

PRESS RELEASE May 13th 2011



V.I.P. INDUSTRIES LTD. ANNOUNCES FY 10-11 UNAUDITED RESULTS

Mumbai, May 13th, 2011: For the fiscal year ended March 31, 2011, consolidated net sales for V.I.P. Industries were Rs 757.7 Cr as against 643.7 Cr for 09-10, a sales growth of 17.7 %. Consolidated PBT was 103.3 Cr as against 68.7 Cr in FY 09-10, a growth of 50%. Consolidated Profit after Tax and Extraordinary items was Rs 88.7 Cr as against Rs 48.3 Cr in FY 09-10, a jump of 84%. EBITDA margins grew to 16.1% of sales as against 14.9% in FY 09-10. This increase in operating margins was achieved despite the rising costs of raw materials and finished goods, and overall inflationary pressures experienced by the luggage industry in 10-11.

V.I.P.'s happy journey continued in the fourth quarter with the company posting strong sales and profit growth. The consolidated sales of V.I.P. Industries Ltd. for Q4 ending March 31st 2011 were Rs.166.3 Cr up from Rs. 137.5 Cr for the same quarter the previous year, a growth of 21%. V.I.P. Industries' Consolidated PBT for the quarter was Rs. 22 Cr as against Rs. 14.3 Cr in Q4 last year, a growth of 54%. Consolidated Q4 PAT after considering extraordinary item was Rs. 16.3 Cr compared to Rs. 9.1 Cr in Q4 of the previous year, a growth of 79%.

"FY 10-11 was a good year for us despite continuous pressure in rising input costs, as we were able to pass on most of the cost increases to consumers due to the strength of our brands", says Mr Dilip G Piramal, Chairman, V.I.P. Industries Ltd. "Sales value and volume growth was robust and the outlook for the current year remains strong across traditional trade and modern retail sales channels. We have just launched two new brands in the Indian market. Carlton is a premium English luggage brand which we are bringing to India for the first time, aimed at affluent international travellers. Skybags is a soft luggage brand aimed at the growing younger audience in metros, which we are promoting through a fresh new-look advertising campaign featuring Bollywood star John Abraham. We have also recently launched a new bridal collection designed by Neeta Lulla under our flagship V.I.P. brand for the current marriage season."

Background Info for Editors: V.I.P. Industries is Asia's #1 Luggage Maker, headed by Mr Dilip G Piramal. More Info? Contact radhika.piramal@vipbags.com or call Mumbai +91 22 6653 9060 or call our local branch offices across India, contact details on our web-site www.vipbags.com