



2nd February, 2022

BSE Limited Phiroze Jeejeebhoy Towers, Dalal St, Kala Ghoda, Fort, Mumbai - 400001 Code No. 507880 and 959982	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Code - VIPIND
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Subject: Presentations made/being made to analysts / institutional investors

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith presentation being made by the Company to the analysts/ institutional investors.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For V.I.P. Industries Limited

Anand Daga
Company Secretary & Head - Legal

Encl.: As above

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CIN - L25200MH1968PLC013914

AGENDA

01

Q3 FY22 Business performance

02

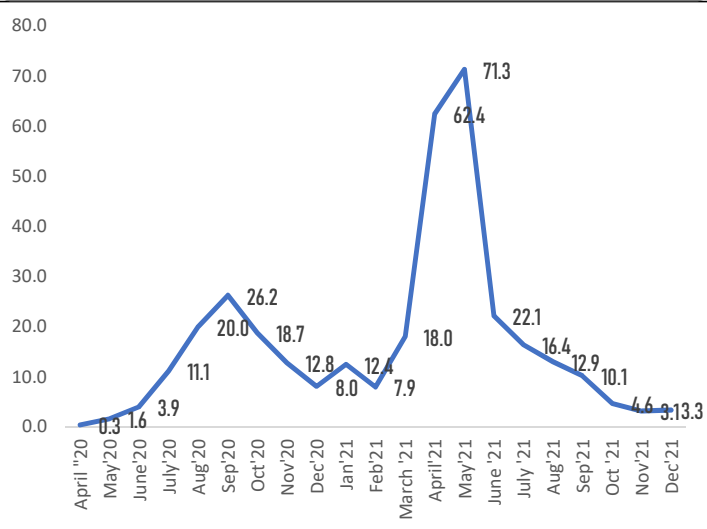
Key business Drivers & Way forward

Q3 FY22 Business Performance

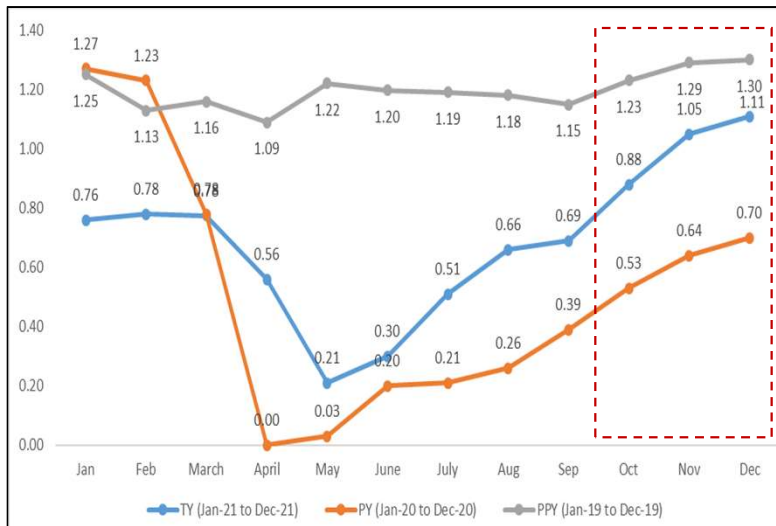


Q3 Business Context

Declining Active cases – Monthly (All India)



Improving Domestic Airline Passenger Traffic (In cr)



Travel Industry Recovery Visible

Revenge tourism is for real!

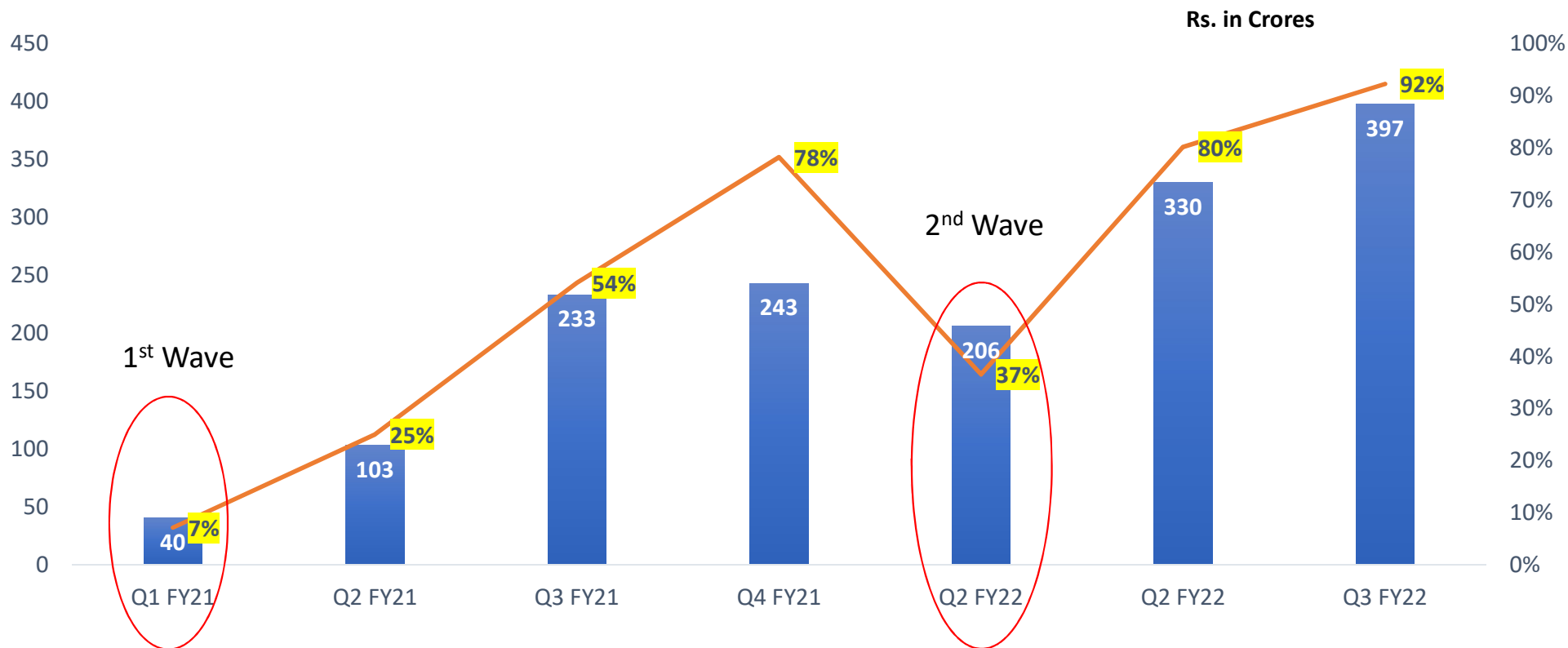
Air travel data for December suggests that when Covid-19 cases subside, people board flights in droves to holiday destinations and temple towns

AMEYA JOSHI
JANUARY 26, 2022 / 11:40 AM IST

HOME MARKETS BE A PRO NEWS PORTFOLIO

- ✓ Demand scenario inching back to pre pandemic levels due to reigned Covid situation, further propelled by a good festive and wedding season
- ✓ However, sharp Inflation on China imports for both RM as well as FG as well as RM prices in India (Plastic as well as Metal) made margin profile unfavorable

Revenue Recovery



Revenue recovery as compared to 2019-20. Recovery seen starting Q3 FY21, however the same got derailed in Q1 FY22 due to 2nd Wave of COVID .

Revenue performance : Luggage Categories & Brands

- ✓ Value Portfolio driving growth in the pandemic era, unfavorable to margins however critical to gain back lost share
- ✓ Q3 witnessed good recovery in premium brands, will need to be accelerated

BRAND SALIENCE	Q3 2019-20	Q3 2020-21	Q3 2021-22
CARLTON	5%	4%	5%
VIP	28%	23%	22%
SKYBAGS	37%	38%	32%
ARISTOCRAT	30%	36%	41%

- ✓ Underlying tail wind in HL category in line with global trends further accentuated with the pandemic, similar for all players
- ✓ Salience increase is fueled by supply conditions in favor of local manufacturing

CATEGORY SALIENCE	Q3 2019-20	Q3 2020-21	Q3 2021-22
HL Uprights	52%	50%	61%
SL Uprights	48%	50%	39%

New

in HL Portfolio
Top sellers



HAVELOCK



ZORRO PRO



PIXEL



ARLINGTON



QUAD



VAULT



WEXFORD NXT



TROOPER



THOR



GLOBE RUNNER



MAXX



CROSS



PORTO



WAVE

Consolidated Financial Results

Rs. in Crores

Particulars	Quarter ended			Year ended		Year ended
	Dec-21	Sep-21	Dec-20	Dec-21	Dec-20	Mar-21
Revenue from Operations	397	330	233	934	376	619
Other Income	9	7	10	31	32	48
Total Revenue	407	337	243	964	408	667
COGS	203	175	143	479	229	366
Gross Contribution	204	162	99	485	178	301
GC Margin (without Other Income)	49%	47%	38%	49%	39%	41%
Employee Benefits expenses	50	44	31	133	99	138
Other Expenses	87	69	51	210	116	180
Total Expenses	137	114	81	343	215	318
EBIDTA	67	49	18	142	-36	-17
EBIDTA Margin	16%	14%	8%	15%	-9%	-3%
Depreciation	17	17	18	53	60	78
EBIT	49	31	0	89	-96	-95
Finance Cost	5	7	8	19	22	30
Profit before Tax	44	25	-8	70	-119	-125
Tax	10	6	-1	16	-25	-27
Profit After Tax	34	19	-7	55	-94	-97

Financial Highlights

- Q3 revenue growth at 120% over Q2 FY22 Sep quarter. Hard Luggage constitutes 48% of total revenue for this quarter.
- Q3 GM after netting of other income is 49% as compared to 47% in Q2 FY22 mainly due to price increase and mix in favour of VIP & Skybags.
- Q3 Overall Expense is at Rs. 137 cr as compared to Q2 FY22 was at Rs. 114 cr. Expenses directly linked to revenue have started going up like freight, job work charges, etc.
- Q3 employee cost is at Rs. 50 cr vs Rs. 44 cr in Q2 FY22, increase is mainly due to increments effective October 1, 2021, additional workers at Bangladesh and special one time incentive to employees.
- Double digit EBITDA at 16% of Revenue

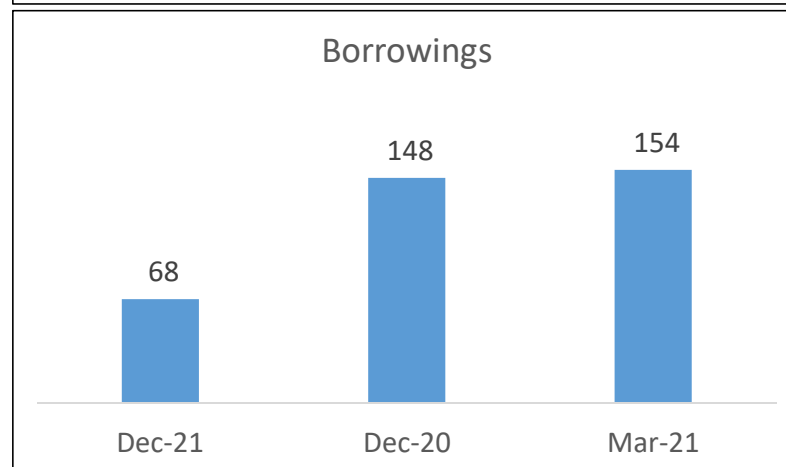
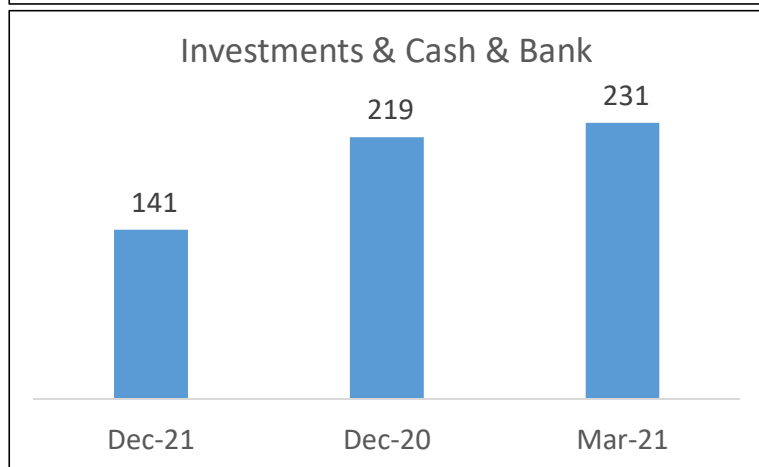
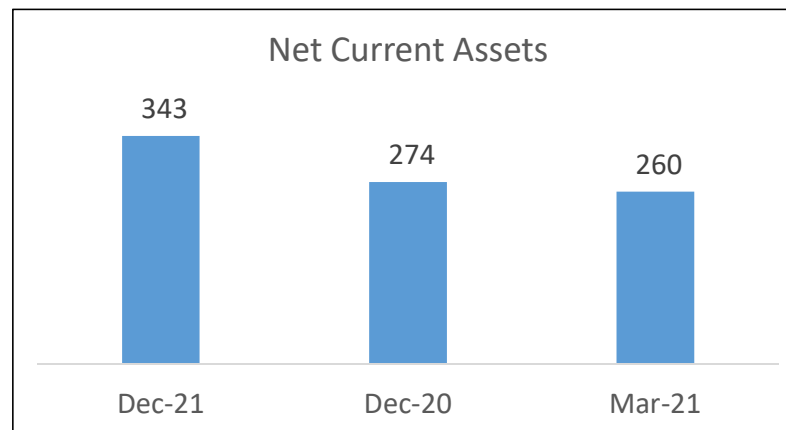
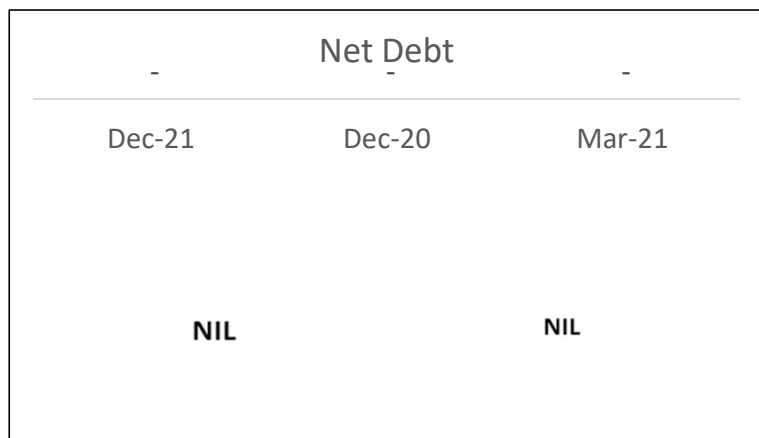
EBDITA Sep-21	14.4%
Increase in Gross Margin	1.8%
Decrease in Emoloyee cost	-0.9%
Increase in Overheads	0.9%
Increase in Other Income	0.1%
EBDITA Dec-21	16.4%

Other Expenses

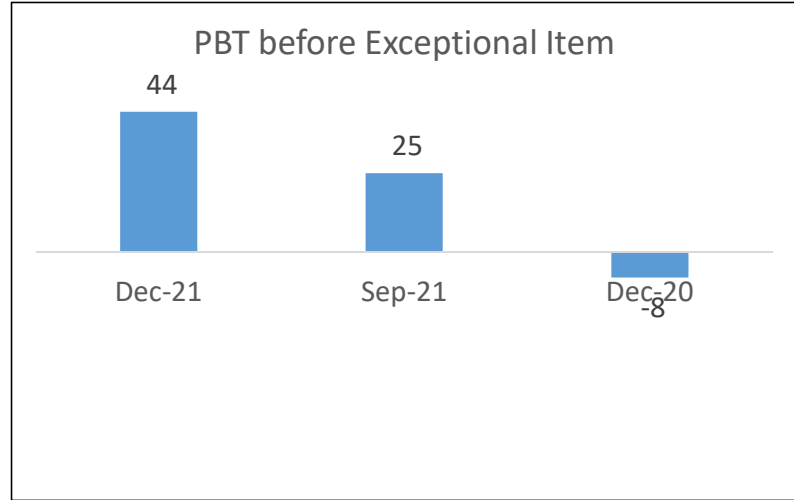
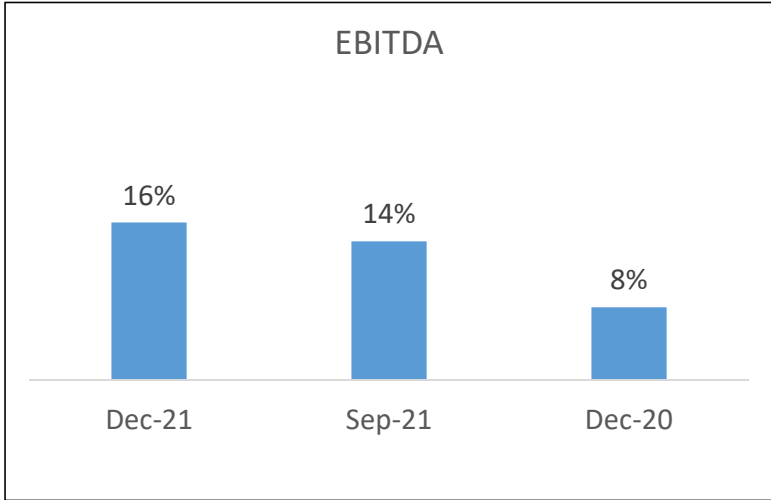
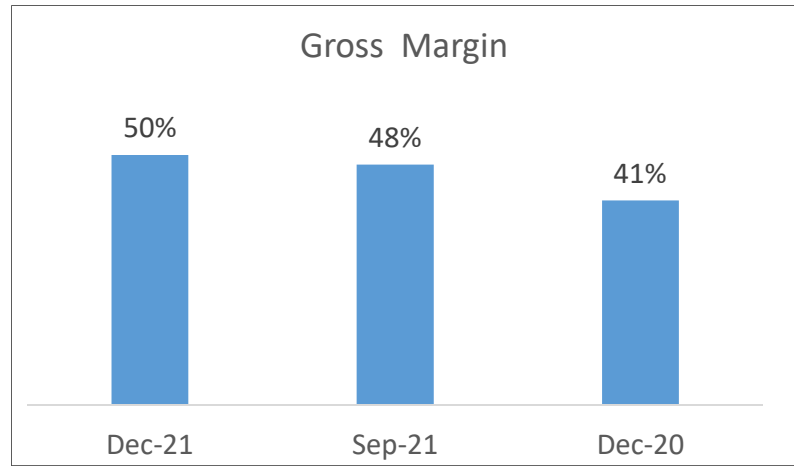
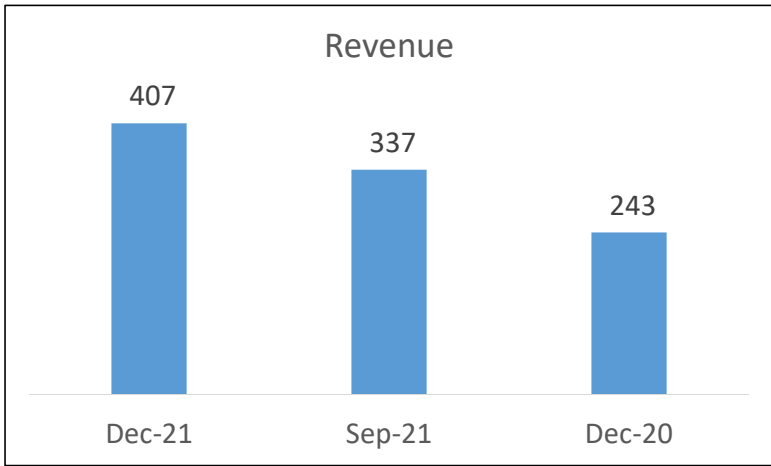
Rs. in Crores

Particulars	For the Quarter ended			Year ended		Year ended
	Dec-21	Sep-21	Dec-20	Dec-21	Dec-20	Mar-21
Job Work Charges	6.6	6.2	2.6	15.9	3.7	8.5
Electricity, Power & Fuel Expenses	4.2	4.6	2.8	12.0	6.0	10.0
Rent	0.6	0.7	2.3	1.9	5.4	5.9
Repairs	2.8	2.6	2.9	8.0	7.2	10.6
Insurance	1.6	1.4	1.3	4.1	3.2	4.8
Rates and taxes	0.5	0.5	0.7	1.5	1.4	2.6
Travelling expenses	3.0	1.7	1.3	5.3	2.1	4.1
Payment to auditors	0.2	0.2	0.1	0.5	0.4	0.5
CSR Expenditure	-	0.1	0.3	0.8	0.3	3.5
Professional fees	1.9	1.2	1.0	4.3	3.5	4.8
Communication expenses	0.5	0.4	0.4	1.3	1.4	2.0
Advertisement and publicity expenses	9.4	8.9	7.4	23.9	14.5	20.8
Freight, handling and octroi	32.3	24.2	15.5	71.8	27.3	46.0
Provisions	3.0	-	-	7.5	8.6	10.6
Human resource procurement	11.2	9.7	6.7	30.0	19.8	28.5
Miscellaneous Expenses	9.4	7.2	5.1	21.2	10.8	16.9
Total	87.3	69.4	50.5	210.0	115.6	180.1

Key Financial Metrics



Key Financial Metrics – Q3



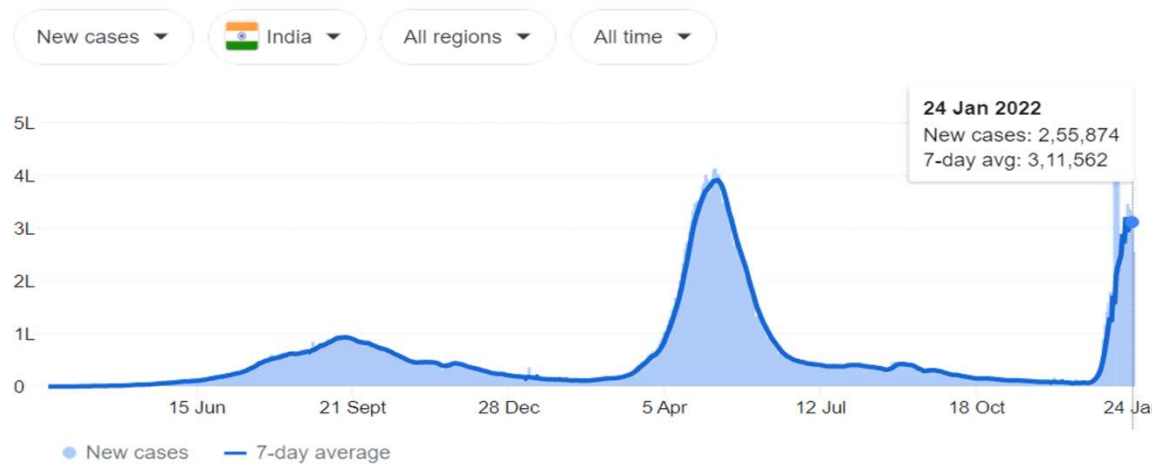
Key Business Drivers & Way Forward



Priorities shaping up our post pandemic revival ..

1. Drastic shift towards **own manufacturing** and better upstream control, unlocking cost efficiencies and better speed to market
2. Leverage accelerated shift of consumer preference towards **Hard Luggage**, significant investments in capex to enhance capacities
3. Reignite our core strength – **New Products** and continuous refreshment of our portfolio.
4. **Activating Demand** : Advertising Promotions driving preference & building accessibility through Channels
5. Improving **Product Availability & Order Fill rates**– Streamlining of Supply chain
6. Organization Development – Improving structural adequacy, **Talent** and people **Engagement**

Business Environment going forward



Q4

Wave 3 of Covid is expected to have a sharper peak with a faster deceleration of the spread, with lesser severity of cases and overall lesser fear and disruption

Q4 is expected to have much lesser unfavorable impact on revenue and operations compared to previous Waves

Managing Inflation Vs fueling demand

High unprecedented Inflationary pressure on input cost expected and the tight rope walk between competitiveness in tapping demand Vs Margins will be a key challenge

Disclaimer

- Statements in this presentation, particularly those which relate to management's views and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations.
- Actual results might differ materially from those either expressed or implied

Thank You.

