



## 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](mailto:business@thevanitycase.com), **Website:** [www.hindustanfoodslimited.com](http://www.hindustanfoodslimited.com)

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

Date: November 8, 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,

### **Subject: Press Release**

Please find attached the press release titled “**Hindustan Foods Limited achieved the highest every half yearly and quarterly PAT owing to commercialization of new facilities**”.

The disclosure is made in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you.

Yours faithfully,  
For **Hindustan Foods Limited**

**Bankim Purohit**  
**Company Secretary**  
**ACS: 21865**

Encl. As above





## *Investor Release*

### **Hindustan Foods Limited achieved the highest every half yearly and quarterly PAT owing to commercialization of new facilities**

Hindustan Foods Limited (“HFL” or the “Company”), a diversified FMCG contract manufacturer, announced its unaudited financial results, for the quarter and half year ending 30<sup>th</sup> September 2023.

#### **Key Consolidated Financial Highlights for H1FY24 are as follows:**

- **Revenues** remained flat at Rs 1,297.1 Crores in H1FY24 from Rs 1,262.3 Crores in H1FY23
- **EBITDA grew by 29%** to Rs 106.9 Crores in H1FY24 from Rs 82.7 Crores in H1FY23
- **PAT increased by 42%** to Rs 48.0 Crores in H1FY24 from Rs 33.8 Crores in H1FY23

#### **Key Consolidated Financial Highlights for Q2FY24 are as follows:**

- **Revenues** remained flat at Rs 677.0 Crores in Q2FY24 from Rs 663.7 Crores in Q2FY23
- **EBITDA grew by 26%** to Rs 55.6 Crores in Q2FY24 from Rs 44.0 Crores in Q2FY23
- **PAT increased by 31%** to Rs 24.7 Crores in Q2FY24 from Rs 18.9 Crores in Q2FY23

#### **Operational Updates**

- The factory being set up in Guwahati, Assam for the manufacture of juices is progressing well and is expected to start commercial production by Q4FY24
- The Company’s capex plans for setting up the Soap & Bars project was commercialized in Q1FY24 and continues to ramp up satisfactorily
- The upgradation capex in the beverage facility in Mysuru for the new MNC customer was completed and commercial production has started in the month of October

#### **Other Updates**

- The company is raising funds to the tune of Rs. 400 Crores in form of preferential warrants to be used as a growth capital
- The Company plans to invest up to Rs. 100 Crores to set up, acquire and invest in area of sports shoe manufacturing. As a part of this capex, Company has executed a share purchase agreement to acquire 100% share capital of KNS Shoetech Pvt. Ltd.
- The Board has authorized an investment of Rs. 75 crores for setting up a Greenfield Ice Cream facility
- The Company’s acquisition of the Baddi factory is delayed due to the statutory approvals. The Management now expects to close the transaction towards the end of Q3FY24



**Commenting on the results, Sameer R. Kothari, Managing Director said,** *“The overall slowdown in the FMCG demand and the deflation in the commodity prices continues to affect the short-term performance of the company. Additionally, the delay in getting the approvals for our Baddi acquisition have also hurt our plans for this financial year.*

*However, we do believe that this phase is temporary and that this environment will lead to further consolidation of the industry and offer interesting opportunities for M&A. We have accordingly, decided to raise some capital in the form of warrants which will not only give us access to the capital but will also allow us the luxury of drawing down this capital as and when these opportunities manifest.*

*One such opportunity identified by the company is in the sports shoe manufacturing sector where the company has agreed to invest up to Rs. 100 crores. We do believe that this sector will see some unprecedented growth aided by the tailwinds of government policies and global realignment of supply chains. Another sector is ice cream manufacturing where we have further authorized an investment of Rs. 75 crores as we believe that per capita consumption and increasing reach of e-commerce will lead to a further decentralization of the supply chain and require more capex for setting up manufacturing facilities.*

*We continue to be bullish about the Indian consumption story and are still confident of reaching our stated target by FY25.”*

**Commenting on the Financial Performance, Mayank Samdani, Group CFO said,** *“While our turnover for the quarter on a consolidated basis was flat with a growth of only 2% YoY, the PAT rose by 31% YoY.*

*Our PAT for the quarter surpassed its previous high owing to the commercialization of the new facilities and thus for the half year also, we have posted our highest ever PAT of Rs. 48.0 crores. We were able to achieve 21% RoE which we expect to sustain.*

*Our consolidated cash flow from operations was stable in spite of the increase in the inventory levels due to the commencement and ramping up of the new facilities.”*

#### **About Hindustan Foods Limited**

HFL was founded in 1984. The Company offers dedicated and shared manufacturing services to FMCG corporates who are looking to minimize cost while maximizing product quality in the post-GST environment. In 2013, Vanity Case India Private Limited (“**Vanity Case Group**”) bought a controlling stake in HFL and since then the Company has diversified across various FMCG categories with manufacturing competencies in food & beverages, home care, fabric care, beauty & personal care, health care & wellness, leather & sports footwear, and household insecticides, amongst others. The Vanity Case Group was founded in the year 2001 and is a large and diversified FMCG contract manufacturers in India. Over the years, HFL has transformed into a scalable, profitable, and a diversified contract manufacturer catering to various marquee customers.





### **Safe Harbor Statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results, accordingly, investor's discretion is advised with respect hereto. Certain statements in this release contain words or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those anticipated in the forward-looking statements. HFL assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

This press release is for information purposes only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of the Company and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This press release is not a complete description of the Company. Any opinion, estimate or projection herein constitutes a judgment as of the date of this press release, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. All information contained in this press release has been prepared solely by the Company. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this press release. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this press release comes should inform themselves about, and observe, any such restrictions.

### **Contact Details**

<b>Company:</b>	<b>Investor Relations Advisors:</b>
<b>Hindustan Foods Limited</b>	<b>Strategic Growth Advisors Pvt. Ltd.</b>
CIN: L15139MH1984PLC316003	CIN: U74140MH2010PTC204285
Mr. Vimal Solanki	Mr. Rahul Agarwal / Mr. Karan Thakker
<a href="mailto:vimal.solanki@thevanitycase.com">vimal.solanki@thevanitycase.com</a>	<a href="mailto:rahul.agarwal@sgapl.net">rahul.agarwal@sgapl.net</a> / <a href="mailto:karan.thakker@sgapl.net">karan.thakker@sgapl.net</a>
	+91 98214 38864 / +91 81699 62562
<a href="http://www.hindustanfoodslimited.com">www.hindustanfoodslimited.com</a>	<a href="http://www.sgapl.net">www.sgapl.net</a>

