



VADILAL INDUSTRIES LTD.

REGD. OFFICE : "VADILAL HOUSE"

53, SHRIMALI SOCIETY, NR. NAVRANGPURA RLY. CROSSING, NAVRANGPURA, AHMEDABAD - 380009.

TELE. NO. : (91) (79) 26564019-24 FAX : (91) (79) 26564027

CIN No: L91110GJ1982PLC005169

VISIT US ON : <http://www.vadilalgroup.com>

Email: nikhilpatel@vadilalgroup.com

21st August, 2015

To,
The National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.

Dear Sir,

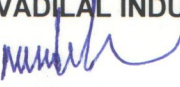
Sub : **Corporate Announcement.**
Ref : **Security Code No. VADILALIND-EQ**

With reference to the captioned subject, please find enclosed herewith a Corporate Presentation related to the Company made to Institutional Investors of the Company.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For **VADILAL INDUSTRIES LIMITED**


(NIKHIL PATEL)
Company Secretary &
Compliance Officer

Encl : As above

VADILAL INDUSTRIES

Corporate Presentation



Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Vadilal Industries will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances.

Vadilal Industries Overview

Financial Performance Trends

Q1FY16 Financial Performance

Outlook



SAFFRON
DELITE

SILK
CHOCOLATE

PRALINE N
CREME

Vadilal Industries Overview



108-year old, established ice cream brand

- Currently managed by fourth generation promoter family
- Selected India's most trusted ice cream brand in 2013 and 2014 by the Brand Trust Report

Largest range of ice creams of any company in India

- Top 3 ice-cream brand in the country , 150+ flavors
- 300 SKU's of cones, candies, bars, ice lollies, cups, family packs, economy packs

Second largest ice cream manufacturer in India by volume

- Leadership in Gujarat, Rajasthan, UP, Uttarakhand, Haryana and Chandigarh

Strong distribution network in North, West and East India

- 16 states, 50 CNF's, over 800 distributors, 250 distribution vehicles, 55,000 retail outlets

Expanding global business presence

- Products reach 45 countries across four continents
- 80% contribution from exports in processed foods segment

Indian Ice Cream Market



Evolving perceptions

- Ice cream is transitioning from periphery to mainstream, from occasional indulgence to snacking option

Changing demand patterns

- Transition from seasonal to year-long consumption

Growing affordability

- Increased disposable incomes and discretionary spending driving secular demand growth

Premiumization trends

- Consumers receptive to spending on high quality products that meet their rising aspirations

Innovative product development

- Shift from limited portfolios of traditional products to innovative, global-standard offerings

Expanding customer choices

- Local brands competing with international players, leading to market expansion

Significant headroom for growth

- India's current annual per capita consumption of 400 ml vs 2.3 liters world average, Chinese consumption is 20X India's

Nationwide retail expansion

- Rapid expansion of retail network leading to product availability and convenience

Vadilal: Growth Strategies



Ice Creams - Brands Portfolio



Processed Foods Business



- Global business selling to 45 countries in four continents
- Strong distribution to Indian diaspora, being further developed with new product launches
- Expanded export markets from 12 SKU's supplied to seven countries in 1991 to 100+ SKU's to 45 countries currently
- Expanded domestic market from 18 SKU's sold in Gujarat in 2000 to 75+ SKU's available in five Indian states currently
 - Vadilal Quick Treat brand has expanded presence to Maharashtra/Mumbai
- Aggressively expanding frozen food line, exited from low margin, mango pulp business



Processed Foods - Brands Portfolio



- Processed foods products are marketed under the brand name 'Quick Treat'
- Portfolio includes frozen vegetables, ready-to-eat/ready-to-serve frozen snacks, Indian breads and curries
- Positioned to assist Indian kitchens with traditional home cooking



Vegetables



Breads



Curries



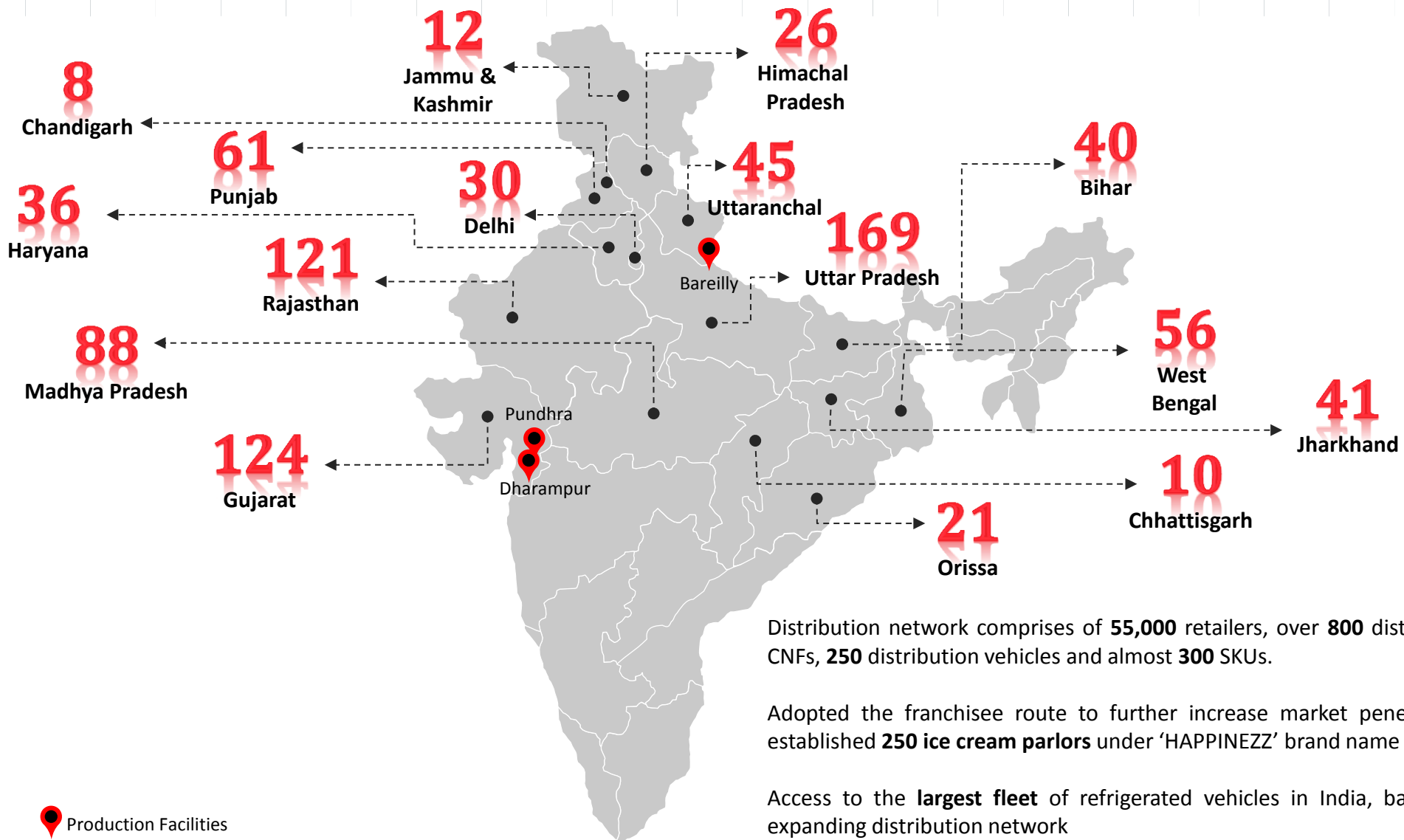
Snacks

- Capacity expanded across production facilities over the last three years,
- Current production on automated processes “untouched by hand”, manual intervention only at packaging stage
- Discontinuing production of non-branded canned pulp products to focus on branded portfolio
- No further capital expenditure anticipated on capacity enhancement over the next three years

Facilities	Capacity	Production	Certification
Bareilly	175,000 liters per day	Ice cream	ISO-22000:2005
Dharampur	33,000 kgs per day	Processed foods	ISO-22000:2005 and BRC : Issue 6
Pundhra	175,000 liters per day	Ice cream	ISO-22000:2005 and BRC : Issue 6



Distribution Presence



Production Facilities

Awards and Accreditations



27 Awards Over 4 Consecutive Years At "The Great Indian Ice Cream Contest"



Ranked No. 18th In The Food Products Category By The Economic Times , 2013



Vadilal Industry Certification
ISO 9001: 2000



Certified by (Bureau Veritas
Certification International - Denmark)
ISO 9001:2000 and
HACCP supported Food Safety
Management System (ISO 22000-2005)
British Retailing Consortium (UK)

Vadilal Quick Treats Unit Is
Certified With BRC, ISO
9001:2008, ISO 22000:2005



Voted As India's Most Trusted
Brand In The Ice Cream
Category By [Trust Research
Advisory Board](#).

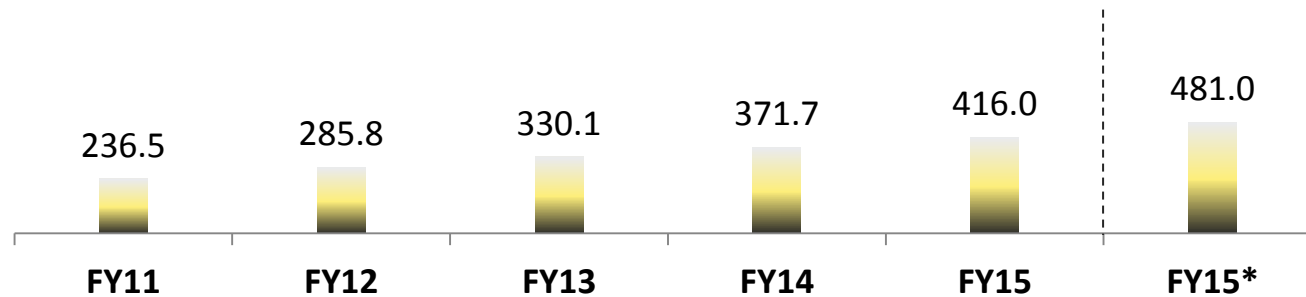
Financials Performance Trends



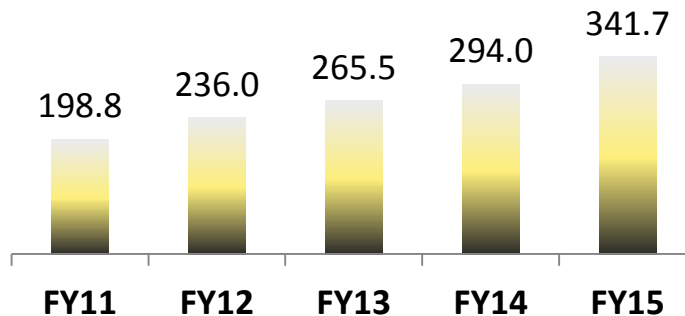
Financials Performance Trends



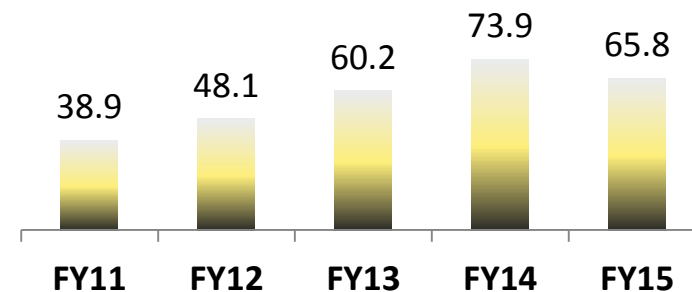
Revenue



Ice Cream



Processed Foods

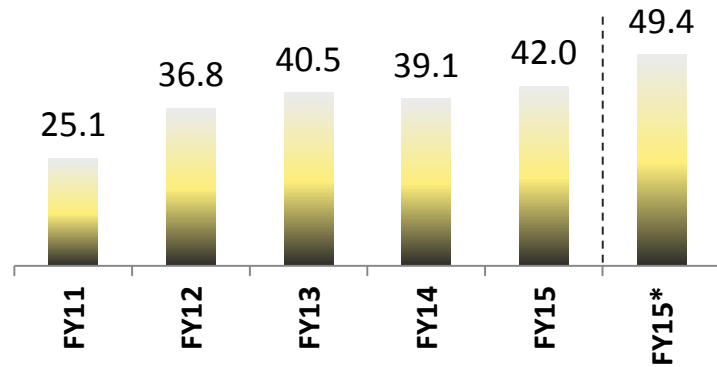


- *Pro-forma financial numbers aggregating the performance of Vadilal Industries Limited (manufacturing company) and Vadilal Enterprises Limited (marketing and distribution company) that are slated to be merged*

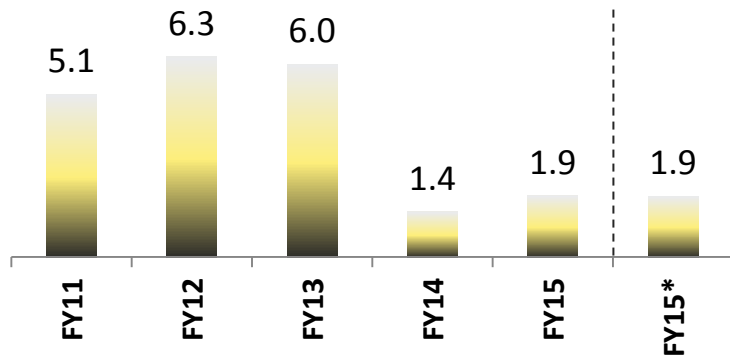
Financials Performance Trends



EBITDA



PAT



Over the last three years, consumer behavior has remained largely subdued. In this period, VIL has delivered about 14% growth from its expanded manufacturing capacities .

The Company has also made substantial investments in adopting technology across various aspects of the business. This includes automating manufacturing processes, food safety standards and enhancing the supply chain.

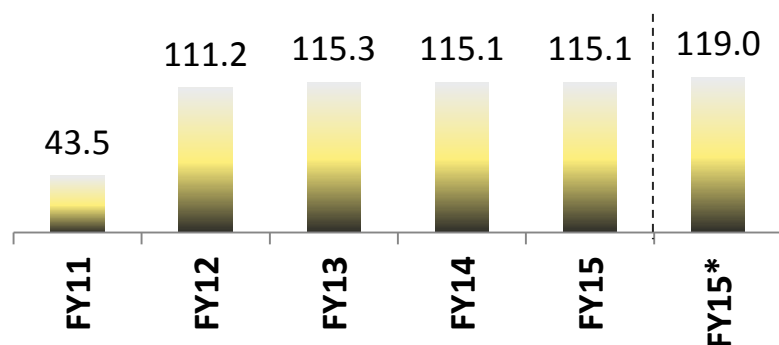
Margins have remained subdued as a consequence. These investments are now expected to fructify into improving financial performance.

- *Pro-forma financial numbers aggregating the performance of Vadilal Industries Limited (manufacturing company) and Vadilal Enterprises Limited (marketing and distribution company) that are slated to be merged*

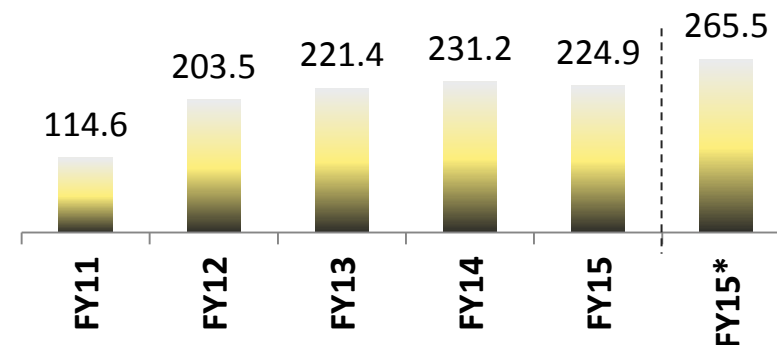
Financials Performance Trends - (Balance Sheet)



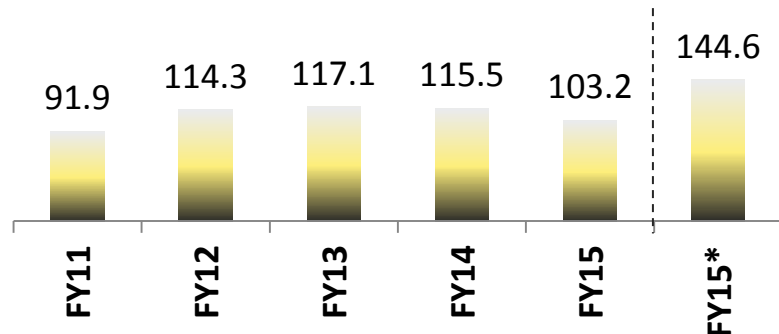
Networth



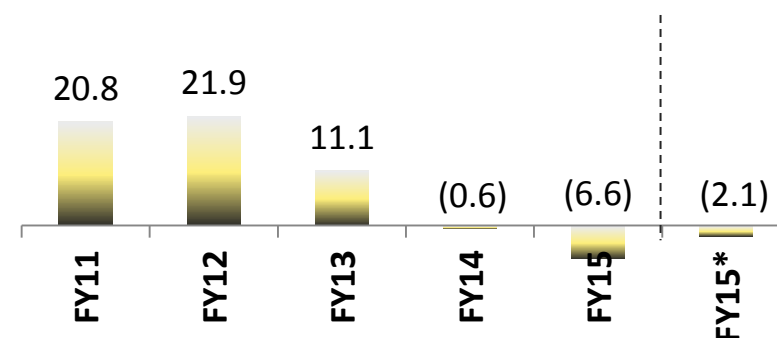
Net Fixed Assets



Non Current Liabilities



Net Current Assets



- Pro-forma financial numbers aggregating the performance of Vadilal Industries Limited (manufacturing company) and Vadilal Enterprises Limited (marketing and distribution company) that are slated to be merged

Q1 FY16 Performance

meltⁱⁿ

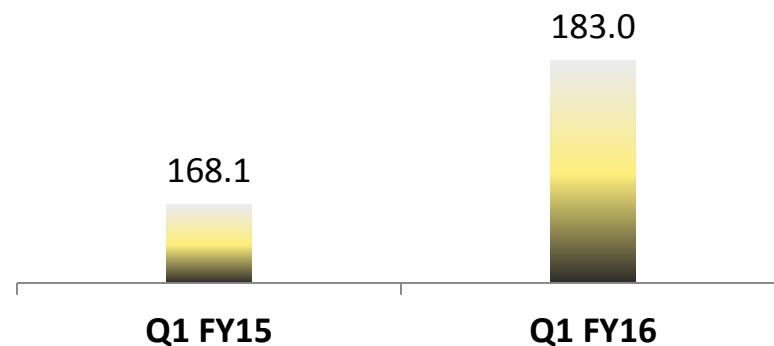
THE ART OF
~ GELATO ~



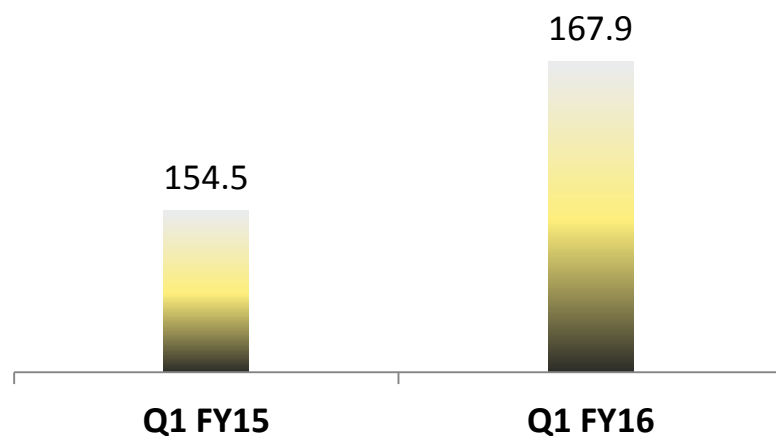
Financials – Q1 FY16 Performance



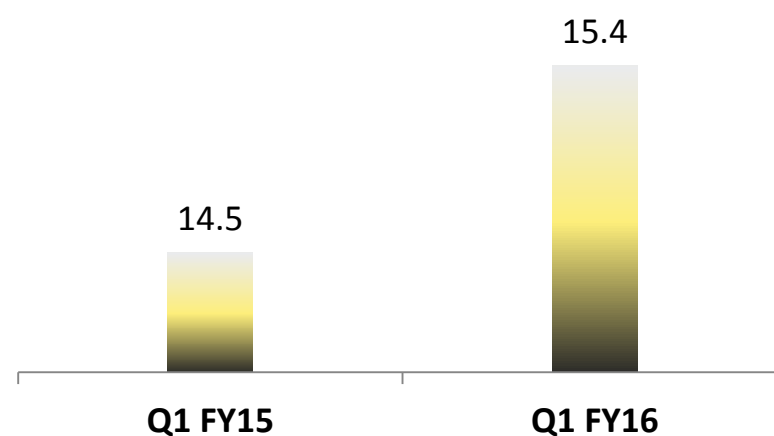
Revenue



Ice Cream



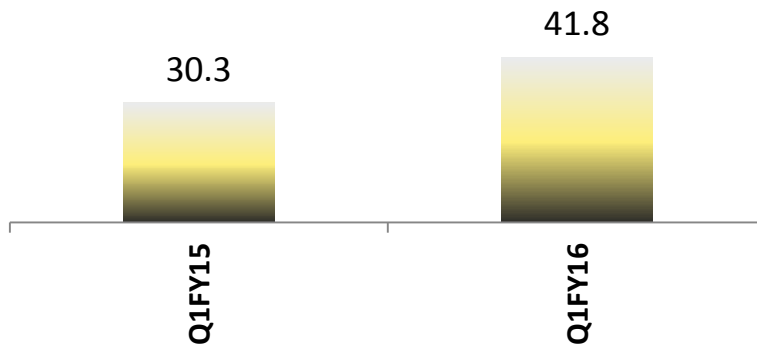
Processed Foods



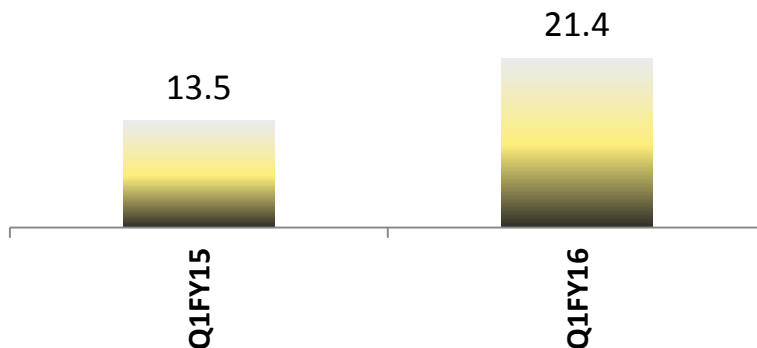
Financials – Q1 FY16 Performance



EBITDA



PAT



Vadilal Industries Ltd.'s, (VIL) 9% growth in Q1 was accompanied by expansion in core product margins at the gross level from 39% to 45% on y-o-y basis during the quarter, reflecting the benefit accruing out of weakness in dairy commodity prices.

The initiatives undertaken in the recent part are creating business efficiencies, which may be expected to deliver financial upsides over the next few years. In Q1, operating/EBITDA margin expanded from 18% to 23%. This improvement is expected to continue into the rest of the year as well.

VIL is also focusing on using its cash flows from operations to reduce debt as existing capacities are sufficient to accommodate expected growth over the next three years.

During FY16, VIL expects to deliver 15% growth in revenues.

Outlook



Planned Initiatives



Corporate Transition

Discontinuation of non-branded/
bulk processed foods to aid debt
reduction

Planned merger of Vadilal Industries
(manufacturing entity) and Vadilal
Enterprises (distribution entity)

Expanding Presence

Production facility planned in Eastern
India – evaluating asset light model

Increasing penetration into 24 states
in India – moving from passive to
aggressive business strategy to
derive benefit from improving
consumer behavior

Product Strategies

Focus on higher value products and
margin expansion – targeting 5%
pricing improvement in the backdrop
of weak cost of inputs and
distribution

Sales & Marketing push –
accelerating new product
development and increasing spend
on promotional activities

Supply Chain Initiatives

Aggressive expansion of distribution
infrastructure/cold supply chain –
annual planned addition of 5,000+
deep freezers

Augmenting distribution
management system that will allow
micro-control over ROI from each
business area and point of sale unit

Rs. 175 crore has been invested over last three years to expand capacity and related infrastructure, currently planned initiatives will further leverage this investment

Contact Us



Kalpit Gandhi
Vadilal Industries Ltd
Tel: +91 79 3015 3000
Email:
kalpit@vadilalgroup.com

Shiv Muttoo / Karl Kolah
CDR-India
Tel: +91 22 6645 1207 / 1220
Email: shiv@cdr-india.com
karl@cdr-india.com



THANK YOU