



# Hindustan Foods Limited

A Vanity Case Group Company

**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. +91-22-61801700 / 01 CIN: L15139MH1984PLC316003

Company Scrip Code: 519126

Date: 11<sup>th</sup> February, 2022

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

Through Listing Centre

Dear Sir/Madam,

**Subject: Press Release**

Please find attached the press release titled “**Hindustan Foods Ltd – Scaling up with focused capital allocation**”.

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 Ltd – Scaling up with focused capital allocation**

Hindustan Foods Limited, India's most diversified FMCG contract manufacturers, announced their unaudited financial results, for the quarter and nine months ending 31<sup>st</sup> December 2021

#### **Key Standalone Financial Highlights for Q3 FY22 are as follows:**

- **Revenues increased by 36% to** Rs 523.41 Crores in Q3FY22 from Rs 384.29 Crores in Q3FY21
- **EBITDA grew by nearly 35% to** Rs 30.14 Crores in Q3FY22 from Rs 22.41 Crores in Q3FY21
- **PBT increased by 48% to** Rs 19.47 Crores in Q3FY22 from Rs 13.19 Crores in Q3FY21

#### **Key Standalone Financial Highlights for 9M FY22 are as follows:**

- **Revenues increased by 60% to** Rs. 1,448.44 Crores in 9MFY22 from Rs. 905.77 Crores in 9MFY21
- **EBITDA grew by more than 40% to** Rs. 85.27 Crores in 9MFY22 from Rs. 59.50 Crores in 9MFY21
- **PBT increased by 67% to** Rs. 54.30 Crores in 9MFY22 from Rs. 32.51 Crores in 9MFY21

#### **Key Updates**

- HFL has acquired 100% stake in Reckitt Benckiser Scholl India (RBSIL), at an approximate outlay of Rs.75 crores which marks HFL's entry into fast growing OTC Healthcare and Wellness segment as a contract manufacturer. Registered as an EOU, the acquired facility is approved by The Medicines and Healthcare products Regulatory Agency ("MHRA"), UK and is currently exporting to more than 20 countries. HFL is expected to leverage the potential by expanding site utilization and capacities and thus increase the share of business for its products worldwide from this site. The company expects to do around Rs. 100 crores of turnover from this facility in FY22-23.
- The Uttar Pradesh Ice Cream Project with an outlay of Rs. 125 crores is progressing well, and installation of machines has commenced. The company remains confident to start commercial production in Q4FY22
- The on-going softness in the FMCG demand has led to a slowdown in the Hyderabad project and it has been delayed. It is now expected to be completed only by Q2FY23.
- The Board had authorised the management to invest in an acquisition of a colour cosmetics manufacturing facility with a total investment of up to Rs 30 crore. The company has invested in AeroCare Personal Products LLP. Aerocare is currently manufacturing various Colour Cosmetics like lipsticks, eye make-up, pressed powders and lip gloss, and also Oral Care, After Shave lotions and Eau de Toilette. The company expects to do around Rs. 100 crore turnover from this facility in the FY22-23.
- Work on setting up a new shoe factory in Tamil Nadu is progressing well. The factory will be making sports shoes/knitted shoes for various customers and we expect to start production in Q1FY23.
- The Hon'ble NCLT Mumbai Bench, in its hearing held on 21st December, 2021 in the matter of the composite Scheme of Arrangement and Amalgamation of Beverage plant at Mysuru and Malt



Beverages plant at Coimbatore, has passed the necessary Order. The Appointed date is 1st April, 2020. The Composite Scheme is expected to be effective from Q4FY22.

**Commenting on the results, Sameer R. Kothari, Managing Director said,** *“I am pleased that the company reported its highest quarterly turnover and highest profit before tax. However, for me personally, the major highlight of the quarter was in the realm of M&A.*

*Acquisitions have been an important part of our growth at HFL. Acquisitions if done right, can help in opening up new business areas and enable an organization to go up the learning curve quicker.*

*With this in mind, we have recently forayed into two different fields via acquisitions. Our acquisition of Reckitt Benckiser Scholl India will enable us to expand our footprint in the OTC Healthcare and Wellness segment as a contract manufacturer. We are very positive on this new development as it helps us to scale up our operations with entering into high-growth Health & Wellness segment.*

*Similarly, our investment in AeroCare, a dedicated manufacturer of Color Cosmetics for a leading brand in the country, marks our entry into color cosmetics and personal care products. The unit was set up in February of 2021 and we are very excited about ramping up this facility to its full potential in the next couple of months.”*

*It is equally true that in case of acquisitions, the work actually begins AFTER the deal is done. This adage was once again proven for us where two of our acquisitions have been losing money for the last couple of years. The beverage business, which is extremely seasonal (main season being February to June), was the biggest casualty of the CoViD and as a result our acquisition of ATC business which happened just before CoViD didn't work out the way I had envisaged. However, I am carefully optimistic that the worst is behind us. The business gets merged into HFL in the MQ of FY22 and we have a solid order book for the MQ and for FY23. Similarly, the Mumbai unit of shoes which we acquired was not performing and we have recently signed a contract with a leading shoe brand to start manufacturing injection molded footwear at this facility from MQ. The turnaround of these two acquisitions is the primary goal of the management for the next few months.*

*With these acquisitions and the organic growth from our existing factories, we are confident about achieving the target of 4,000 crores of turnover by FY25.*

**Commenting on the Financial Performance, Mayank Samdani, Group CFO said,** *“Overall operational performance for the third quarter and the 9 months of FY22 has been in-line with company's internal targets. Our turnover increased by 36% YoY and 12% sequentially. While the increase in the YoY number was due to the ramping up of the new facilities, the sequential increase was primarily due to the inflation in RM/ PM prices which we were able to successfully pass on to the customers.*



*While our profits before tax grew by 48% YoY to Rs.19.5 crores which is the highest ever reported by the company, due to a small accounting technicality, the quarterly PAT is not strictly comparable to the last year. The increase of 40% in the 9 monthly figure reflects the growth as compared to last year.*

*The merger of the Coimbatore & Mysuru factory will be effective in Q4FY22. This along with the upcoming acquisitions will lead to an increase in the turnover of the company on a consolidated basis, to our target of INR 2,000 crores for this financial year.”*

### **About Hindustan Foods Limited**

Hindustan Foods Ltd. was founded in 1984. The Company offers dedicated and shared manufacturing services to top FMCG corporates who are looking to minimize cost while maximizing product quality in the post-GST environment. In 2013, Vanity Case Group bought a controlling stake in Hindustan Foods Ltd. 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 Pest Control. The Vanity Case Group was founded in the year 2001 and is one of the largest and most diversified FMCG contract manufacturers in India. Over the years, HFL has transformed into a scalable, profitable, and the most 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. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

### **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. Vijay Goel
<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:vijay.goel@sgapl.net">vijay.goel@sgapl.net</a>
	+91 9821438864 / +91 9920124357
<a href="http://www.hindustanfoodslimited.com">www.hindustanfoodslimited.com</a>	<a href="http://www.sgapl.net">www.sgapl.net</a>