



# NESTLÉ INDIA LIMITED

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

## AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2010

(Rupees in Lakhs)

9 Months ended (Un-audited)	3 Months ended (Un-audited)			Accounting Year ended (Audited)	
	30.09.2010	31.12.2010		31.12.2009	31.12.2010
430491	159611	126123	(i) NET DOMESTIC SALES	590102	480077
27888	7485	9056	(ii) EXPORT SALES	35373	32861
458379	167096	135179	1(a) NET SALES/INCOME FROM OPERATIONS [(i)+(ii)]	625475	512938
1433	456	587	1(b) OTHER OPERATING INCOME	1889	2061
			2 EXPENDITURE		
(6289)	(2005)	(3808)	a) (INCREASE)/DECREASE IN STOCK IN TRADE & WORK IN PROGRESS	(8294)	(865)
224998	79283	67344	b) CONSUMPTION OF RAW & PACKING MATERIALS	304281	239806
7293	2278	1681	c) PURCHASE OF TRADED GOODS	9571	5897
31548	11796	13762	d) EMPLOYEES COST	43344	43238
9196	3579	3067	e) DEPRECIATION	12775	11127
108839	42769	36387	f) OTHER EXPENDITURE	151608	121413
-	-	279	g) IMPAIRMENT OF FIXED ASSETS – NET	-	1032
(269)	477	203	h) PROVISION FOR CONTINGENCIES (NET) - FROM OPERATIONS	208	1677
375316	138177	118915	i) TOTAL (a+b+c+d+e+f+g+h)	513493	423325
<b>84496</b>	<b>29375</b>	<b>16851</b>	<b>3 PROFIT FROM OPERATIONS BEFORE OTHER INCOME [4], INTEREST [6], OTHER CONTINGENCIES [6(a)], AND EXCEPTIONAL ITEMS [8] i.e. [1(a)+1(b) -2(i)]</b>	<b>113871</b>	<b>91674</b>
1442	934	469	4 OTHER INCOME	2376	1718
<b>85938</b>	<b>30309</b>	<b>17320</b>	<b>5 PROFIT BEFORE INTEREST [6], OTHER CONTINGENCIES [6(a)], &amp; EXCEPTIONAL ITEMS [8] i.e. [3+4]</b>	<b>116247</b>	<b>93392</b>
97	10	49	6 INTEREST EXPENSE	107	140
280	1349	1555	6(a) PROVISION FOR CONTINGENCIES (NET) – OTHERS	1629	1555
<b>85561</b>	<b>28950</b>	<b>15716</b>	<b>7 PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS [8] i.e. [5-6-6(a)]</b>	<b>114511</b>	<b>91697</b>
-	-	-	8 EXCEPTIONAL ITEMS	-	-
<b>85561</b>	<b>28950</b>	<b>15716</b>	<b>9 PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)</b>	<b>114511</b>	<b>91697</b>
24035	8610	4424	10 TAX EXPENSE	32645	26197
<b>61526</b>	<b>20340</b>	<b>11292</b>	<b>11 NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX (9-10)</b>	<b>81866</b>	<b>65500</b>
-	-	-	12 EXTRAORDINARY ITEM (NET OF TAX)	-	-
<b>61526</b>	<b>20340</b>	<b>11292</b>	<b>13 NET PROFIT FOR THE PERIOD (11-12)</b>	<b>81866</b>	<b>65500</b>
9642	9642	9642	14 PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	9642	9642
-	-	-	15 RESERVES EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET	<b>75900</b>	<b>48485</b>
<b>63.81</b>	<b>21.10</b>	<b>11.72</b>	<b>16 EARNINGS PER SHARE (EPS) BASIC AND DILUTED EPS (RS) BEFORE / AFTER EXTRAORDINARY ITEM</b>	<b>84.91</b>	<b>67.94</b>
35900637	35900637	36785762	17 PUBLIC SHAREHOLDING	35900637	36785762
37.24%	37.24%	38.15%	- NUMBER OF SHARES	37.24%	38.15%
			- PERCENTAGE OF SHAREHOLDING		
-	-	-	18 <b>PROMOTERS &amp; PROMOTER GROUP SHAREHOLDING</b>		
			(a) <b>PLEGDED/ENCUMBERED</b>		
			- NUMBER OF SHARES	-	-
			- PERCENTAGE OF SHARES	-	-
			(AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP AND OF TOTAL SHARE CAPITAL OF COMPANY)		
60515079	60515079	59629954	(b) <b>NON-ENCUMBERED</b>	60515079	59629954
100%	100%	100%	- NUMBER OF SHARES	100%	100%
			- PERCENTAGE OF SHARES		
			(AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP)		
62.76%	62.76%	61.85%	- PERCENTAGE OF SHARES	62.76%	61.85%
			(AS A % OF THE TOTAL SHARE CAPITAL OF THE COMPANY)		

STATEMENT OF ASSETS AND LIABILITIES AS AT 31<sup>st</sup> DECEMBER 2010

(Rupees in Lakhs)

Particulars	As at 31.12.2010	As at 31.12.2009
	(Audited)	(Audited)
<b>SHAREHOLDERS FUND</b>		
(a) CAPITAL	9642	9642
(b) RESERVES AND SURPLUS	75900	48485
<b>LOAN FUNDS</b>	-	-
<b>DEFERRED TAX LIABILITIES/(ASSETS) – NET</b>	3327	3200
<b>TOTAL</b>	<b>88869</b>	<b>61327</b>
<b>FIXED ASSETS</b>	136165	97583
<b>INVESTMENTS</b>	15068	20325
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
(a) INVENTORIES	57595	49874
(b) SUNDRY DEBTORS	6329	6419
(c) CASH AND BANK BALANCES	25529	15559
(d) OTHER CURRENT ASSETS	-	-
(e) LOANS AND ADVANCES	15144	13805
Less: CURRENT LIABILITIES AND PROVISIONS		
(a) CURRENT LIABILITIES	76167	58759
(b) PROVISIONS	90794	83479
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b>	-	-
<b>PROFIT AND LOSS ACCOUNT</b>	-	-
<b>TOTAL</b>	<b>88869</b>	<b>61327</b>

**Notes:****Quarter ended 31.12.2010 with reference to Quarter ended 31.12.2009**

Profit from operations and Net Profit are not entirely comparable as last year results were adversely impacted by higher Employees Cost due to "one-off" actuarial losses; and brand building / demand generating activities.

**Full year 2010 with reference to full year 2009**

- Net Sales have increased by 21.9%. Domestic Sales have increased by 22.9% due to volumes and realisations. The increase in Exports sales is 7.6% while at constant exchange rates the same is 10.3%.
- The improvement in operating margins is due to better absorption of fixed cost and improved product / channel mix as the impact of increase in cost of materials has been largely offset by the "one-off" cost in 2009.
- Other Income has increased due to higher liquidities and yields.
- The improvement in Net Profit margin is due to the increase in operating margin as the effect of lowering of income tax rates has been offset by lower contribution of the income tax holiday at Pantnagar factory.
- Provision for Contingencies (Net) for matters related to operations and others, result mainly from matters relating to litigation/dispute and other uncertainties requiring management judgement, in accordance with the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (AS-29).
- 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.
- The Board of Directors has recommended a final dividend for 2010 of Rs. 12.50 per equity share (nominal value Rs.10/- per equity share). This is in addition to the two interim dividends for 2010, of Rs. 9.00 & Rs. 27.00 per equity share paid in May 2010 and November 2010 respectively. The total dividend per share in 2010 aggregates to Rs. 48.50, the same as in 2009, and is in keeping with the financing needs for capital expenditure.
- 5 Investor complaints were received during the quarter ended 31.12.2010, all of which were disposed off during the quarter. No investor complaint was pending at the beginning or at the end of the quarter.
- 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 FEBRUARY 18, 2011.**

By Order of the Board

**Antonio Helio Waszyk**  
Chairman and Managing Director

Date: February 18, 2011  
Place: Gurgaon

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