



Hindustan Foods Ltd.

Registered Office & Corporate Headquarters: Office No.3, Level-2, Centrium, Phoenix Market City,
15, Lal Bahadur Shastri Road, Kurla (W), Mumbai, Maharashtra, India. 400 070.
Email: business@thevanitycase.com Website: www.hflgoa.com
Tel. No. +91-22-61801700 CIN: L15139MH1984PLC316003

Company Scrip Code: 519126

Ref- HFL/03/2019/33

Date- 14th March 2019

To,
General Manager
Department of Corporate Affairs
The Bombay Stock Exchange Ltd.
P.J., Towers, Dalal Street, Fort.
Mumbai – 400 001

Through online Listing Centre

Sub: Intimation of Schedule of Analyst/Institutional Investors for Valorem Analyst Conference 2019.

Dear Sir/Madam,

We wish to inform you that Pursuant to provisions of Regulation 30 with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the management of the Company will be attending the Valorem Analyst Conference 2019, organized by Valorem Advisors to be held on 15th March, 2019 in Mumbai and will be meeting analysts from the investor community to discuss in detail about the ordinary course of business and about the industry. Also please find attached Investor Presentation that will be discussed.

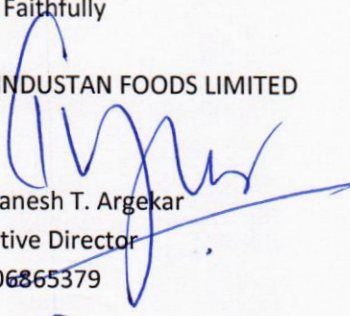
Please note that the above shall be subject to changes, if any.

Kindly take the same on your record and oblige.

Thanking You,

Yours Faithfully

For HINDUSTAN FOODS LIMITED


Mr. Ganesh T. Argekar
Executive Director
DIN: 06865379

Encl- As above



HINDUSTAN FOODS LIMITED

INVESTOR PRESENTATION | MARCH 2019



Executive Summary

- Founded in 1984, Hindustan Foods Limited (HFL) offers reliable contract manufacturing services across India to top FMCG customers 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. from Dempo Group of Goa and since then the company has diversified across various FMCG categories with manufacturing competencies in Food & Beverages, Home & Personal Care, Fabric Care, Leather products.
- HFL has a market capitalization of approx. INR 5,000 Mn as on 1st March, 2019.

Manufacturing Facilities

Goa	Jammu	Puducherry	Mumbai	Coimbatore	Hyderabad*
Key Clients: Danone, Marico, Raptakos Products: Extruded Cereals Brands: Farex, First Food, Easum	Key Client: Reckitt Benckiser Product: Pest Control (Coils, Vaporisers, Aerosols) Brand: Mortein	Key Clients: Jomos, Gabor, Hush Puppies, US Polo, Bata Products: Shoes / shoe uppers for men, women and children	Key Clients: Espirit, Saks Fifth Avenue, Dune, Myntra, Lollipop, Flipkart. Products: Shoes for women, men and children	Key Client: Hindustan Unilever Products: Tea, Coffee Brands: Tea- Taj Mahal, Lipton, 3 Roses Coffee- Bru	Key Clients: Hindustan Unilever Products: Detergent Powder and Liquid Soaps Brands: Rin, Wheel, Surf Excel

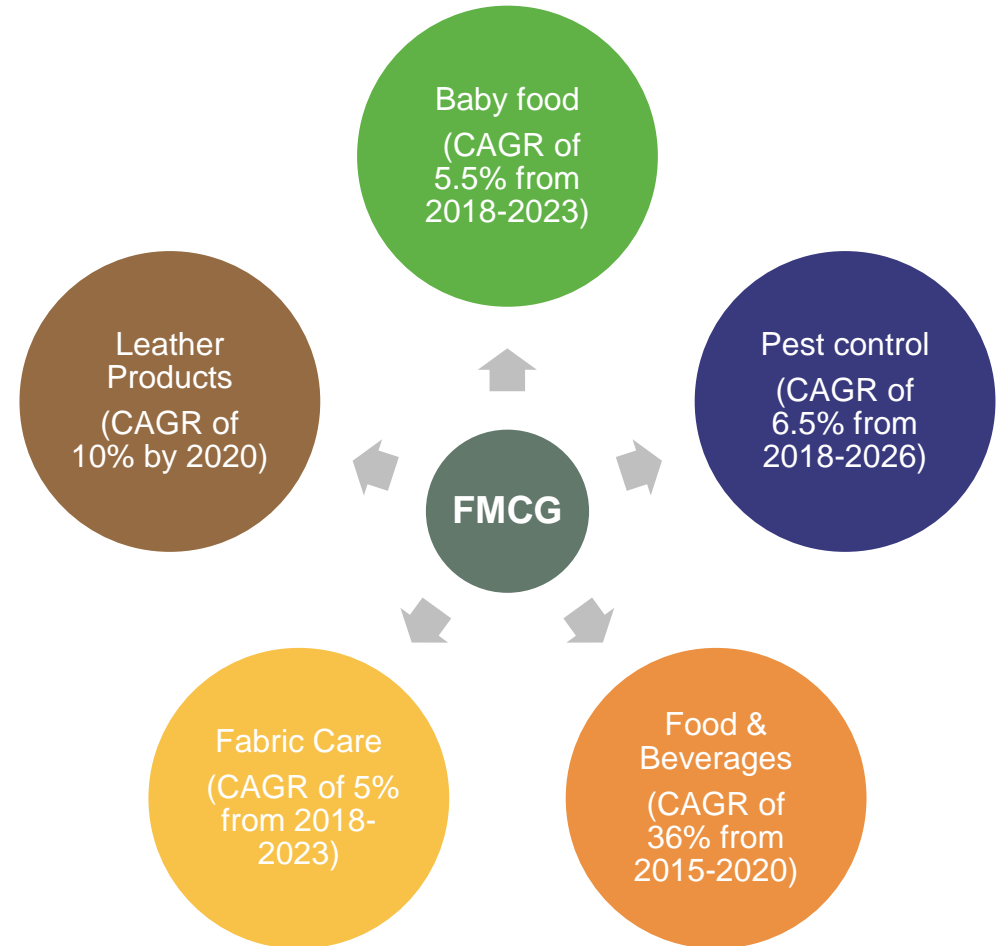
FY18 Financials (Mn)

Total Income	EBITDA	PAT
FY18: INR 1,400 Mn 9M-FY19: INR 1,532 Mn	FY18: INR 112 Mn 9M-FY19: INR 152 Mn	FY18: INR 63 Mn 9M-FY19: INR 80 Mn

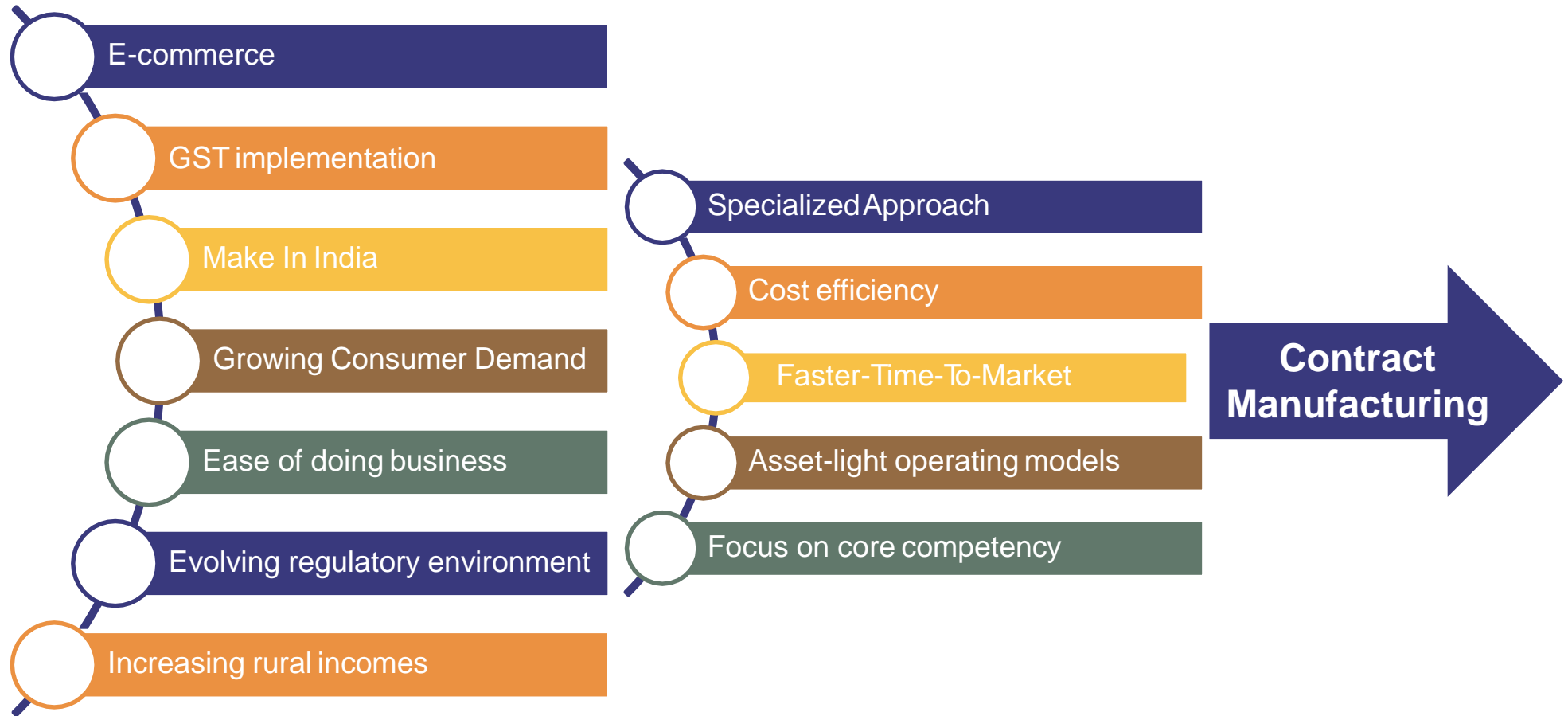
* On-going Merger

**The age of contract manufacturing as a distinctive sector has arrived.
Hindustan Foods is very well placed to continue leveraging India's consumption story.**

- According to a report by IBEF, India's FMCG market is expected to grow at a CAGR of 27.86% to reach USD 103.7 Bn by 2020 from USD 53.8 Bn in FY18. **Contract manufacturers are expected to aid this growth.**
- Rising cost of raw materials, logistics and labour have become a global concern, and in order to reduce costs across the value chain, FMCG companies continue to look for organized partners for outsourcing their production.
- New evolving brands may not have the necessary expertise or ability to setup manufacturing facilities and would prefer contract manufacturing.
- Due to the US-China trade war, India's exports of consumer goods to the US are increasing, leading to more companies turning towards India for contract manufacturing.
- GST implementation has led to decentralization of manufacturing facilities and has given more opportunities to this sector to cater to the needs of the FMCG companies looking forward for expansion.



Growth Drivers



IT'S AN AGE OF CHANGE

NEED OF THE HOUR

WE ARE THE SOLUTION



COMPANY OVERVIEW

Company Overview

Introduction

- Hindustan Foods Ltd. (HFL) was founded in 1984 and was promoted by the Dempo Group.
- In 2013, the Vanity Case Group acquired a controlling stake in the company.
- The Vanity Case Group was founded in the year 2001 and is one of the largest and most diversified FMCG contract manufacturers in India, under the visionary leadership of Mr. Sameer Kothari.
- Since then HFL has transformed into a scalable, profitable, diversified contract manufacturer catering to various marquee customers.
- The company has a vision of growing 20x by 2020 to reach a turnover of INR 1,000 Crores, through various organic and inorganic strategies.

Business Models

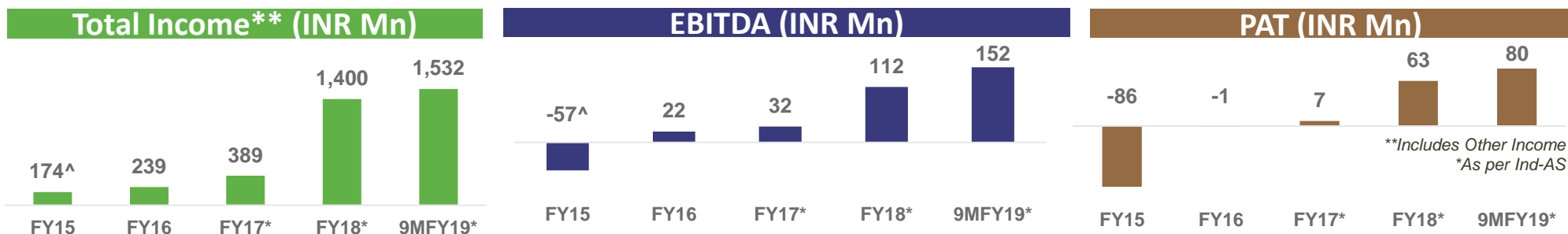
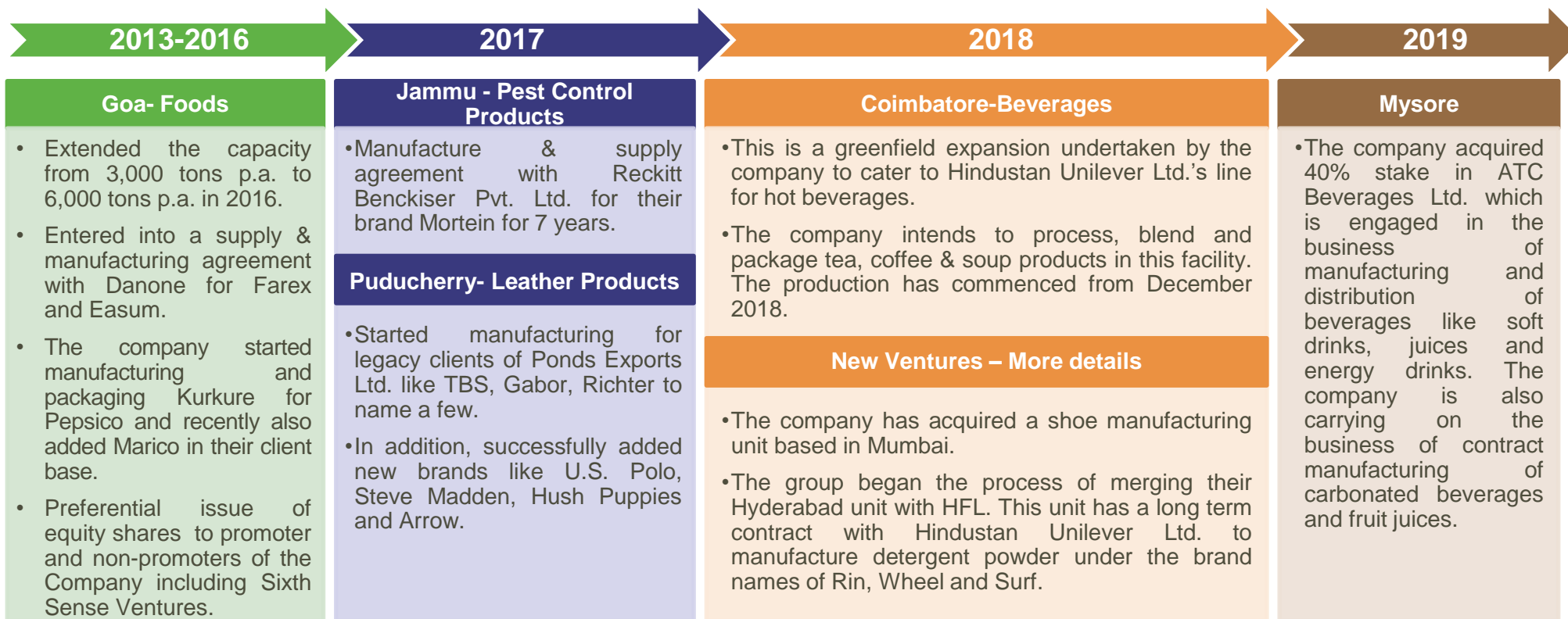
Contract Manufacturing	<ul style="list-style-type: none">• Many products for multiple clients manufactured at one facility• Contracts are typically for seasonal clients and are flexible in nature.
OEM Manufacturing	<ul style="list-style-type: none">• Sets up or acquires the manufacturing facility for the principal.• Contracts are long term in nature.• Categories under this model:<ul style="list-style-type: none">• Dedicated manufacturing• Anchor-tenant manufacturing
Private Labels	<ul style="list-style-type: none">• Developed by the company will be based on extensive research and testing methods.• Provides specialised formulations, packaging and brand styling solutions

Key Clients



Company Transformation

HFL has a vision of growing 20x by 2020 and reach a turnover of INR 1,000 Cr.



**Includes Other Income
*As per Ind-AS

Note:
^FY15 does not include a one time loan write back of INR 110 Mn

Board of Directors



Shrinivas Dempo, Chairman

- Shrinivas Dempo is the third-generation entrepreneur and chairman of Goa's Leading business House, Dempo.
- He received a Postgraduate Management Education in Industrial Administration from Carnegie Mellon university, USA.

Nikhil Vora, Non-Executive Director

- Nikhil Vora is the founder and CEO of Sixth Sense Ventures.
- Nikhil was earlier the Managing Director and Head of Research at IDFC Securities.



Rajesh Dempo, Non-Executive Director

- Rajesh Dempo completed his Bachelor of Commerce at the University of Mumbai.
- After completing MBA in London, he returned to Goa and joined Aparant Iron & Steel Pvt. Ltd., a Dempo Group of Company as a management trainee and rose up the ladder to head the same.



Honey Vazirani, Independent – Woman Director

- Honey Vazirani served as the Vice President of Labels & International Business Division at Huhtamaki PPL Limited.
- She has over 27 years of working experience, She holds MBA in Marketing from Chetana College.



Sameer Kothari, Managing Director

- Sameer Kothari is a professional with over 20 years of manufacturing experience and is the promoter of Vanity Case Group.
- He is a Chartered Accountant and holds an MBA from Cornell University (USA).

Ganesh Argekar, Executive Director

- Ganesh Argekar has received B.Sc. (Chemistry) and PGDMM(IIMM) and is the Head-Supply Chain of Vanity Case Group of Companies.
- He has over 22 years of work experience, during which time he has held various managerial positions.



Shashi Kalathil, Independent Director

- He has over 28 years of operating experience across consumer products, telecom, media and entertainment industries.
- Shashi Kalathil is an M.B.A. from the Indian Institute of Management, Bangalore, India and an engineer from Delhi College of Engineering.



Adv. Sudin Usgaonkar, Independent Director

- Sudin Usgaonkar has been an Independent Non-Executive Director for Hindustan Foods Limited since October 31, 2002.



Neeraj Chandra, Independent Director

- Neeraj Chandra was previously associated with Emami Limited as the CEO of their Consumer Care Division and has earlier worked with Britannia and HUL.
- He has 30 years of invaluable experience and is an alumnus of IIM Ahmedabad and IIT Kanpur.

Scale of Operations

Goa

- Hindustan Foods Ltd. plant is located at Usgaon, Ponda, that is spread across 52,625 square meters of area.
- The company manufactures food products such as cereals, porridges and snacks.
- The facility is equipped with the state-of-the-art twin-screw extruder technology to manufacture superior quality cereal-based food products.



Aggregate Capacity: **Coils: 1,200 Mn.p.a**
Vaporizers: 43.2 Mn.p.a - Aerosols: 7.2 Mn.p.a.

Puducherry

- Located at Puducherry, the facility was an acquisition by HFL of Ponds Exports Ltd. which is a subsidiary of Hindustan Unilever Ltd. in 2016-2017.
- The company manufactures Leather shoes.
- Robust quality assurance system, excellent manufacturing practices with the use of KPIs to measure and monitor performance.
- Well equipped design studio with CAD-CAM facility.



Full Shoes Production Capacity: **5 Lakh pairs**
Shoes Uppers Production Capacity: **7 Lakh pairs**

Scale of Operations

Jammu

- The unit is spread across 35,143 square meters of area at IGC II, SIDCO Samba, Jammu.
- The company manufactures pest control products such as coil, aerosols and vaporisers.
- The unit was acquired from Reckitt Benckiser (India) Pvt. Ltd. by the end of 2017 and commenced commercial production from 2nd January, 2018.

Aggregate Capacity: Coils: 1,200 Mn.p.a
Vaporizers: 43.2 Mn.p.a - Aerosols: 7.2 Mn.p.a.



Mumbai

- This unit is located in Mumbai and was acquired as an on-going concern.
- The company commenced production in June 2018.
- The company is manufacturing leather products for women, men and children – slippers, sandals, open toe, high heels, huarache and mules.

Capacity: Sandals 1 Mn pairs p.a
Shoes 0.37 Mn pairs p.a



Scale of Operations

Coimbatore

- Located in Coimbatore, the plant is spread across 85,000 square feet and the facility commenced production in December 2018
- The company intends to process, blend and pack tea, coffee & soup products.
- High speed single-track and multi-track packing line.
- Completely automated end-to-end pneumatic material handling.



Mysore

- The company acquired 40% stake in ATC Beverages Ltd. In January 2019
- The facility is spread across 15.5 Acres of land and is engaged in the business of manufacturing and distribution of beverages like soft drinks, juices and energy drinks
- The facility has fully automated filling and packing lines



Capacity : 5.84 Mn Cs p.a

Hyderabad Merger

The company will be merging this unit on an on-going concern basis from the group company which is in line with the long term plan to consolidate the business.

Purpose of the Merger

- Concentrated management focus on the businesses in a more professional manner
- Operational rationalization, organizational efficiency and optimal utilization of resources
- Providing flexibility in accessing capital, focused strategy and specialization for sustained growth
- Value creation for various stakeholders and shareholders

Details of the Merger

- 42.15 fully paid up equity share of INR 10 of Hindustan Foods Ltd. shall be issued and allotted as fully paid up for every 1 equity share of INR 10 held in the demerged group entity (Avalon Cosmetics Private Ltd)

Status of the Merger

- The process of acquisition has progressed and shareholder's approval has been sought with the directions of the NCLT.

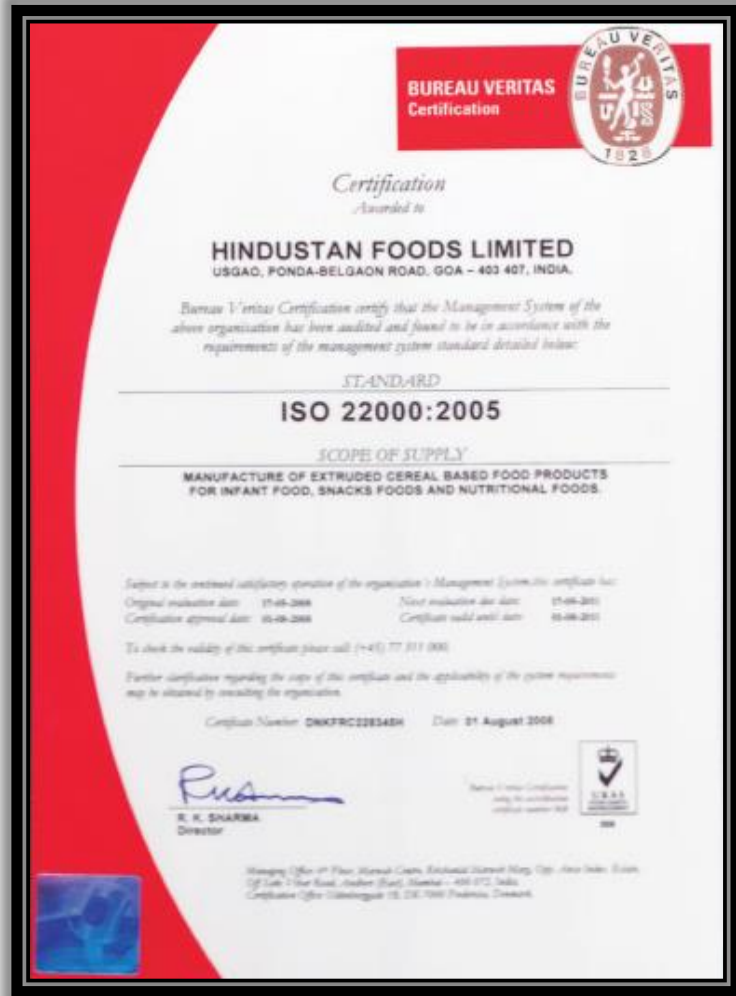
Post Merger

- As soon as the Hyderabad factory is merged into the company, it's turnover of INR 66 Cr for Q3FY19 will reflect in the books of HFL as per the statutory process. In the 9 months of FY19, the Hyderabad unit has already achieved a turnover of INR 188 Cr.
- The company will invest up to INR 100 Cr in building up liquid detergent manufacturing facility in Hyderabad in addition to the existing detergent powder facility. This would be one of the largest detergents facilities in India for the said principal.



- **Key Clients:** Hindustan Unilever
- **Products:** Detergent Powder and Liquid Soaps
- **Brands:** Rin, Wheel, Surf Excel

Food Safety and Certifications



BRC (British Retail Consortium), an industry wide benchmark for quality and food safety

BIS (Bureau of Indian Standards) | ISO 9001:2008 | ISO 9001, ISO 22000:2005 | GMP | Halal certification



BUSINESS MODEL

Contract Manufacturing



1 unit



many clients



Multiple products

Introduction

- Contract Manufacturing is a process of outsourcing a part or the whole manufacturing process of a product to a third party. For the company under this model, the manufacturing units are utilized for various client companies in order to manufacture part of their requirements.
- The company's prime objective is to provide contract manufacturing solutions for MNCs and emerging businesses. With our experience in manufacturing, we have excelled in reducing production costs while maintaining premium quality as per the specifications.
- These contracts are typically for seasonal clients, product testing and smaller companies without manufacturing capabilities. The contracts are not long term and are flexible in nature, in terms of volume, product categories and size. Competitive products are made in the same facility.

Bata

 **PEPSICO**

ESPRIT



 **OCEAN**
beverages

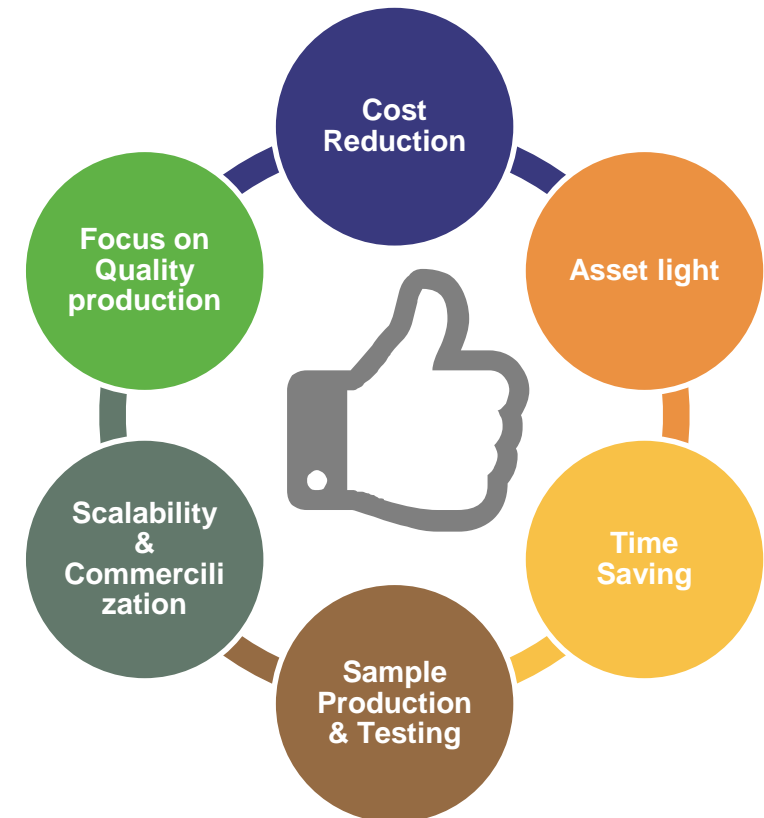
 **marico**

Gabor



Your Brand Our Expertise

Advantages



OEM Model

- Under this model, the company either does the greenfield expansion of the manufacturing facility for the principal or acquires the facility from the principal.
- The company ensures that there are long-term contracts in place before acquiring or setting up such manufacturing units.
- This model can be categorized: Entire Dedicated Model & Anchor Tenant Model.

Entire Dedicated Manufacturing



=



+



1 unit

1 client

1 product

- In this model, the entire manufacturing facility is exclusively utilized for the principal company.
- The location, layout, design, machinery, capacity and all other parameters of the unit are finalized and executed in complete concurrence with the principal in this case.
- The investment, project execution and management of the facility is done by the company.
- The principal guarantees the business for a minimum number of years and returns on investments (ROI).
- Jammu, Coimbatore and Hyderabad plants are dedicated manufacturing units.



Hindustan Unilever Limited

Anchor Tenant Model



=



+



+



1 unit

1 anchor client

few small clients

Few products

- In this model, the manufacturing facility is not entirely dedicated to a single principal company but the capacity is shared by various companies for a longer period of agreement.
- The anchor tenant enjoys all the privileges of a principal, however there will be a few minor partners sharing the facility. This helps to spread the overheads and bring down the costs.
- The Goa unit of the company manufactures various extruded food products for various companies.



Reckitt
Benckiser



DANONE

Private Labels

Introduction

- Private label is the process of taking a manufacturer's formulation and designing and adding your name and logo to it.
- Private labels are developed based on extensive research and testing methods which can be similar but not a replication of any other product. Efficacy, quality and value are key factors in all the procedures.
- Hindustan Foods Ltd. is responsible right from procurement of raw materials, development to packaging of the products. The company owns the product formula made for these private labels.
- Private-label services offer a number of customizable options and requirement levels at competitive prices. The focus is to ensure that customers are provided with complete turnkey private labelling solutions.
- The company has expertise in developing foods, beverages, leather products and pest control products for private labels.
- The company utilizes their skilled team of designers in conceptualizing the product's unique corporate identity.

Clientele



Your Concept Our Expertise

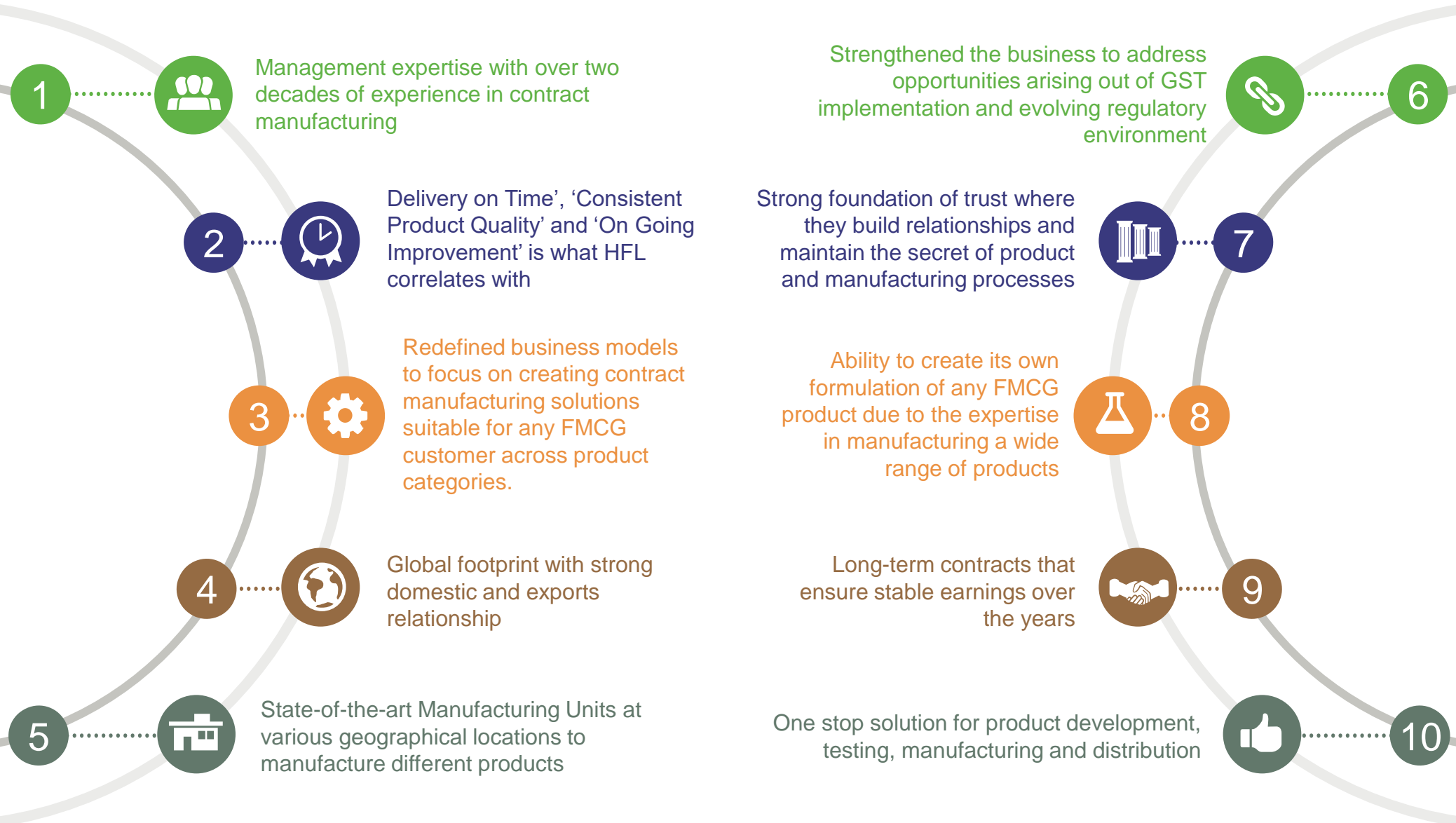
Advantages

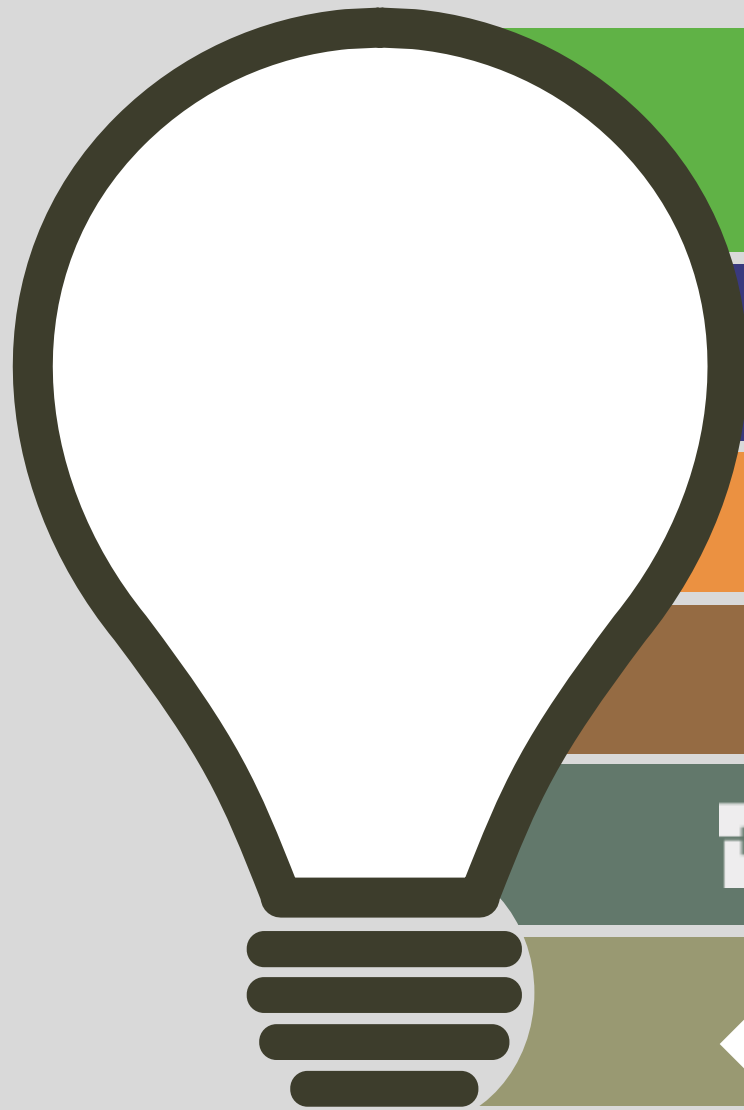




STRATEGIC OVERVIEW

WHY HFL?





There is a growing opportunity in the contract manufacturing space in India as the space is not marked by a large number of organised players with access to financial resources, execution capability, ability to manage multi-locational facilities or possessing diversified business across verticals, products, customers and locations.



The company possesses the ability to address product complexity on one hand and the ability to respond to small volumes needed by fledging customers on the other.



HFL represents an attractive gateway for international brands seeking to prospect marketing opportunities in India without spending extensively in setting up manufacturing facilities.



The company has strengthened its capital structure by raising equity to capitalise on emerging opportunities.



GST implementation also opens up the opportunity for setting up manufacturing units across India and not just in tax-exempt zones.



The company plans to add value by growing organically and inorganically through bolt-on acquisitions, which is the need of the hour in the contract manufacturing sector.

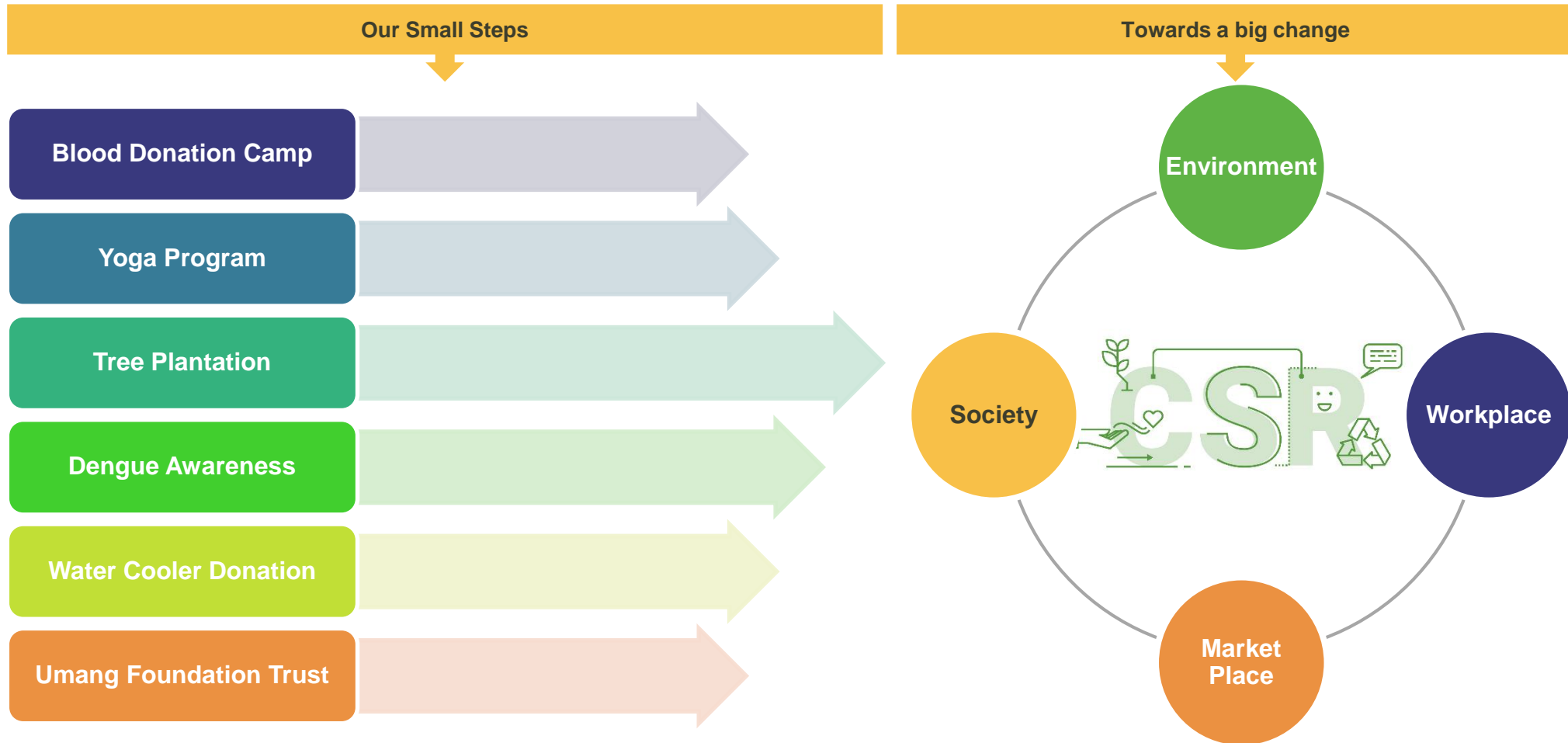




CORPORATE SOCIAL RESPONSIBILITY

Social Initiatives

We all have a social responsibility and have to be mindful of what we do and say.



Tree Plantation



Ashram Monthly Donation



Yoga Program



Donation of Water Cooler





FINANCIAL OVERVIEW

Income Statement

Income Statement (INR Mn)	FY15	FY16	FY17**	FY18**	9M-FY19
Total Income*	174 [^]	239	389	1,400	1,532
Total Expenses	231	217	357	1,288	1,380
EBITDA	(57)	22	32	112	152
Depreciation	13	13	14	12	20
Interest	16	10	9	13	23
PBT	(86)	(1)	9	87	109
Tax	-	[^]	2	24	29
Profit After tax	(86)	(1)	7	63	80
PAT Margins(%)	NA	NA	1.80%	4.50%	5.22%
Other Comprehensive Income	-	-	(2)	-	-
Total Comprehensive Income	(86)	(1)	5	63	80
Diluted EPS (INR)	NA	NA	0.65	4.81	6.04

Notes:

*Includes Other Income

**As per IND-AS

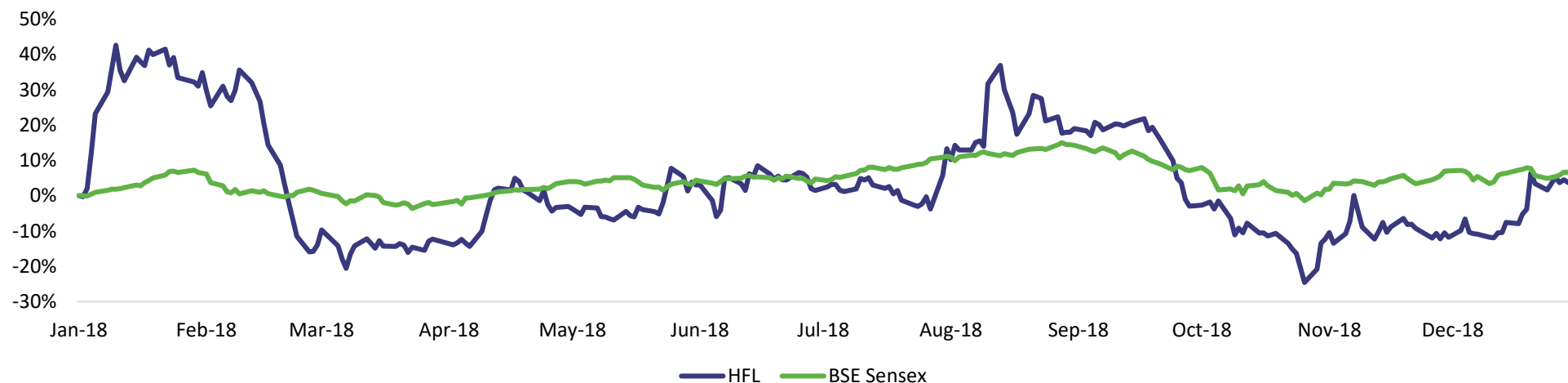
[^] Exceptional Items:

- FY15 does not include a one time loan write back of INR 110 Mn.
- FY16 does not include a deferred tax asset of INR 14 MN

Balance Sheet (As per IndAS)

PARTICULARS (INR Mn)	FY17	FY18	H1-FY19	PARTICULARS (INR Mn)	FY17	FY18	H1-FY19
EQUITIES & LIABILITIES				ASSETS			
Shareholder Funds				Non Current Assets			
Share Capital	130	130	135	Property, Plant and equipment	94	390	398
Other Equity	190	253	444	Capital Work in Progress	33	30	183
				Intangible Assets	-	1	20
Non Current Liabilities				Deferred Tax Asset (Net)	10	2	-
Long Term Borrowings	51	294	268	Long Term Loans & Advances	3	2	4
Other Long Term Liabilities	-	-	-	Other Non-Current Assets	33	27	15
Other Financial Liabilities	1	6	17	Other Financial Assets	3	1	2
Long Term Provisions	3	4	5	Non-Current tax assets	-	6	12
Current Liabilities				Current Assets			
Short term Borrowings	-	31	93	Inventories	59	244	264
Trade Payables	109	415	395	Trade Receivables	68	291	271
Other Current Liabilities	15	14	23	Cash & Bank Balances	162	66	126
Other Financial Liabilities	1	12	39	Short-term loans & advances	-	-	-
Provisions	1	2	2	Other Financial Assets	10	45	42
Deferred tax liabilities (Net)	-	-	2				
Current Income Tax	1	14	28	Other Current Assets	27	70	114
GRAND TOTAL - EQUITIES & LIABILITIES	502	1,175	1,451	GRAND TOTAL – ASSETS	502	1,175	1,451

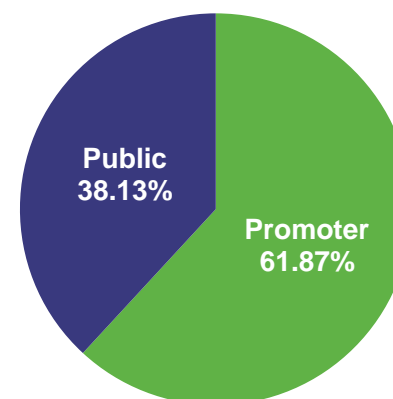
Share Price Performance (As on 31st December, 2018)



Market Data (INR) (As on 31st December, 2018)

Face Value	10.0
CMP	343.3
52 Week H/L	499.95/252.8
MCAP (Mn)	4589.5
Shares O/S (Mn)	13.49
1 Yr Avg. Vol. ('000)	2.49
1 Yr Avg. T/O (Mn)	7.32

Shareholding Pattern (As on 31st December, 2018)



Disclaimer

*No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of **Hindustan Foods Limited** ("**Company**" or "**HFL**" or "**Hindustan Foods Ltd.**"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.*

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

For further information please contact our Investor Relations Representatives:



Valorem Advisors

Mr. Anuj Sonpal, CEO

Tel: +91-22-49039500

Email: hfoods@valoremadvisors.com



THANK YOU