



Press Release

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**Kwality reports 18.34% growth in profit before tax at Rs 50.20 crore for Q2FY16**

**Net sales up 10.47% at Rs 1432.59 crore**

*Sales for Fresh Dairy Products saw good growth aiding to better operating margins*

**Editor's Synopsis**

**Financial Highlights - -**

• **Q2 FY16 Results (all comparisons with Q2 FY 15)**

- Net Sales at Rs 1432.59 crore up 10.47 % from Rs 1296.87 crore
- EBIDTA at Rs 95.25 crore up 20.58 % from Rs 78.99 crore
- PBT at Rs 50.20 crore up 18.34 % from Rs 42.41 crore
- PAT at Rs 37.90 crore from Rs 36.57 crore

• **H1 FY16 Results (all comparisons with H1FY16)**

- Net Sales at Rs 2843.87 crore up 8.42 % from Rs 2623.09 crore
- EBIDTA at Rs 187.50 crore up 20.13 % from Rs 156.08 crore
- PBT at Rs 98.30 crore up 19.18 % from Rs 82.48 crore
- PAT at Rs 73.49 crore from Rs 70.67 crore

**Other Highlights –**

- The expansion project is as per the timelines and shall be completed as per the targets set
- Increase in sales of fresh daily products helped in better operating margins
- The company is working in direction to introduce new value added products from current quarter in the staggered manner

**New Delhi, November 14, 2015;**

Kwality Limited, India's premier dairy food company, today announced its financial results for the Quarter and Half Year ended September 30, 2015.

For the quarter ended September 30, 2015, Net sales stood at Rs 1432.59 crore as against Rs 1296.87 crore of Q2 of FY15 registering a growth of 10.47%. The EBIDTA for the period stood at Rs 95.25 crore as compared to Rs 78.99 Crore registering growth of 20.58%. For Q2FY16 company reported profit before tax of Rs 50.20 Crore up 18.34% from Rs 42.41 crore in FY15. The PAT for the quarter stood at Rs 37.90 crore as compared to Rs 36.57 crore for the corresponding quarter of the same period.

**Commenting on the company's performance, Mr. Sanjay Dhingra, Managing Director, said,**

*"The financial results for this quarter are in line with the company's strategy of achieving profitable growth. Our persistent focus on customers and quality of our products has helped us to take on the margin pressures, which resulted in the overall positive performance of the*



*company. We are aggressively eyeing the retail market now which is sure to further propel the growth of the company.”*

For the first half of FY 16 ended September 30, 2015, Net sales stood at Rs 2843.87 crore as against Rs 2623.09 Crore of H1 of FY15 registering a growth of 8.42%. The EBIDTA for the period stood at Rs 187.50 crore as compared to Rs 156.08 Crore registering growth of 20.13%. For H1FY16 company reported profit before tax of Rs 98.30 crore up 19.18% from Rs 82.48 crore in H1FY15. The PAT for the first half of FY16 stood at Rs 73.49 crore as compared to Rs 70.67 crore for the corresponding same period.

**Elaborating on earnings, Mr. Sunit Shangle, CFO, Kwality Ltd, said,**

*“We are very happy with the earnings, which is a reflection of our persistent focus on maintaining the highest quality standards along with a robust distribution system. We saw great momentum across the whole business, in our geographies and market segments this quarter. Our aim to expand our reach has been a step in the right direction and is sure to bring more impressive results in the times to come. The work at our plant is on full momentum and we are confident to have the same ready as per plan. Going forward we see better margins as we intend to introduce new value added products across geographies in phased manner.”*

**ABOUT KWALITY LIMITED**

Incorporated in 1992, Kwality Limited is India’s premier dairy foods company and has built leadership positions in branded and value-added markets across the dairy sector. The product range includes milk (bulk pouched and tetra pack), pure ghee, pure cow ghee, Livlite 85% less cholesterol ghee, curd, skimmed milk powder, wake up creamer, chaach, lassi and other dairy products under its brands like ‘Dairy Best’ & KDIL’s Kwality. The Company is in the process of launching value-added products such as flavoured milk, tetra pack milk, cheeses in numerous variants and table butter. With six milk processing units in Uttar Pradesh, Haryana and Rajasthan and its wide distribution network, the Company caters to retail customers under its own brand ‘Dairy Best’ and supplies dairy products to institutional customers, which includes leading MNCs and Indian companies. Kwality Limited was conferred the Dun & Bradstreet Corporate Award 2014 as the top Indian Company under the sector ‘Food & Agro Processing’.

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