



NESTLÉ INDIA LIMITED

Registered Office: M-5A, Connaught Circus, New Delhi – 110 001

UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30th JUNE, 2003

(Rupees in Million)

	3 Months Ended		6 Months Ended		Accounting Year Ended 31.12.2002 (Audited)	
	30.06.2003	30.06.2002	30.06.2003	30.06.2002		
1	DOMESTIC SALES	4,709.1	4,502.0	10,031.7	9,128.7	18,114.7
2	EXPORT SALES	751.6	612.8	1,410.0	1,286.2	2,362.3
3	NET SALES (1+2)	5,460.7	5,114.8	11,441.7	10,414.9	20,477.0
4	OTHER INCOME	64.7	87.4	175.2	133.8	278.8
5	GROSS REVENUE (3+4)	5,525.4	5,202.2	11,616.9	10,548.7	20,755.8
6	EXPENDITURE					
	a) (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS & WORK – IN –PROGRESS	311.5	156.5	210.8	192.3	(94.9)
	b) CONSUMPTION OF RAW & PACKING MATERIAL	1,951.6	1,878.0	4,407.0	3,866.4	8,088.6
	c) STAFF COST	380.7	336.9	769.4	658.8	1,462.1
	d) OTHER EXPENDITURE	1,649.0	1,681.8	3,574.0	3,380.8	7,030.6
	TOTAL EXPENDITURE (a+b+c+d)	4,292.8	4,053.2	8,961.2	8,098.3	16,486.4
7	EARNINGS BEFORE INTEREST, TAX & DEPRECIATION (EBITDA) EXCLUDING OTHER INCOME (3-6)	1,167.9	1,061.6	2,480.5	2,316.6	3,990.6
8	INTEREST	5.5	21.8	16.4	53.1	60.8
9	DEPRECIATION	116.5	122.6	229.9	246.3	494.0
10	PROFIT BEFORE TAXATION, IMPAIRMENT & CONTINGENCIES (5-6-8-9)	1,110.6	1,004.6	2,409.4	2,151.0	3,714.6
11	IMPAIRMENT OF FIXED ASSETS	-	-	-	-	212.5
12	PROVISION FOR CONTINGENCIES (NET)	82.8	41.4	202.7	202.5	313.6
13	PROVISION FOR TAXATION					
	a) CURRENT TAXES	383.0	393.0	795.0	738.0	1,233.0
	b) DEFERRED TAXES	(24.9)	(67.0)	(5.0)	(41.1)	(113.6)
	NET TAXES (a + b)	358.1	326.0	790.0	696.9	1,119.4
14	NET PROFIT BEFORE EXCEPTIONAL ITEM OF EARLIER YEARS (10-11-12-13)	669.7	637.2	1,416.7	1,251.6	2,069.1
15	EXCEPTIONAL ITEM IN RELATION TO EARLIER YEARS (NET OF TAX)	-	53.9	-	53.9	53.9
16	NET PROFIT AFTER EXCEPTIONAL ITEM OF EARLIER YEARS (14-15)	669.7	583.3	1,416.7	1,197.7	2,015.2
17	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	964.2	964.2	964.2	964.2	964.2
18	RESERVES EXCLUDING REVALUATION RESERVES		-	-	-	1,928.8
19	BASIC AND DILUTED EARNING PER SHARE (RS.)	6.94	6.05	14.69	12.42	20.90
20	AGGREGATE OF NON-PROMOTER SHAREHOLDING					
	– NUMBER OF SHARES	38,802,017	44,372,839	38,802,017	44,372,839	39,819,869
	– PERCENTAGE OF SHAREHOLDING	40.25%	46.02%	40.25%	46.02%	41.30%

Notes:

1. Net Sales for the quarter have increased by 6.8% as compared to the same period of 2002. The growth of 4.6% in domestic sales was adversely impacted due to the country wide transporters strike. The increase of 22.7% in export sales is mainly due to enhanced realisations from instant coffee exports to Russia, as the green coffee prices in the current period have been higher than last year.
2. Net Profit after exceptional items has increased by 14.8% compared to the same period last year. The impact of higher commodity prices, staff cost (mainly pension provisions) and contingencies has been largely offset by selected selling price increases, improved control over fixed costs, lower interest cost and refund of a levy pertaining to earlier years.

3. The Provision for Contingencies is for various contingencies resulting mainly from matters relating to litigation/dispute and management discretion.
4. Segment Reporting : 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 of the Company incorporates product groups viz. Milk Products & Nutrition, Beverages, Prepared dishes & cooking aids, Chocolates & Confectionery, which mainly have similar risks & 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.
5. The Board of Directors declared an interim dividend of Rs. 10/- per equity share amounting to Rs. 964.2 million for 2003, at the Board Meeting.
6. 6 investor complaints were pending at the beginning of the quarter, 27 received and 30 disposed off during the quarter, leaving 3 complaints pending at the end of the quarter, which have also been disposed off subsequently.
7. Previous periods' 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 31.07.2003.

By Order of the Board

Date : 31.07.2003
Place : Gurgaon

Michael T. Scales
Director - Finance & Control