



HINDUSTAN FOODS LIMITED

A Vanity Case Group Company

A Government Recognised Star Export House

Registered Office: Office No. 3, Level 2, Centrium, Phoenix Market City,
15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India, 400 070.

Email: business@thevanitycase.com, **Website:** www.hindustanfoodslimited.com

Tel. No.: +91 22 6980 1700/01, **CIN:** L15139MH1984PLC316003

Date: September 15, 2023

To, The General Manager Department of Corporate Services BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai- 400 001 Tel: (022) 2272 1233 / 34 Company Scrip Code: 519126	To, The Manager, National Stock Exchange of India Limited, Listing Department, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 070 Company Symbol: HNDFDS
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Dear Sir /Madam,

**Sub: 38th Annual General Meeting of the Members of the Company held on Friday,
September 15, 2023**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, We enclosed herewith the copy of the Chairman's Speech of the **38th Annual General Meeting ('AGM')** of the Members of the Company held on **Friday, September 15, 2023 at 11.30 a.m.** through **Video Conference facility ('VC') or Other Audio - Visual Means ('OAVM')** and the deemed venue was the Registered Office of the Company at Office no. 3, level-2, Centrium, Phoenix Market City, 15, LBS road, Kurla (West), Mumbai - 400 070.

You are requested to take the same on record.

Yours faithfully,

For **HINDUSTAN FOODS LIMITED**

Bankim Purohit
Company Secretary
ACS 21865

Encl.: As above





Hindustan Foods Limited

September 15, 2023

Shashi Kalathil

Chairman's Speech

38th Annual General Meeting

Mumbai

Ladies and Gentlemen,

I wish everyone a very good morning and welcome you all to the 38th Annual General Meeting of your Company, Hindustan Foods Limited.

I hope each of you and your families continue to remain safe and healthy.

I would want to begin by acknowledging the stewardship of my predecessor as Chairman of your Company Mr Shrinivas Dempo. Mr Dempo joined the Board of Hindustan Foods Limited in September, 1999 and assumed the Chairmanship in January, 2000. Over more than 20 years we have all benefitted from his sage advice, counsel, his networks and unrelenting commitment to the sustained progress of your Company. I am delighted that Mr Shrinivas Dempo stays on as a Director on the Board and we will continue to benefit from his continued association.

It gives me immense pleasure and privilege to share my views on the overall performance of your Company. We have shared the Director's report and the audited financial statements for FY 2022-23 and with your permission, I shall consider them as read.

The Indian FMCG industry is on a global growth trajectory, despite its low per capita consumption rates, presenting abundant expansion opportunities. As smaller towns and cities increasingly turn to online platforms for branded products, unorganized competition is waning. Post-pandemic, sustained demand for immunity-boosting and hygiene products, driven by evolving consumer health perceptions, bodes well for FMCG revenue.

Rural households allocate 50% of their income to FMCG, with the rural market poised to reach USD 100 billion by 2025, driven by rising incomes and aspirational preferences for branded products. This shift is eroding the unorganized segment's market share, favouring substantial growth in the organized sector, particularly in modern retail. Furthermore, the growing youth population in urban areas is a significant driver of the food services demand in India.





Hindustan Foods Limited

Over the past few years, your company has positioned itself as a frontrunner in the FMCG Contract Manufacturing industry. This achievement has been made possible through our strategic investments in both greenfield and brownfield projects, coupled with targeted acquisitions to expand our market presence. Our leadership is underscored by our steadfast financial performance and a robust balance sheet.

Just to give you a sense on FY2022-23 performance, your Company recorded the highest-ever revenues and profitability figures (on a consolidated basis) in the Company's history. Total Revenue for the year stood at Rs. 2,603 cr, recording a 27% YoY growth over Rs. 2,044 cr in FY22. EBITDA for the year increased by 50%, from Rs. 119 cr in FY22 to Rs. 178 cr in FY23. Profit Before Tax crossed the Rs. 100 cr mark for the first time ever in FY 2022-23 and the financial performance improved as your Company ramped up some of the underutilised factories. Profit After Tax (PAT) for the year stood at Rs. 71 cr, clocking a 59% growth YoY from Rs. 45 cr in FY22.

Further, I'm delighted to announce that several significant initiatives that your company launched in the past few years are now bearing fruit. The expansion of the Ice Cream project in Lucknow, which began commercial production in April 2023, has positioned your Company as a prominent Ice Cream Contract Manufacturer in the country.

Moreover, the successful merger of the Mysuru Beverage plant with the Coimbatore Malt Beverages plant, combined with the continuous expansion initiatives, has resulted in remarkable growth. Both facilities have achieved their highest-ever turnovers. As previously noted, Company identified significant potential in the beverage segment, and I'm thrilled to share that we've successfully acquired a new customer and launched a new project in this specific sector.

Talking about acquisitions, in FY2021-22, your Company's acquisition of Aero Care Personal Products LLP ('ACPPL') enabled the Company to enter into the field of manufacturing of Color Cosmetics and ACPPL had achieved its highest ever turnover in the Financial Year 2022-23 of Rs. 10,712.05 Lakhs and reported its maiden PAT at Rs.314.96 Lakhs. Your Company expects to add more growth in your Company's consolidated income by ACPPL in Financial Year 2023-24.

Your Company has also successfully completed the acquisition of Reckitt Benckiser Scholl India Private Limited on July 1, 2022. It is engaged in the business of manufacturing and supply of foot care products. It became a wholly - Owned Subsidiary of your Company with effect from July 1, 2022. The acquisition of the Shares of RBSIPL is in line with your Company's strategy to enter Contract Manufacturing and expansion of its business into OTC Healthcare and Wellness products. During the year under review, RBSIPL recorded a turnover of Rs. 6,122.96 Lakhs and reported PAT of Rs.295.66 Lakhs, from the date it became Wholly - Owned Subsidiary Company of your Company upto March 31, 2023. We are confident that this acquisition will add significant growth to your Company and expand its business into OTC Healthcare and Wellness globally.





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Your Company has also executed a Business Transfer Agreement on December 15, 2022, with Reckitt Benckiser Healthcare India Private Limited for acquisition of a manufacturing facility situated at Baddi, on a slump sale and going concern basis. The said facility is into manufacturing of a vast variety of OTC Healthcare and Wellness products and Skin Care including some of Reckitt's key products. The acquisition also provides your Company an opportunity to leverage idle capacity for better utilisation and incremental profits on consolidated basis.

India is becoming a hub for global businesses, especially in Contract Manufacturing. Factors like e-commerce growth, tech advancements, and an informed consumer base are driving this expansion. Companies that adapt and innovate stand to benefit. With diverse industry presence, your Company is well-positioned to seize these opportunities.

During the FMCG industry's low-demand period, your Company has positioned itself for future growth. We've identified new opportunities, especially in beverages and OTC/Wellness products, sectors with rising demand.

We believe our continuous expansions and strategic acquisitions will drive our growth even further. Looking ahead, we expect these achievements to boost our financial performance, making us the preferred Contract Manufacturer and reshaping the sector. We're confident in our target to reach a turnover of Rs. 4,000 crore by FY 2024-2025.

Last but not the least, your company firmly embraces the idea that connecting economic growth with environmental stewardship and aligning financial performance with social responsibility is essential. Your company's commitment is to integrate an ESG focus into its operations, ensuring that its growth efforts are aligned with sustainable development practices conducted with integrity.

Before I end my remarks, I would like to express my gratitude to the entire team and workforce at the company. I would like to thank all the Shareholders and Stakeholders who have been a part of this great journey of your company.

I extend my heartfelt gratitude to our dedicated Board members for their unwavering guidance and support. I am confident that, working together, we will continue to accomplish significant milestones in the years ahead.

I am profoundly thankful to each of you for your cooperation and the confidence you have placed in us.

Thank you.

