

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2011
(Rupees in Lakhs)

THREE MONTHS ENDED (Un-audited)			SIX MONTHS ENDED (Un-audited)		Accounting Year ended 31.12.2010 (Audited)	
30.06.2011	30.06.2010		30.06.2011	30.06.2010		
164348	135896		(i) NET DOMESTIC SALES	335543	274981	590102
11957	10775		(ii) EXPORT SALES	21761	19668	35373
176305	146671	1(a)	NET SALES/INCOME FROM OPERATIONS	357304	294649	625475
501	459	1(b)	OTHER OPERATING INCOME	945	1023	1889
		2	EXPENDITURE			
(762)	(6751)	a)	(INCREASE)/DECREASE IN STOCK IN TRADE & WORK IN PROGRESS	(5553)	(11004)	(8294)
85393	76159	b)	CONSUMPTION OF RAW & PACKING MATERIALS	176352	152162	304281
2553	2500	c)	PURCHASE OF TRADED GOODS	4794	4505	9571
13753	11164	d)	EMPLOYEES COST	25801	21142	43344
3667	3039	e)	DEPRECIATION	6938	6138	12775
40921	34203	f)	OTHER EXPENDITURE	82930	68045	151608
-	-	g)	IMPAIRMENT OF FIXED ASSETS – NET	-	-	-
578	666	h)	PROVISION FOR CONTINGENCIES (NET) - FROM OPERATIONS	1269	188	208
146103	120980	i)	TOTAL (a+b+c+d+e+f+g+h)	292531	241176	513493
30703	26150	3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME [4], INTEREST [6], OTHER CONTINGENCIES [6(a)], AND EXCEPTIONAL ITEMS [8] i.e. [1-2]	65718	54496	113871
297	553	4	OTHER INCOME	1128	902	2376
31000	26703	5	PROFIT BEFORE INTEREST [6], OTHER CONTINGENCIES [6(a)], & EXCEPTIONAL ITEMS [8] i.e. [3+4]	66846	55398	116247
58	37	6	INTEREST EXPENSE (refer note # 4)	65	92	107
-	-	6(a)	PROVISION FOR CONTINGENCIES (NET) – OTHERS	-	-	1629
30942	26666	7	PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS [8] i.e. [5-6-6(a)]	66781	55306	114511
-	-	8	EXCEPTIONAL ITEMS	-	-	-
30942	26666	9	PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX [7-8]	66781	55306	114511
9559	7183	10	TAX EXPENSE (refer note # 5)	19827	15637	32645
21383	19483	11	NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX [9-10]	46954	39669	81866
-	-	12	EXTRAORDINARY ITEM (NET OF TAX)	-	-	-
21383	19483	13	NET PROFIT FOR THE PERIOD [11-12]	46954	39669	81866
9642	9642	14	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	9642	9642	9642
-	-	15	RESERVES EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET	-	-	75900
22.18	20.21	16	EARNINGS PER SHARE (EPS) BASIC AND DILUTED EPS (RS) BEFORE / AFTER EXTRAORDINARY ITEM	48.70	41.14	84.91
35900637	36785762	17	PUBLIC SHAREHOLDING	35900637	36785762	35900637
37.24	38.15	-	NUMBER OF SHARES	37.24	38.15	37.24
		-	PERCENTAGE OF SHAREHOLDING			
		18	PROMOTERS & PROMOTER GROUP SHAREHOLDING			
		(a)	PLEGDED/ENCUMBERED			
		-	NUMBER OF SHARES	-	-	-
		-	PERCENTAGE OF SHARES	-	-	-
			(AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP AND OF TOTAL SHARE CAPITAL OF COMPANY)			
60515079	59629954	(b)	NON-ENCUMBERED	60515079	59629954	60515079
100.00	100.00	-	NUMBER OF SHARES	100.00	100.00	100.00
		-	PERCENTAGE OF SHARES			
			(AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP)			
62.76	61.85	-	PERCENTAGE OF SHARES	62.76	61.85	62.76
			(AS A % OF THE TOTAL SHARE CAPITAL OF THE COMPANY)			



STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2011

(Rupees in Lakhs)

Particulars	As at 30.06.2011	As at 30.06.2010	As at 31.12.2010
	(Un-audited)	(Un-audited)	(Audited)
SHAREHOLDERS FUND			
(a) CAPITAL	9642	9642	9642
(b) RESERVES AND SURPLUS	112816	78113	75900
LOAN FUNDS (refer note below)	26825	-	-
DEFERRED TAX LIABILITIES/(ASSETS) – NET	3559	2877	3327
TOTAL	152842	90632	88869
FIXED ASSETS (refer note # 7)	178807	104650	136165
INVESTMENTS	15257	6043	15068
CURRENT ASSETS, LOANS AND ADVANCES			
(a) INVENTORIES	78087	73606	57595
(b) SUNDRY DEBTORS (refer note # 8)	12687	8023	6329
(c) CASH AND BANK BALANCES	12415	15838	25529
(d) OTHER CURRENT ASSETS	-	-	-
(e) LOANS AND ADVANCES	15891	14097	15144
Less: CURRENT LIABILITIES AND PROVISIONS			
(a) CURRENT LIABILITIES	69646	54076	76167
(b) PROVISIONS	90656	77549	90794
MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	-	-	-
PROFIT AND LOSS ACCOUNT	-	-	-
TOTAL	152842	90632	88869

Note on External Commercial Borrowing (ECB) for Capital Expenditure

During the quarter USD 50 Mio were drawn down from Nestle SA for 5 years under the ECB approval from Reserve Bank of India. The total amount outstanding as at 30.06.2011, is USD 60 Million (INR 2682.3 Million). In keeping with the potential growth story of India and consequently the INR: USD outlook as well as the "cost" associated with hedging of around 5% per annum; it has been decided not to hedge this borrowing. The YTD cost of this borrowing including interest and exchange differences is INR 24.2 Million which is 4.9% on an annualised basis. This practise may result in the quarterly results being impacted by the movement of INR and USD.

Other notes: All figures in percentages are for current quarter with reference to the same period last year.

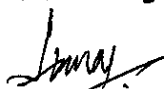
- Net Sales have increased by 20.2%. Domestic Sales have increased by 20.9% on account of volumes and selling prices. Exports growth of 11.0% has been adversely impacted by the ban on exports of Milk powder.
- The cost of materials for goods sold [2(a)+2(b)+2(c)] in percentage of Net Sales has increased largely due to higher commodity prices, mainly Milk Solids, Green Coffee and Oils/Fats, partially offset by an improved product/channel mix and operational efficiencies. Comparative period was favourably impacted by better fixed cost absorption due to stock build up.
- Other Income is lower in comparison to the same period last year, as there was a positive impact due to maturity of discounted treasury instruments last year.
- The Interest Expense is after reducing the interest earned on temporary liquidities arising from timing differences between draw down of ECB and utilisation thereof; and the amount capitalised in line with the relevant accounting standards.
- The significant increase in Tax Expense is due to the end of the first 5 years of Income Tax holiday @ 100% of the profits of Pantnagar factory. For the next 5 years, the Tax Holiday will continue @ 30% of the profits of Pantnagar factory.
- Provision for Contingencies (Net) for matters related to Operations and Others result mainly from matters relating to litigation/dispute in accordance with the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (AS-29).
- Fixed Assets have increased due to the ongoing capacity expansion projects.
- The increase in sundry debtors is mainly due to change in payment terms with Nestle Kuban LLC for ensuring coffee sales to Russia. This change was necessitated due to the discontinuation of Rupee auctions by the Russian Ministry of Finance and thus the use of Letters of Credit in Indian Rupees, which hitherto, enabled the realisation on despatch, in contrast to custom clearance at port of destination now.
- As the Company's business activity falls within a single primary business segment, namely Food, the disclosure requirements of Clause 41 of the Listing Agreement in terms of Accounting Standard on Segment Reporting (AS-17) are not applicable.
- 4 investor complaints were received during the quarter, all of which were disposed off during the quarter. No investor complaint was pending at the beginning or at the end of the quarter.
- Previous period's figures have been regrouped/reclassified wherever necessary, to make them comparable.

THE ABOVE RESULTS AND THIS RELEASE HAVE BEEN REVIEWED BY AUDIT COMMITTEE OF THE BOARD AND APPROVED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON JULY 30, 2011.

By Order of the Board

Date: July 30, 2011

Place: Gurgaon



Antonio Helio Waszyk
Chairman and Managing Director

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