

ADF Foods Limited

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 31ST DECEMBER 2011

	STANDALONE (REVIEWED)					CONSOLIDATED (NOT REVIEWED)					Audited 1-Apr-10 to 31-Mar-11
	Unaudited		Unaudited			Unaudited		Unaudited			
	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Audited 1-Apr-10 to 31-Mar-11	Quarter ended	Quarter ended	Quarter ended	Nine months ended		
	31-Dec-11	30-Sep-11	31-Dec-10	31-Dec-11	31-Dec-10	31-Mar-11	31-Dec-11	30-Sep-11	31-Dec-10	31-Dec-11	31-Dec-10
1. Net sales/Income from operations	2,921.22	3,090.06	2,852.96	8,247.07	8,079.09	11,177.98	4,058.52	4,207.46	3,558.72	11,528.78	8,832.40
(b) Other Operating Income	2,921.22	3,090.06	2,852.96	8,247.07	8,079.09	11,177.98	4,058.52	4,207.46	3,558.72	11,528.78	8,832.40
2. Expenditure											
a. (Increase)/decrease in stock in trade and work in progress	165.37	123.36	358.07	(482.86)	(569.23)	(289.99)	83.35	166.31	239.78	(450.78)	(516.40)
b. Consumption of raw materials	1,065.39	1,207.11	1,066.07	3,930.75	4,340.27	5,503.79	1,445.87	1,590.87	1,418.16	5,057.42	4,692.37
c. Purchase of traded goods	219.78	111.03	72.91	457.84	214.15	423.26	236.84	111.25	60.60	469.38	231.76
Cost of sales	1,450.54	1,441.50	1,497.05	3,900.73	3,985.19	5,637.06	1,766.06	1,868.43	1,718.54	5,076.02	4,236.60
d. Employees cost	185.72	148.03	145.88	497.04	407.43	538.97	286.24	227.11	1,718.54	5,076.02	4,236.60
e. Depreciation/amortization	114.36	119.61	114.32	353.02	335.69	450.25	230.66	285.63	175.88	702.85	499.58
f. Other expenditure	752.33	792.79	644.89	2,073.97	1,933.35	2,659.52	1,389.50	1,419.34	1,129.42	3,985.01	2,443.86
h. Total	2,502.93	2,501.93	2,402.14	6,824.76	6,661.66	9,285.80	3,672.46	3,800.51	3,245.00	10,519.81	7,687.10
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	418.29	588.13	450.82	1,422.31	1,417.43	1,892.18	386.06	406.95	313.72	1,008.97	1,145.30
4. a. Other Income	15.43	91.46	59.46	272.58	253.06	336.73	137.56	94.65	58.58	272.58	253.54
4. b. Exchange gain/(loss)	-	-	7.45	(104.82)	56.71	95.51	(122.12)	(3.18)	9.57	(103.95)	58.83
5. Profit before Interest & Exceptional Items (3+4)	433.72	679.59	517.73	1,590.07	1,727.20	2,324.42	401.50	498.42	381.87	1,177.60	1,457.67
6. Interest	30.39	37.18	44.71	99.93	115.96	163.01	45.64	44.30	48.35	141.06	119.87
7. Profit after Interest but before exchange gain/(loss) on M to M and Exceptional Items (5-6)	403.33	642.41	473.02	1,490.14	1,611.24	2,161.41	355.86	454.12	333.52	1,036.54	1,337.80
8. Exchange gain/(loss) on M to M	(122.83)	(45.51)	2.45	(129.82)	(183.03)	(160.73)	(122.81)	(45.13)	18.68	(129.42)	(160.73)
9. Exceptional Items	-	-	-	-	-	-	-	-	-	-	-
10. Profit (+)/Loss(-) before tax (7+8+9)	280.50	596.90	475.47	1,360.32	1,428.21	2,000.68	233.05	408.99	352.20	907.12	1,171.00
11. Tax expenses											
(a) Provision for taxation	78.28	133.08	41.96	284.34	168.45	359.88	78.52	133.46	41.65	285.32	168.42
(b) Deferred tax asset/(Liability)	(8.87)	(67.54)	(5.10)	(167.21)	(22.88)	139.96	(29.48)	(52.04)	25.88	(111.88)	8.10
12. Net Profit (+)/Loss(-) from Ordinary Activities after tax (10-11)	193.35	396.28	428.41	908.77	1,236.88	1,760.76	125.05	223.49	336.43	509.92	1,010.68
13. Prior Period's Item	0.40	(5.65)	3.04	(3.68)	3.21	1.17	0.39	(5.65)	3.02	(3.68)	3.35
14. Net profit (+)/Loss(-) for the period (12-13)	192.95	401.93	425.37	912.45	1,233.67	1,779.59	124.66	229.14	333.41	513.60	1,007.33
15. Paid-up equity share capital (Face value Rs. 10 each)	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83	2,037.83
16. Reserves excluding Revaluation Reserves as per Balance Sheet of previous Accounting year	10,297.12	10,523.59	9,901.64	10,297.12	9,901.64	10,097.74	8,923.95	9,352.21	9,065.84	8,923.95	9,065.84
17. Earning Per share											
a) Basic EPS (not annualised)[Including and Excluding Extra Ordinary Income]	0.96	2.01	2.13	4.56	6.17	8.90	0.62	1.15	1.67	2.54	4.99
b) Diluted EPS (not annualised)[Including and Excluding Extra Ordinary Income]	0.93	1.97	2.13	4.38	6.17	8.90	0.59	1.13	1.65	2.44	4.99
18. Public Shareholding											
- Number of Shares	12,095,736	12,186,991	11,871,144	12,095,736	11,871,144	11,765,915	12,095,736	12,186,991	11,871,144	12,095,736	11,871,144
- Percentage of Shareholding	60.48%	60.93%	59.36%	60.48%	59.36%	58.83%	60.48%	60.93%	59.36%	60.48%	59.36%

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19. Promoters and promoter group Shareholding:											
a) Pledged / Encumbered											
No. of shares	0	0	0	0	0	0	0	0	0	0	0
% of Shares (as a % of total shareholding of promoter and promoter group)	0	0	0	0	0	0	0	0	0	0	0
% of Shares (as a % of total share capital of the Company)	0	0	0	0	0	0	0	0	0	0	0
b) Non-encumbered											
No. of shares	7,904,264	7,813,009	8,128,856	7,904,264	8,128,856	8,234,085	7,904,264	7,813,009	8,128,856	7,904,264	8,234,085
% of Shares (as a % of total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
% of Shares (as a % of total share capital of the Company)	39.52%	39.07%	40.64%	39.52%	40.64%	41.17%	39.52%	39.07%	40.64%	39.52%	41.17%

Notes:

Standalone financial results:

1) The un-audited financial results of the Company for the quarter/period ended 31st December 2011 have been reviewed by the Statutory Auditors as required under Clause 41 of the Listing Agreement and recommended by the Audit Committee at its meeting held on 7th February 2012. The same have been approved by the Board of Directors at its meeting held on 9th February 2012.

2) With effect from 1 July 2011, the Company has adopted the principles of hedge accounting as set out in Accounting Standard (AS) 30 on Financial Instruments: Recognition and Measurement, in respect of foreign exchange forward contracts which have been taken against forecasted transactions and which are not covered by the requirements of Accounting Standard (AS) 11 'The Effects of Changes in Foreign Exchange Rates'. Accordingly, net loss arising on fair valuation of outstanding derivatives as on 31st December 2011 aggregating to Rs 726.86 lacs has been adjusted against Hedging Reserve and net (loss) Rs 116.02 lacs has been included under Exchange gain/(loss) on MTM, with consequential impact on Profit before Tax for the quarter and period ended 31st December 2011.

The figures of the current quarter and period ended 31st December 2011 in respect of above items are, therefore not comparable with those of the corresponding quarter / period of the previous year.

3) In accordance with the requirements of Accounting Standard AS-17, "Segmental Reporting", the Company has determined its business segment as 'Processed and Preserved Foods'. Since the entire business of the Company is from Processed and Preserved Foods, there are no other primary reportable segments.

4) Net sales/Income from operations for the period ended 31st December 2011 include Sale of licences of Rs. 340.90 lacs (Previous period Rs. 208.03 lacs).

5) Status of Investor complaints for the quarter ended 31st December 2011

Pending as at 01-10-11	Received during the quarter	Resolved during the quarter	Unresolved as at 31-12-11
0	6	6	0

6) The unquoted investments in the subsidiaries are of long term nature and there is no permanent diminution in the value of such investments. Company shall carry out an impairment exercise as per the Company's policy at the year end.

7) The Company has allotted 20,00,000 (Twenty Lakh) Preferential Warrants on 29th July, 2011 to certain members of the Promoter Group and the same are convertible at the option of warrant holders at Rs. 65/- per warrant as per Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. An amount of Rs. 16.25/- per warrant, which amounts to 25% of the total issue price, has been received on allotment and the balance amount of Rs. 48.75/- per warrant is payable on conversion of the said warrants into equity shares within a period of 18 months from the date of allotment. Upon conversion, one warrant will be converted into one fully paid equity share of Rs. 10/- and Rs. 55/- will be adjusted towards share premium account.

8) The results for the quarter ended 31st December 2011 have been subjected to a Limited Review by the Statutory Auditors of the Company. The related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above results and notes which need to be explained.

9) Previous year's/period's figures have been re-grouped and recast wherever considered necessary.

Consolidated financial results:

- 1) The Consolidated Financial statement has been prepared in accordance with Accounting Standard AS-21 "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India. Consolidated financial statement of the Company includes the financial statements of its Wholly Owned Subsidiary ADF Foods (India) Ltd., Power Brands (Foods) Pvt. Ltd., ADF Foods (Mauritius) Ltd., ADF Foods (UK) Ltd. and its step-down subsidiaries viz. ADF Holdings (USA) Ltd. and ADF Foods (USA) Ltd. The financial results of subsidiary companies have been regrouped and rearranged wherever necessary.
- 2) With effect from 1 July 2011, the Company has adopted the principles of hedge accounting as set out in Accounting Standard (AS) 30 on Financial Instruments : Recognition and Measurement, in respect of foreign exchange forward contracts which have been taken against forecasted transactions and which are not covered by the requirements of Accounting Standard (AS) 11 'The Effects of Changes in Foreign Exchange Rates'. Accordingly, net loss arising on fair valuation of outstanding derivatives as on 31st December 2011 aggregating to Rs 726.86 lacs has been adjusted against Hedging Reserve and net (loss) Rs 116.02 lacs has been included under Exchange gain/(loss) on MTM, with consequential impact on Profit before Tax for the quarter and period ended 31st December 2011.
The figures of the current quarter and period ended 31st December 2011 in respect of above items are, therefore not comparable with those of the corresponding quarter / period of the previous year.
- 3) The results of only Indian subsidiaries i.e. ADF Foods (India) Ltd. and Power Brands (Foods) Pvt. Ltd. have been subjected to Limited Review by the statutory auditors.
- 4) In accordance with the requirements of Accounting Standard AS-17, "Segmental Reporting", the Company has determined its business segment as 'Processed and Preserved Foods'. Since the entire business of the Company is from Processed and Preserved Foods, there are no other primary reportable segments.
- 5) Net sales/Income from operations for the period ended 31st December 2011 include Sale of licences of Rs. 340.90 lacs (Previous period Rs. 208.03 lacs).
- 6) The Consolidated figures are not comparable with previous period figures as US Subsidiaries were incorporated on 22nd September 2010.
- 7) The Company has allotted 20,00,000 (Twenty Lakh) Preferential Warrants on 29th July, 2011 to certain members of the Promoter Group and the same are convertible at the option of warrant holders at Rs. 65/- per warrant as per Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. An amount of Rs. 16.25/- per warrant, which amounts to 25% of the total issue price, has been received on allotment and the balance amount of Rs. 48.75/- per warrant is payable on conversion of the said warrants into equity shares within a period of 18 months from the date of allotment. Upon conversion, one warrant will be converted into one fully paid equity share of Rs. 10/- and Rs. 55/- will be adjusted towards share premium account.
- 8) Previous year's/period's figures have been re-grouped and recast wherever considered necessary.

Place: Mumbai**Date : 9th February 2012****For ADF Foods Limited****Ramesh H. Thakkar**
Chairman