

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2005
(Rupees in Million)

3 Months Ended				9 Months Ended		Accounting Year ended 31.12.2004 (Audited)
30.09.2005	30.09.2004			30.09.2005	30.09.2004	
6,071.4	5,306.1	1	GROSS DOMESTIC SALES	17,722.2	15,775.8	21,292.8
430.6	361.9	2	LESS: EXCISE DUTY	1,217.5	1,050.7	1,452.4
5,640.8	4,944.2	3	NET DOMESTIC SALES (1-2)	16,504.7	14,725.1	19,840.4
607.3	656.0	4	ADD: EXPORT SALES	2,036.4	1,830.9	2,435.4
6,248.1	5,600.2	5	NET SALES (3+4)	18,541.1	16,556.0	22,275.8
56.7	31.4	6	OTHER INCOME	205.3	95.7	144.5
6,304.8	5,631.6	7	GROSS REVENUE (5+6)	18,746.4	16,651.7	22,420.3
		8	EXPENDITURE			
159.8	353.8		a) (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS & WORK – IN – PROGRESS	141.9	123.2	(80.4)
2,661.0	2,246.0		b) CONSUMPTION OF RAW & PACKING MATERIAL	8,054.7	7,458.3	10,083.6
473.3	390.3		c) STAFF COST	1,392.2	1,215.4	1,642.5
1,675.6	1,479.3		d) OTHER EXPENDITURE	4,906.8	4,582.4	6,120.2
4,969.7	4,469.4		TOTAL EXPENDITURE (a+b+c+d)	14,495.6	13,379.3	17,765.9
1,278.4	1,130.8	9	EARNINGS BEFORE INTEREST, TAX, DEPRECIATION (EBITDA) AND OTHER INCOME (5-8)	4,045.5	3,176.7	4,509.9
0.3	1.2	10	INTEREST	1.7	9.2	7.8
156.1	122.4	11	DEPRECIATION	430.5	365.1	491.4
1,178.7	1,038.6	12	PROFIT BEFORE TAXATION, IMPAIRMENT & CONTINGENCIES (7-8-10-11)	3,818.6	2,898.1	4,155.2
-	-	13	IMPAIRMENT OF FIXED ASSETS (NET)	(39.0)	6.4	23.3
47.1	(45.3)	14	PROVISION FOR CONTINGENCIES (NET)	213.8	142.3	266.9
		15	PROVISION FOR TAXATION			
389.0	366.3		a) CURRENT TAXES	1,279.2	1,069.1	1,463.1
(3.3)	29.1		b) DEFERRED TAXES	10.5	(74.0)	(117.3)
385.7	395.4		NET TAXES (a+b)	1,289.7	995.1	1,345.8
745.9	688.5	16	NET PROFIT (12-13-14-15)	2,354.1	1,754.3	2,519.2
964.2	964.2	17	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	964.2	964.2	964.2
-	-	18	RESERVES EXCLUDING REVALUATION RESERVES	-	-	2,229.2
7.74	7.14	19	BASIC AND DILUTED EARNINGS PER SHARE (RS)	24.42	18.20	26.13
		20	AGGREGATE OF NON – PROMOTER SHAREHOLDING			
36,785,762	36,785,762	-	NUMBER OF SHARES	36,785,762	36,785,762	36,785,762
38.15%	38.15%	-	PERCENTAGE OF SHAREHOLDING	38.15%	38.15%	38.15%

Notes:

- Net Sales for the quarter have increased by 11.6% compared with the same period of 2004. Net Domestic Sales have increased by 14.1%, on account of higher volume and favourable product mix, coupled with selective price increases. Export Sales have decreased by 7.4% mainly due to lower volumes of instant coffee exports (partly offset by higher realizations) and lower sales to Nepal due to continuing political turbulence there.
- Other Income has increased mainly due to the returns from increased surplus liquidities.

3. During the second quarter of 2005 the Company had changed its method of raw and packing materials valuation from quarterly weighted average to first-in-first out (FIFO). This change has resulted in higher consumption value and lower profit for the quarter [approximately INR 20 million, net of tax - INR 13 million].
4. EBITDA as a percentage of Net Sales for the quarter is at 20.5% against 20.2% during the corresponding quarter in 2004. The positive impact of selective selling price increases (refer note 1 above) has been partly offset by the increase in input cost of commodities and fuels/energies.

The reported Net Profit during the current quarter has increased by 8.3% over the same quarter last year. After stripping out the effect of "Provision for Contingencies" and the impact due to change in valuation of inventories, the adjusted Net Profit, has increased by 19.8% in absolute amounts which has also been favourably impacted by the reduction in the corporate tax rate. Adjusted Net profit as a percentage of Gross Revenue, has increased to 12.5% from 11.7% in the same quarter last year.

5. The Provision for Contingencies (net) results mainly from matters relating to litigation and other items requiring management judgement and discretion.
6. Provision for current taxes is inclusive of fringe benefit tax.
7. Based on the guiding principles given in the Accounting Standard on Segment Reporting (AS-17), the Company's primary business segment is Food. The food business incorporates product groups viz. Milk Products and Nutrition, Beverages, Prepared dishes and cooking aids, Chocolates and Confectionery, which mainly have similar risks and returns. As the Company's business activity falls within a single primary business segment, the disclosure requirements of Clause 41 of the Listing Agreement in this regard are not applicable.
8. Three investor complaints were received during the quarter, all of which were disposed off during the quarter. One investor complaint, pending at the beginning of the quarter, was disposed off during the quarter. No investor complaints are outstanding at the end of the quarter.
9. Pursuant to the approval of the shareholders and subsequent application made by the Company, the Equity shares of the Company have been voluntarily de-listed from the Delhi Stock Exchange Association Limited, New Delhi, with effect from July 15, 2005. The Equity shares of the Company shall continue to be listed on the Stock Exchange, Mumbai, which has nation wide trading terminals.
10. 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 28.10.2005.

By Order of the Board

Date: 28.10.2005
Place: Gurgaon

Martial G. Rolland
Chairman and Managing Director