



Kwality Limited  
CIN : L74899DL1992PLC255519  
Regd. Office : KDIL House, F-82, Shivaji Place, Rajouri Garden, New Delhi-110027

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended 30 September 2017

S.No	Particulars	Quarter ended 30 September 2017	Quarter ended 30 June 2017	Quarter ended 30 September 2016	Half Yearly ended 30 September 2017	Half Yearly ended 30 September 2016	(₹ in lakhs) Year ended 31 March 2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	(a) Revenue from operations	1,67,066.47	1,57,198.40	1,54,027.75	3,24,264.87	3,01,387.03	6,13,126.55
	(b) Other income	264.29	120.32	187.01	384.61	1,076.05	1,330.66
	<b>Total Income</b>	<b>1,67,330.76</b>	<b>1,57,318.72</b>	<b>1,54,214.76</b>	<b>3,24,649.48</b>	<b>3,02,463.08</b>	<b>6,14,457.21</b>
2	Expenses						
	(a) Cost of materials consumed	1,23,920.63	1,29,972.24	1,09,191.44	2,53,892.87	2,26,748.00	4,90,087.73
	(b) Purchases of stock-in-trade	21,857.30	9,324.75	24,904.06	31,182.05	43,946.75	77,688.71
	(c) Change in inventories of finished goods, stock in trade and work-in-progress	3,283.08	1,223.49	5,159.89	4,506.57	1,852.05	(16,714.68)
	(d) Employee benefits expense	1,122.67	983.26	864.03	2,105.93	1,883.90	3,785.43
	(e) Finance costs	5,113.89	4,978.42	3,857.46	10,092.31	7,666.50	16,990.27
	(f) Depreciation and amortisation expense	3,431.74	2,378.99	302.02	5,810.73	598.14	2,171.39
	(g) Excise duty expense	-	2.31	-	2.31	-	4.00
	(h) Other expenses	5,178.15	4,832.72	3,579.43	10,010.87	7,054.97	17,073.79
	<b>Total Expenses</b>	<b>1,63,907.46</b>	<b>1,53,696.18</b>	<b>1,47,858.33</b>	<b>3,17,603.64</b>	<b>2,89,750.31</b>	<b>5,91,086.64</b>
3	<b>Profit Before Tax (1-2)</b>	<b>3,423.30</b>	<b>3,622.54</b>	<b>6,356.43</b>	<b>7,045.84</b>	<b>12,712.77</b>	<b>23,370.57</b>
4	Tax expense:						
	(a) Current tax	1,321.98	974.97	2,206.61	2,296.95	4,218.77	6,602.35
	(b) Deferred tax	0.91	(140.07)	(57.83)	(139.16)	58.98	338.15
	<b>Total Tax Expenses</b>	<b>1,322.89</b>	<b>834.90</b>	<b>2,148.78</b>	<b>2,157.79</b>	<b>4,277.75</b>	<b>6,940.50</b>
5	<b>Net Profit for the Period after Tax (3-4)</b>	<b>2,100.41</b>	<b>2,787.64</b>	<b>4,207.65</b>	<b>4,888.05</b>	<b>8,435.02</b>	<b>16,430.07</b>
6	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit and loss	(0.66)	(0.65)	3.76	(1.31)	7.52	(2.40)
	(b) Income tax relating to items that will not be reclassified to profit and loss	0.22	0.23	(1.30)	0.45	(2.60)	0.83
	<b>Total Other Comprehensive Income</b>	<b>(0.44)</b>	<b>(0.42)</b>	<b>2.46</b>	<b>(0.86)</b>	<b>4.92</b>	<b>(1.57)</b>
7	<b>Total comprehensive income (5+6)</b>	<b>2,099.97</b>	<b>2,787.22</b>	<b>4,210.11</b>	<b>4,887.19</b>	<b>8,439.94</b>	<b>16,428.50</b>
8	Earning per share of ₹ 1 each						
	(a) Basic (₹)	0.87	1.17	1.78	2.04	3.59	6.97
	(b) Diluted (₹)	0.85	1.17	1.77	2.02	3.57	6.94
9	Paid-up equity share capital (face value of ₹ 1 per equity share)	2,379.59	2,378.89	2,360.85	2,379.59	2,360.85	2,373.56
10	Other equity	-	-	-	-	-	97,479.37

Notes

- The above results have been reviewed by the Audit Committee and approved by the Board of the directors of the Company at their respective meeting held on November 14, 2017. The statutory auditors of the Company have carried out 'Limited review' of the results for the quarter and half year ended September 30, 2017.
- In accordance with the requirements of the Accounting Standard 17 "Segment Reporting", the Company's business consists of one reportable business segment i.e., "Manufacturing & Processing of Milk & Milk Products" hence no separate disclosures pertaining to attributable Revenue, Profits, Assets, Liability, Capital Employed are given.
- During the second quarter Company in its Securities Allotment Committee meeting held on August 16, 2017 allotted 69,400 equity shares pursuant to exercise of stock option under "Kwality Employee Stock Option Plan 2014".
- During the second quarter Company in its Remuneration, Compensation and Nomination Committee meeting held on August 28, 2017 granted 27,36,000 stock options convertible into equal number of equity shares of ₹ 1/- each pursuant to exercise of stock option under "Kwality Employee Stock Option Plan 2014".
- The figures for the quarter ended September 30, 2017 are the balancing figures between unaudited figures for the quarter ended June 30, 2017 and Six month period ended September 30, 2017.
- Subsequent to the quarter ended June 30, 2017 the Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 on the company and select directors. So far no order has been received from income tax department, hence the impact, if any, on the Financial Results for the period ended September 30, 2017, is currently not ascertainable.
- The figures for the previous quarter have been regrouped/ rearranged wherever necessary.

Place : New Delhi  
Date: 14 November 2017



For Kwality Limited  
By Order of the Board  
For Kwality Limited

Sanjay Dhillon  
Managing Director

Kwality Limited

Statement of Assets and Liabilities

Particulars	Standalone	
	30 September 2017	31 March 2017
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	46,353.12	42,981.57
Capital work-in-progress	1,959.56	662.15
Intangible assets	148.01	134.22
<b>Financial assets</b>		
Investments	1,918.14	1,902.75
Loans	68.89	68.89
Other financial assets	223.63	264.15
Deferred tax assets (net)	961.84	822.67
Other non-current assets	19,790.62	27,167.44
<b>Total Non-Current Assets</b>	<b>71,423.81</b>	<b>74,003.84</b>
<b>Current Assets</b>		
Inventories	26,976.71	31,091.85
<b>Financial Assets</b>		
Trade receivables	1,47,769.76	1,37,347.48
Cash and cash equivalents	7,901.73	8,028.29
Other bank balances	776.06	632.38
Loans	110.29	99.41
Other current assets	35,734.50	23,339.83
<b>Total Current Assets</b>	<b>2,19,269.05</b>	<b>2,00,539.24</b>
<b>Total Assets</b>	<b>2,90,692.86</b>	<b>2,74,543.08</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,379.59	2,373.56
Other equity	1,02,266.22	97,479.37
<b>Total Equity</b>	<b>1,04,645.81</b>	<b>99,852.93</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	49,944.53	49,999.61
Other financial liabilities	1,286.27	1,027.56
Provisions	318.87	270.24
<b>Total Non-Current liabilities</b>	<b>51,549.67</b>	<b>51,297.41</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	98,442.07	93,694.30
Trade payables	6,397.73	8,674.22
Other financial liabilities	15,988.99	9,757.35
Other current liabilities	11,014.75	5,932.27
Provisions	360.18	240.17
Current tax liabilities (net)	2,293.66	5,094.43
<b>Total Current Liabilities</b>	<b>1,34,497.38</b>	<b>1,23,392.74</b>
<b>Total Equity and Liabilities</b>	<b>2,90,692.86</b>	<b>2,74,543.08</b>

Place : New Delhi  
Date : 14 November 2017



By Order of the Board  
For Kwality Limited  
For Kwality Limited

Sanjay Dhirga  
(Managing Director)



**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

TO  
THE BOARD OF DIRECTORS  
KWALITY LIMITED  
KDIL HOUSE, F-82, SHIVAJI PLACE,  
RAJOURI GARDEN, NEW DELHI- 110027

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Kwality Limited** ('the Company') for the quarter ended September 30, 2017 and year to date results for the period from April 1, 2017 to September 30, 2017 and the Statement of Assets and Liabilities as on that date ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('Listing Regulations').

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in the India Accounting Standard 34 "Interim Financial Reporting" ('IND AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement which are prepared in accordance with applicable Accounting Standard prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. The Standalone financial results of the Company for the quarter ended June 30, 2017, quarter and six months ended September 30, 2016 were reviewed by another auditor whose report dated August 11, 2017 and December 12, 2016 respectively expressed an unmodified opinion on those statements on which we have relied upon. The standalone financial statements of the Company for the year ended March 31, 2017 were audited by another auditor, who issued an unmodified opinion vide their report dated May 26, 2017

For MSKA & Associates  
Chartered Accountants  
ICAI Firm Registration No.:105047W

  
Amit Mitra  
Partner  
Membership No.: 094518

Place: Gurugram  
Date: November 14, 2017

