



HINDUSTAN FOODS LIMITED

A Vanity Case Group Company

A Government Recognised Two Star Export House

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15, Lal Bahadur Shastri Road, Kurla (West), Mumbai, Maharashtra, India, 400 070.

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

Date: May 21, 2024

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 “**A Strong Foundation for Success: FY24 results shows promise, despite challenges**”.

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 and Legal Head
ACS: 21865

Encl. As above





Investor Release

A Strong Foundation for Success: FY24 results shows promise, despite challenges.

Hindustan Foods Limited (“HFL” or the “Company”), a diversified FMCG contract manufacturer, announced its audited financial results, for the quarter and year ending 31st March 2024.

Key Consolidated Financial Highlights for FY24 are as follows:

- **Revenues increased by 6%** to Rs 2,761.9 Crores in FY24 from Rs 2,602.6 Crores in FY23
- **EBITDA grew by 29%** to Rs 228.9 Crores in FY24 from Rs 177.7 Crores in FY23
- **PAT increased by 31%** to Rs 93.0 Crores in FY24 from Rs 71.1 Crores in FY23

Key Consolidated Financial Highlights for Q4FY24 are as follows:

- **Revenues increased by 11%** to Rs 734.4 Crores in Q4FY24 from Rs 660.7 Crores in Q4FY23
- **EBITDA grew by 28%** to Rs 64.0 Crores in Q4FY24 from Rs 50.0 Crores in Q4FY23
- **PAT increased by 13%** to Rs 22.9 Crores in Q4FY24 from Rs 20.2 Crores in Q4FY23

Key Business Updates

- The factory set up in Guwahati, Assam for Juices commenced production as per schedule. Total capex incurred for the same is ~Rs. 20 crores.
- The scope of work for the new ice cream factory being set up in Kundli, Haryana, has increased. This will result in an overall capex of ~Rs. 150 crores as against an earlier estimate of Rs. 100 crores. The company expects to commence production by Q3FY25.
- Investment of Rs. 50 crores planned at Hyderabad plant for expansion.
- The Board has approved to invest up to Rs. 40 crores in the Colour Cosmetics plant located at Silvassa.
- Investment of Rs. 20 crores for expansion of capacity at Ice cream plant in Lucknow.
- The Mysuru Beverage plant has turned around in FY24 owing to strong seasonal demand.
- The Company has completed the acquisition of all the facilities under KNS Shoetech. Operations are expected to stabilize from Q2FY25 onwards.
- The delayed ramp up of the acquired Baddi factory has led to significantly lower revenues from this factory in comparison to the expectation.



Strategic Update

- HFL Board has authorized to commence exploratory steps for examining a potential de-merger to integrate promoter owned factory at Nashik Plant with HFL, which is subject to further consideration and deliberation to be carried out by BOD (including relevant committee(s) thereof) at relevant point in time and procedures to be followed by company as per applicable laws. This is a dedicated plant manufacturing soup and meal makers for a leading FMCG player
- The Company has commenced trial production of sports shoes at two new locations in the south and expects to ramp them up in Q2FY25.

Commenting on the results, Sameer R. Kothari, Managing Director said, *“We posted a decent set of numbers in spite of the quarter being affected by the integration of the two of the largest acquisitions done by the company so far. This quarter has been a testament to the fact that the hard work for M&A starts after the transaction is completed.*

This quarter saw us integrating the Baddi unit, a factory with complicated regulatory requirements and KNS Shoetech, a business with nearly 5000+ people. The integration is progressing well and I am confident that we should be able to start seeing the benefits of the integration within the next quarter or so.

In terms of overall numbers, while the slowdown in consumption continues to affect our growth plans, I am confident that the steps that we have taken in terms of diversifying our product base into newer areas should help us continue our growth journey ahead. We remain committed to achieving our revenue target of Rs. 4,000 Crores for FY25.”

Commenting on the Financial Performance, Mayank Samdani, Group CFO said, *“The company has posted a record EBITDA of Rs. 64.0 Crores for the quarter and Rs. 228.9 Crores for the financial year 2024. The company had an additional expense of nearly Rs. 8 crores on depreciation and interest as compared to the previous quarter mainly due to the acquisitions of Baddi and shoe units. However, the slow ramp up of Baddi factory due to the licensing and other regulatory issues did not result in commensurate revenues, thereby impacting the PBT and the PAT for the quarter.*

The Company had to invest in working capital in the form of raw material, packaging material and finished goods due to the acquisition of the Baddi and the shoe units. In spite of that, the company generated a healthy cash flow from operations of Rs. 87 crores.”

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 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.

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