



NESTLE INDIA LIMITED

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

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2008

(Rupees in Lakhs)

THREE MONTHS ENDED				NINE MONTHS ENDED		Accounting Year ended 31.12.2007 (Audited)
30.09.2008	30.09.2007			30.09.2008	30.09.2007	
103112	83820		(i) NET DOMESTIC SALES	297921	237191	317458
7648	6854		(ii) EXPORT SALES	25493	23679	32977
110760	90674	1(a)	NET SALES/INCOME FROM OPERATIONS [(i)+(ii)]	323414	260870	350435
277	204	1(b)	OTHER OPERATING INCOME	787	570	873
		2	EXPENDITURE			
5330	5081	a)	(INCREASE)/DECREASE IN STOCK IN TRADE & WORK IN PROGRESS	2891	(106)	(6731)
48796	37245	b)	CONSUMPTION OF RAW & PACKING MATERIALS	152256	123476	171760
1491	933	c)	PURCHASE OF TRADED GOODS	3820	2449	3467
7562	6926	d)	EMPLOYEES COST	23097	20355	26944
2325	1843	e)	DEPRECIATION	6667	5418	7474
26860	21107	f)	OTHER EXPENDITURE	76226	60832	85368
92364	73135	g)	SUBTOTAL (a+b+c+d+e+f)	264957	212424	288282
-	56	h)	IMPAIRMENT OF FIXED ASSETS – NET	-	56	118
82	463	i)	PROVISION FOR CONTINGENCIES – NET	1388	(6321)	(5904)
-	-	j)	ADDITIONAL EMPLOYEES COST	-	7537	7537
92446	73654	k)	TOTAL (a+b+c+d+e+f+h+i+j)	266345	213696	290033
18673	17743	3(a)	PROFIT FROM OPERATIONS BEFORE IMPAIRMENT [2(h)], CONTINGENCIES [2(i)], ADDITIONAL EMPLOYEE COST [2(j)], OTHER INCOME, INTEREST AND EXCEPTIONAL ITEMS [1(a)+1(b) -2(g)]	59244	49016	63026
18591	17224	3(b)	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST AND EXCEPTIONAL ITEMS [1(a)+1(b) -2(k)]	57856	47744	61275
542	362	4	OTHER INCOME	1329	1009	1671
19133	17586	5	PROFIT BEFORE INTEREST & EXCEPTIONAL ITEMS [3(b)+4]	59185	48753	62946
-	7	6	INTEREST EXPENSE	147	63	85
19133	17579	7	PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS (5-6)	59038	48690	62861
-	-	8	EXCEPTIONAL ITEMS	-	-	-
19133	17579	9	PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)	59038	48690	62861
5957	5973	10	TAX EXPENSE	17739	16670	21480
13176	11606	11	NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX (9-10)	41299	32020	41381
-	-	12	EXTRAORDINARY ITEM (NET OF TAX)	-	-	-
13176	11606	13	NET PROFIT FOR THE PERIOD (11-12)	41299	32020	41381
9642	9642	14	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	9642	9642	9642
-	-	15	RESERVES EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET AS AT 31.12.2007	-	-	32201
13.67	12.04	16	EARNINGS PER SHARE (EPS)	42.83	33.21	42.92
13.67	12.04	a)	BASIC AND DILUTED EPS (RS) BEFORE EXTRAORDINARY ITEM	42.83	33.21	42.92
		b)	BASIC AND DILUTED EPS (RS) AFTER EXTRAORDINARY ITEM			
36785762	36785762	17	PUBLIC SHAREHOLDING	36785762	36785762	36785762
38.15%	38.15%	-	NUMBER OF SHARES	38.15%	38.15%	38.15 %
		-	PERCENTAGE OF SHAREHOLDING			

Notes:

1. Net Sales for the quarter have increased by 22.2% compared with the same period of 2007. Domestic Sales have increased by 23.0% and Export Sales have increased by 11.6% including the impact of Rupee depreciation.
2. Other Income has increased largely due to higher rate of return supplemented by higher liquidities.
3. Profit from Operations has been adversely impacted due to steep increase in commodity prices especially Milk Solids, Green Coffee, Fuels/Energies, Vegetable Fats, Wheat Flour and Sugar. Higher volumes and staggered increases in selling prices have partially offset the cost increases.

Net Profit for the quarter has increased by 13.5% over the same period of 2007.

4. Provision for Contingencies (Net) during the current quarter results mainly from matters relating to litigation/dispute in accordance with the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (AS-29).
5. As the Company's business activity falls within a single primary business segment, namely Food, the disclosure requirements of Clause 41 of the Listing Agreement in terms of Accounting Standard on Segment Reporting (AS-17) are not applicable.
6. Dividends aggregating to Rs. 22/- per equity share (face value Rs. 10/- per share) have been approved by the Directors today, which is proposed to be paid on 26th November, 2008. This comprises of Second Interim Dividend for 2008 of Rs. 14.50 per equity share declared by the Directors and Special Dividend of Rs.7.50 per equity share under the now approved Scheme of Arrangement between the Company and its shareholders and creditors. The Order of the Hon'ble High Court sanctioning the Scheme of Arrangement has been filed by the Company with the Registrar of Companies on 31st October, 2008.

First Interim Dividend for 2008 of Rs.8.50 per equity share was declared by the Directors on 17th April, 2008 and paid on 9th May, 2008.

7. 5 Investor complaints were received during the quarter, all of which were disposed off during the quarter. No investor complaint was pending at the beginning or at the end of the quarter.
8. 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 31.10.2008.

By Order of the Board

Date: 31.10.2008
Place: Gurgaon



Martial G. Rolland
Chairman and Managing Director

The Limited Review as required under Clause 41 of Listing Agreement has been completed by Statutory Auditors. The Limited Review Report for the quarter and nine months period ended September 30, 2008 does not have any impact on the above Results.

By Order of the Board

Date: 31.10.2008
Place: Gurgaon



Martial G. Rolland
Chairman and Managing Director