

THE TIMES OF INDIA

Copyright © 2014 Bennett Coleman & Co. Ltd. All rights reserved

Tue, 07 Aug-18; Times Of India - Mumbai; Size : 113 sq.cm.;
Circulation:893796; Page : 15

HUL to buy Adityaa Milk to bolster regional mkt

TIMES NEWS NETWORK

Mumbai: Hindustan Unilever (HUL) is set to acquire Adityaa Milk ice cream and frozen desserts business from Vijaykant Dairy and Food Products (VDFPL), which largely caters to the southern markets for an undisclosed amount. Industry experts view the move as a regional expansion strategy by HUL to take on national leader Amul.

Adityaa Milk is a fast-growing brand and brings in distribution and portfolio synergies to Kwaliti Wall's across

Maharashtra, Goa, Karnataka and Kerala. The proposed acquisition is in line with HUL's strategic intent to strengthen its position in the ice cream and frozen dessert market in India.

**CLOSING IN
ON AMUL**

HUL said in a statement that the parties will work together to complete this over the next few months. VDFPL will manage the business until the transaction is completed, and will also continue to

manufacture for HUL for an agreed period of time.

"Categorically, we are not taking over their manufacturing setup as part of the transaction," said an HUL spokesperson, while adding, "Adityaa Milk business will continue to be run independently by Vijaykant Dairy & Foods Products."

Edelweiss Securities senior VP (institutional equities) Abneesh Roy said, HUL is a strong No. 2 player in ice cream and this acquisition will help in closing the gap with Amul, the current No. 1.