



Nature Inspired

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Annual Report 2008-09



HYDERABAD INDUSTRIES LIMITED

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NatureInspired

Birds are the ultimate creators, constructors and conservationists all rolled into one.

Intuitively conscious of the nature around them, they source building materials for their architectural masterworks without disturbing nature's resources. Much like the weaver bird, at HIL, we are inspired by nature in partnering with our clients to create, construct and conserve. We call this ethos NatureInspired.

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Report



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Our Vision

To become a global player in building products and infrastructure industry with a commitment to provide environment-friendly products and follow green and safe practices.

Directors

Mr. C K Birla, *Chairman*
Mr. Krishnagopal Maheshwari
Mr. Shreegopal Daga
Mr. P Vaman Rao
Mr. Yash Paul
Mr. Abhaya Shankar, *Managing Director*

Bankers

State Bank of Hyderabad
State Bank of India
Central Bank of India
State Bank of Indore
State Bank of Mysore
State Bank of Travancore

Auditors

S R Batliboi & Co.

Solicitors

Khaitan & Co.

Registered Office

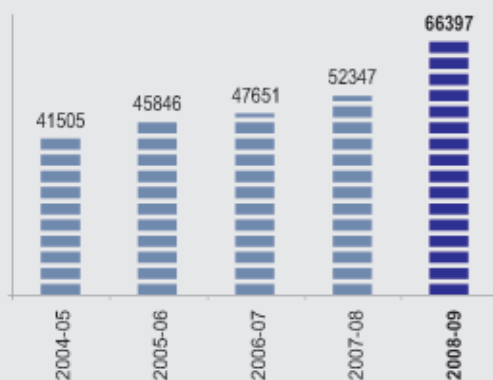
Hyderabad Industries Limited
Sanatnagar, Hyderabad - 500 018 (Andhra Pradesh)

Works

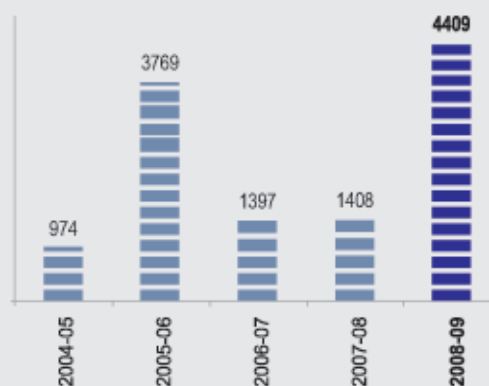
Hyderabad: Sanatnagar - 500 018 (AP)
Faridabad: Sector-25 - 121 004 (Haryana)
Sathariya: SIDA, Jaunpur Dist. - 222 022 (UP)
Jasidih: Industrial Area - 814 142 (Jharkhand)
Thimmapur: Mahboobnagar Dist - 509 325 (AP)
Thrissur: Mulangunnathukavu P.O. - 680 581 (Kerala)
Dharuhera: Plot No.31, Rewari Dist. - 122 106 (Haryana)
Chennai: Kannigaiper Vil., Tiruvallur Dist. - 601 102 (TN)
Vijayawada: Plot No.289, IDA, Kondapalli - 521 228 (AP)
Wada: Musarane Vil., Thane Dist. - 421 312 (Maharashtra)
Balasore: IDCO, Plot No. Z-2, IID Centre, Somanathpur (Orissa)

Financial Performance at a glance

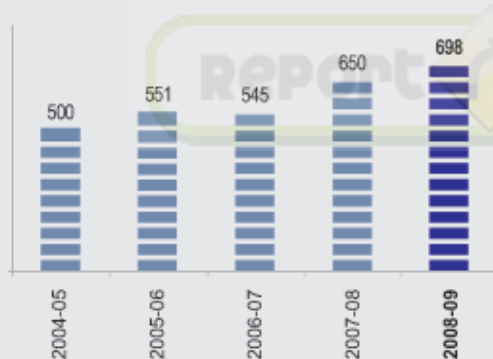
Gross Revenue (Rs. in Lacs)



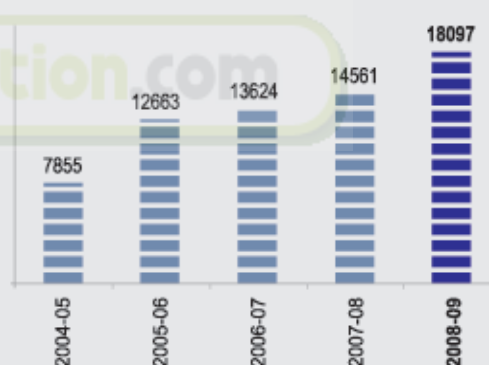
PAT (Rs. in Lacs)



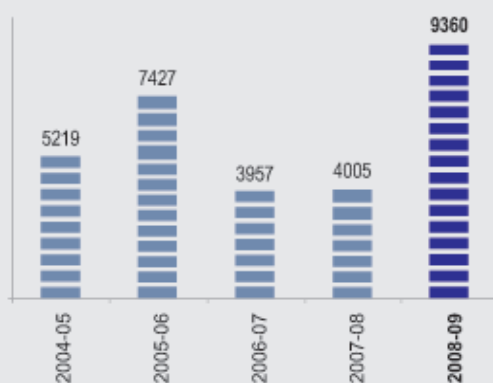
Sheeting Sales (in 000 MT)



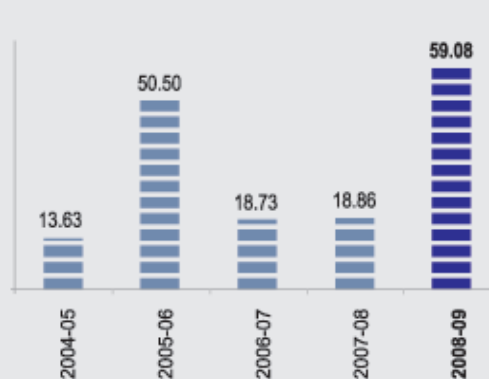
Net Worth (Rs. in Lacs)



PBIDT (Rs. in Lacs)



EPS (in Rs.)





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Chairman's Message

We at HIL share the world community's growing concern for the planet and are committed to driving environmental progress by creating and delivering value-for-money eco-friendly (Green) products.

Going forward, our aim is to take up more challenges and excel in all our operations, thereby creating growing value for all those associated with us and for the Indian economy at large.

C K Birla





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The Management Team

The HIL team is enriched by its management profile of enterprise, commitment and progress. The company brings together a group of highly experienced, focused and proficient industry experts with an in-depth understanding of products and services to architect and deliver reliable products. The team is tasked with managing and growing HIL's leadership position across all its markets and products.



TO THE SHAREHOLDERS

The Directors have pleasure in presenting their Report and the Audited Accounts of the Company for the year ended 31st March 2009.

FINANCIAL RESULTS

	Rs. in lacs	
	2008 - 2009	2007-2008
Profit before Interest, Depreciation, Exceptional Item and Taxation	9359.52	4004.51
Less : Interest	907.96	732.28
Depreciation	1398.30	1112.29
Profit before Exceptional Items & Taxation	7053.26	2159.94
Exceptional Items	110.62	(30.56)
Profit after Exceptional Items	6942.64	2190.50
Taxes	(2533.81)	(782.73)
Profit after Tax	4408.83	1407.77
Balance as per last year	2145.36	1580.38
Debenture Redemption Reserve written back	-	93.75
AVAILABLE FOR APPROPRIATION	6554.19	3081.90
APPROPRIATION		
General Reserve	500.00	500.00
Proposed Dividend on Equity Shares	746.26	373.13
Corporate Dividend Tax	126.83	63.41
Balance carried to Balance Sheet	5181.10	2145.36

DIVIDEND

The Directors are pleased to recommend a dividend of Rs.10/- per equity share of Rs.10/- each, for your consideration and approval at the ensuing Annual General Meeting of the Company.

OVERALL ECONOMY

The year 2008-09 was most challenging for companies across the globe and India. During the year we saw unprecedented volatility in the markets, both domestic and international. However with the multi-pronged efforts of the Government of India and its timely measures to revive the economy and industry, India could achieve a GDP growth of around 6.6% in 2008-09, as estimated by RBI. The slowdown, while affecting the overall industrial growth, has not much affected the rural sector, which enabled the Company to report better performance.

PERFORMANCE

The year 2008-09 has been a success both financially and operationally, resulting in higher sales revenues and profits. Your Company has crossed another milestone by surpassing the Rs.600 Crore turnover during the year. The growth in turnover was mainly attributed to better marketing efforts, for both sheeting and green building products, as well as improved productivity. The gross turnover registered a growth of about 27% during the year, from Rs.523.47 crores in 2007-08 to Rs.663.97 Crores during 2008-09.

Production and Sales, in quantity terms, of Fibre Cement Sheets have increased by 1% and 7% respectively over the previous year. During the year under review the industry growth of the Fibre Cement Sheets is estimated to be around 4.5% over the previous year. Due to volatility in the markets and high inflation for most part of the year the input costs had gone up during the year. However on account of better marketing efforts, various cost saving measures, and improved distribution strategy, the Fibre Cement Sheet Business reported a significant improvement in profitability during the year.

Our brand "CHARMINAR" built over a period of 60 years based on affordability, quality, strength and durability, continues to enjoy the confidence of customers. The Fibre Cement Sheet Industry is estimated to grow at about 5% in financial year 2009-10. With the additional capacities established and planned during the year, your Company is confident of maintaining its market leadership.

The Company has reorganized itself to give special focus on its GREEN BUILDING PRODUCTS DIVISION. The market growth for Autoclaved Aerated Concrete Blocks (AAC Blocks) and Aerocon Panels was satisfactory. Due to their inherent advantages and being green products, the Company could attract a larger customer base. The Green Products Division substantially increased its sales team and embarked on new selling strategies for its various products.

Production and Sales, in quantity terms, of AAC Blocks have increased by 8% and 14% respectively over the previous year. The production in quantity terms of Aerocon Panels has decreased by 15% and the sales have increased 4% respectively over the previous year.

Production and Sales, in quantity terms, of Thermal Insulation products have increased by 19% and 21% respectively over the previous year.