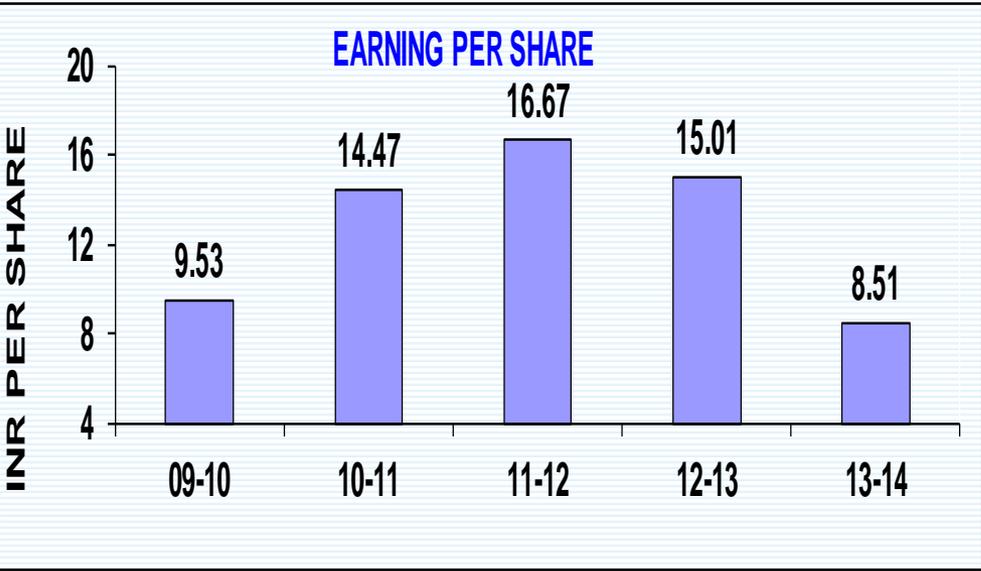


# Company's Financial Performance



Note: Figures of FY 2013-14 includes GPPL figures, as GPPL is merged with HSIL in Mar'14. Earlier years' figures do not include GPPL.

# HSIL- Financial Performance



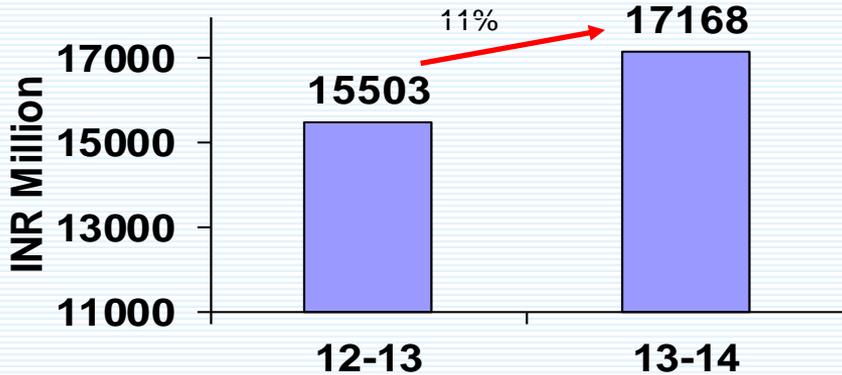
Note: Figures of FY 2013-14 includes GPPL figures, as GPPL is merged with HSIL in Mar'14. Earlier years' figures do not include GPPL.

Total debt includes both long term & short term debt including dealer deposit and deferred sales tax.

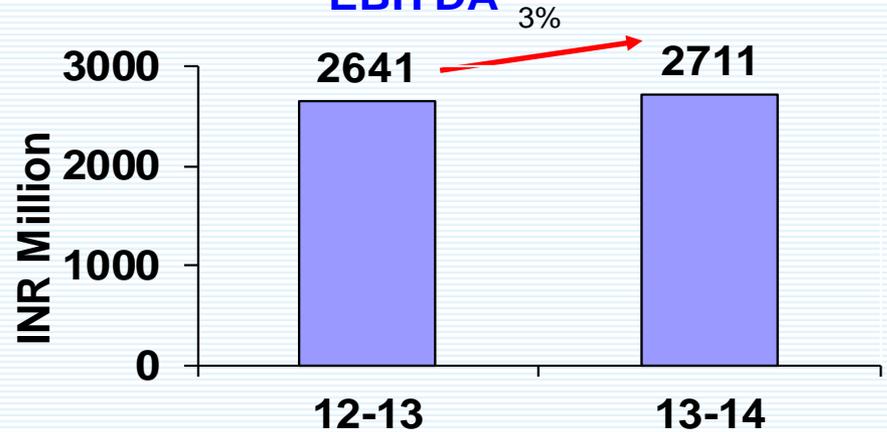
# FY 14 vs. FY 13 Growth



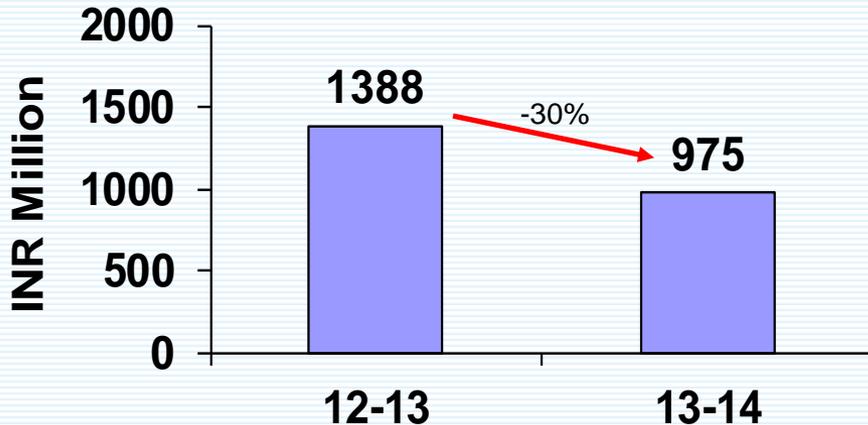
## NET SALES



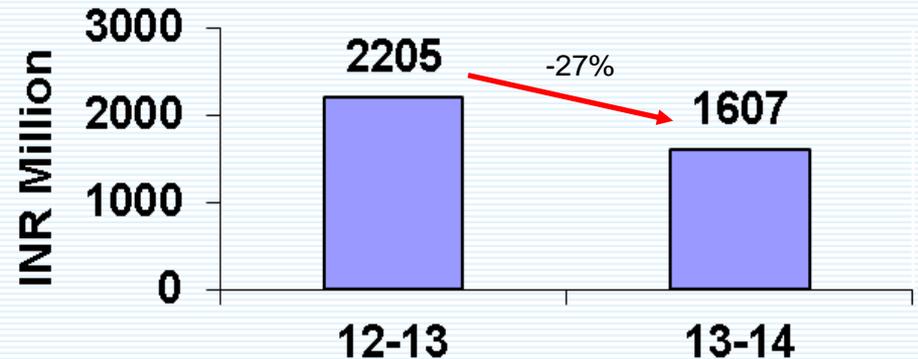
## EBITDA



## PROFIT BEFORE TAX

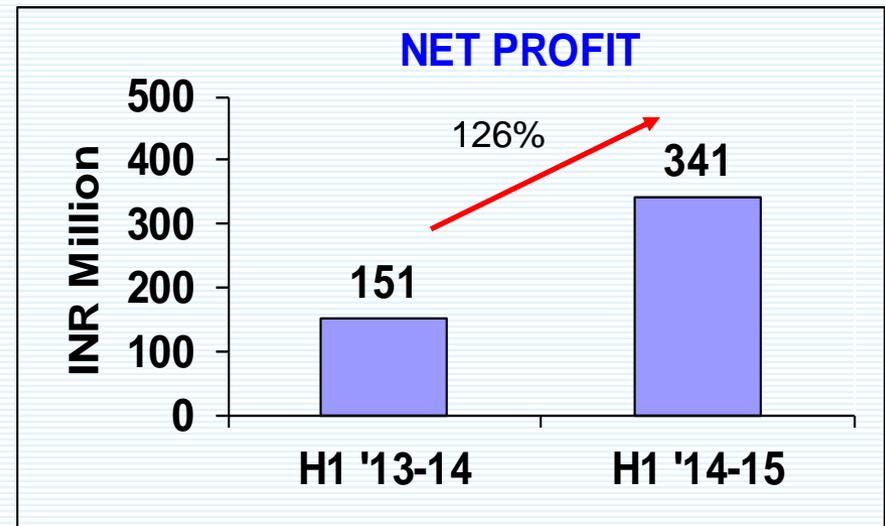
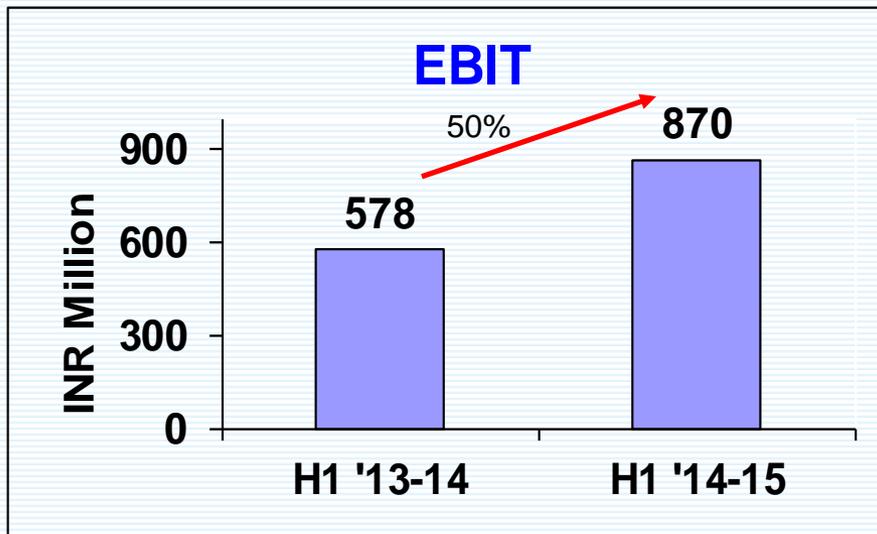
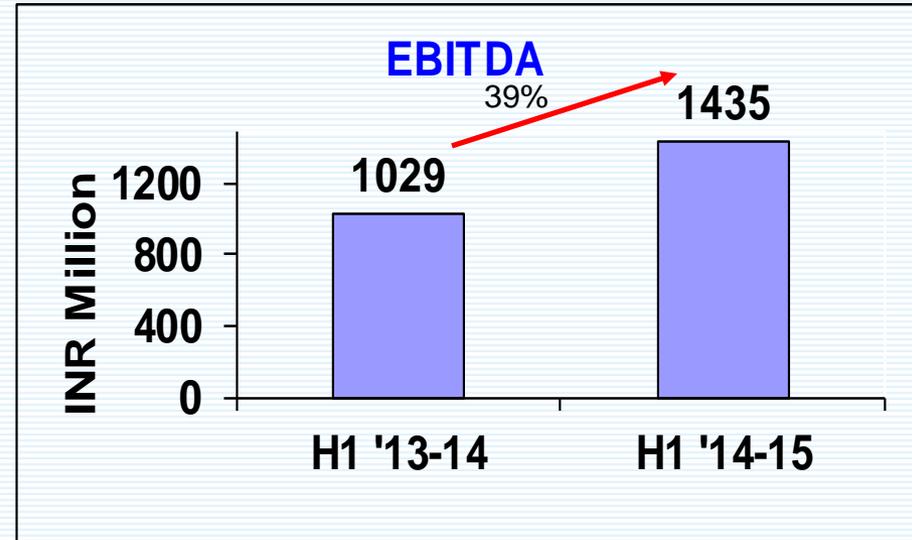
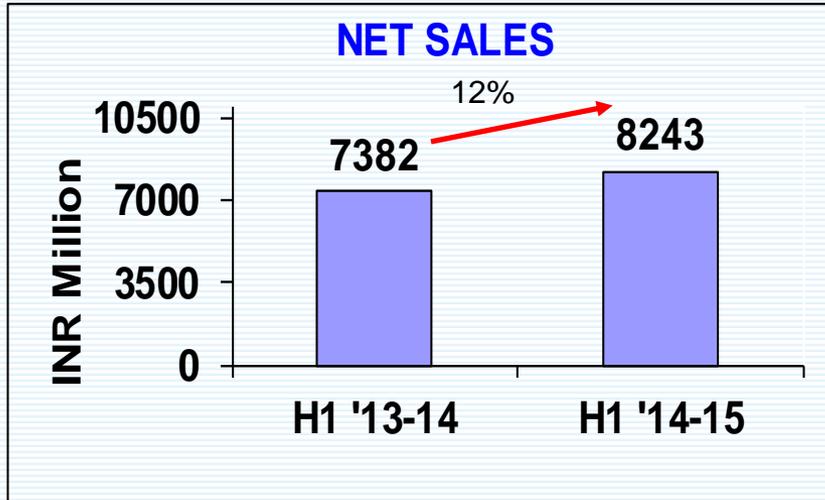


## CASH PROFIT



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# H1 FY 15 vs. H1 FY 14 Growth



# HSIL Major Milestones



- 1960:** Incorporated as Hindustan Twyfords Ltd to introduce vitreous china for the first time in India
- 1981:** Acquired Associated Glass Industries Ltd.
- 1989:** Acquired Krishna Ceramics in South India
- 1999:** Acquired Raasi Ceramics to further expand its Sanitaryware business
- 2009:** Name change from Hindustan Sanitaryware & Industries Ltd. to HSIL Ltd.
- 2009:** Commissioned new glass plant of capacity 475 MTPD at Bhongir, A.P.
- 2010:** Acquired chrome plated bath fittings facility in Rajasthan
- 2010:** Successful QIP Placement- Raised INR 1500 million
- 2011:** Acquired Garden Polymers Private Limited (Pet bottles)
- 2012:** Expansion of Sanitaryware Capacity by 0.7 mn pieces and glass capacity by another 475 MTPD
- 2014:** GPPL merged with HSIL in March' 2014 & Container Glass Division renamed as “ Packaging Products Division ”

## In conclusion....



- A leader in two great businesses
- Fifty Four years history in the industry
- Mission to grow at 20% + CAGR over next 3 years in Building Products Division & 10% + in Packaging Products Division
- Favourable competitive dynamics
- Highly profitable
- Visionary and experienced management
- Total transparency and excellent corporate governance standards
- Poised for substantial growth in EPS and value for shareholders



From the House of  
bespoke  
European bathware  
designers - Barwood



# a matter of taste

Presenting the QUEO F-50 Series. Designed by Federico Tombolini.

queobathrooms.co.uk

30/10/2014

Thank You