



NESTLÉ INDIA LIMITED

Registered Office: 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2019

(₹ In million)

THREE MONTHS ENDED (Un-audited)			PARTICULARS	SIX MONTHS ENDED (Unaudited)		Accounting Year ended (Audited)
30.06.2019	31.3.2019	30.06.2018		30.6.2019	30.6.2018	31.12.2018
			A INCOME			
28,353.7	28,215.5	25,073.3	DOMESTIC SALES	56,569.2	50,675.3	105,075.4
1,474.6	1,608.4	1,712.4	EXPORT SALES	3,083.0	3,478.8	7,086.9
29,828.3	29,823.9	26,785.7	SALE OF PRODUCTS	59,652.2	54,154.1	112,162.3
180.2	205.6	198.3	OTHER OPERATING REVENUES	385.8	402.3	760.4
30,008.5	30,029.5	26,984.0	i REVENUE FROM OPERATIONS	60,038.0	54,556.4	112,922.7
725.9	731.9	602.3	ii OTHER INCOME	1,457.8	1,166.6	2,589.2
30,734.4	30,761.4	27,586.3	TOTAL INCOME	61,495.8	55,723.0	115,511.9
			B EXPENSES			
12,173.0	12,086.7	9,687.3	i COST OF MATERIALS CONSUMED	24,259.7	20,847.9	43,656.8
523.5	519.4	514.3	ii PURCHASES OF STOCK-IN-TRADE	1,042.9	1,026.6	2,305.6
(174.8)	(152.7)	688.3	iii CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	(327.5)	292.3	(60.1)
3,145.6	3,037.6	2,848.8	iv EMPLOYEE BENEFITS EXPENSE	6,183.2	5,538.7	11,241.5
299.2	316.1	282.5	v FINANCE COSTS (INCLUDING INTEREST COST ON EMPLOYEE BENEFIT PLANS)	615.3	593.2	1,119.5
808.2	779.5	817.1	vi DEPRECIATION AND AMORTISATION	1,587.7	1,642.4	3,356.7
7,180.7	6,933.2	6,512.3	vii OTHER EXPENSES	14,113.9	12,918.0	28,181.1
-	-	41.4	viii IMPAIRMENT LOSS ON PROPERTY, PLANT AND EQUIPMENT	-	41.4	110.8
99.6	117.6	155.7	ix - OPERATIONS	217.2	306.3	621.7
-	-	-	x - OTHERS	-	-	415.1
87.9	110.7	85.5	xi CORPORATE SOCIAL RESPONSIBILITY EXPENSE	198.6	166.3	273.7
24,142.9	23,748.1	21,633.2	TOTAL EXPENSES	47,891.0	43,373.1	91,222.4
6,591.5	7,013.3	5,953.1	C PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (A-B)	13,604.8	12,349.9	24,289.5
-	-	-	D EXCEPTIONAL ITEMS	-	-	-
6,591.5	7,013.3	5,953.1	E PROFIT BEFORE TAX (C-D)	13,604.8	12,349.9	24,289.5
2,348.7	2,438.4	2,150.8	F TAX EXPENSE:			
(135.6)	(57.9)	(148.0)	CURRENT TAX	4,787.1	4,605.5	8,848.7
			DEFERRED TAX	(193.5)	(446.2)	(628.5)
4,378.4	4,632.8	3,950.3	G PROFIT FOR THE PERIOD (E-F)	9,011.2	8,190.6	16,069.3
			H OTHER COMPREHENSIVE INCOME			
(185.7)	(149.8)	(86.2)	a. (i) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
-	-	-	- RE-MEASUREMENT OF RETIRAL DEFINED BENEFIT PLANS	(335.5)	(176.1)	(464.0)
64.9	52.3	30.1	- CHANGES IN FAIR VALUE OF EQUITY INSTRUMENTS	-	(100.0)	(100.0)
			(ii) INCOME TAXES RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	117.2	61.4	162.0
(2.7)	(2.5)	(16.2)	b. (i) ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS			
0.9	0.9	5.7	- CHANGES IN FAIR VALUE OF CASH FLOW HEDGES	(5.2)	(51.3)	(3.2)
			(ii) INCOME TAXES RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS	1.8	17.9	1.1
(122.6)	(99.1)	(66.6)	TOTAL OTHER COMPREHENSIVE INCOME (a+b)	(221.7)	(248.1)	(404.1)
4,255.8	4,533.7	3,883.7	I TOTAL COMPREHENSIVE INCOME (G+H)	8,789.5	7,942.5	15,665.2
964.2	964.2	964.2	J PAID UP EQUITY SHARE CAPITAL (FACE VALUE – ₹10 PER SHARE)	964.2	964.2	964.2
45.41	48.05	40.97	K EARNINGS PER SHARE (EPS) BASIC/ DILUTED EPS (₹)	93.46	84.95	166.67
			ADDITIONAL INFORMATION:			
6,252.7	6,708.2	5,718.8	PROFIT FROM OPERATIONS [C - A(ii) + B(v)+B(x)+B(xi)]	12,960.9	11,942.8	23,508.6



STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2019

(₹ in million)

PARTICULARS		As at 30.06.2019 (Un-audited)	As at 30.06.2018 (Un-audited)	As at 31.12.2018 (Audited)
A	ASSETS			
1	NON-CURRENT ASSETS			
	(a) PROPERTY, PLANT & EQUIPMENT	23,134.9	25,107.3	24,006.2
	(b) CAPITAL WORK IN-PROGRESS	956.3	860.3	1,052.0
	(c) FINANCIAL ASSETS			
	(i) INVESTMENTS	7,479.5	7,345.9	7,333.6
	(ii) LOANS	418.8	416.7	401.4
	(d) OTHER NON-CURRENT ASSETS	690.7	831.1	718.1
	Sub-total – NON-CURRENT ASSETS	32,680.2	34,561.3	33,511.3
2	CURRENT ASSETS			
	(a) INVENTORIES	10,831.9	10,014.0	9,655.5
	(b) FINANCIAL ASSETS			
	(i) INVESTMENTS	17,549.2	12,834.8	19,251.3
	(ii) TRADE RECEIVABLES	1,564.6	1,241.4	1,245.9
	(iii) CASH AND CASH EQUIVALENTS	23,153.9	19,320.1	15,987.7
	(iv) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	104.9	94.8	112.9
	(v) LOANS	141.2	344.1	178.9
	(vi) OTHER FINANCIAL ASSETS	467.5	387.9	524.9
	(c) CURRENT TAX ASSETS (NET)	-	-	188.5
	(d) OTHER CURRENT ASSETS	223.5	181.3	223.9
	Sub-total – CURRENT ASSETS	54,036.7	44,418.4	47,369.5
	TOTAL-ASSETS	86,716.9	78,979.7	80,880.8
B	EQUITY AND LIABILITIES			
	EQUITY			
	(a) EQUITY SHARE CAPITAL	964.2	964.2	964.2
	(b) OTHER EQUITY	38,984.2	36,186.5	35,773.2
	Sub-total – EQUITY	39,948.4	37,150.7	36,737.4
	LIABILITIES			
1	NON-CURRENT LIABILITIES			
	(a) FINANCIAL LIABILITIES			
	(i) BORROWINGS	515.2	351.4	351.4
	(b) PROVISIONS	25,727.7	23,649.4	24,649.2
	(c) DEFERRED TAX LIABILITIES (NET)	375.6	743.6	588.2
	(d) OTHER NON-CURRENT LIABILITIES	4.7	5.5	5.1
	Sub- total – NON-CURRENT LIABILITIES	26,623.2	24,749.9	25,593.9
2	CURRENT LIABILITIES			
	(a) FINANCIAL LIABILITIES			
	(i) TRADE PAYABLES			
	TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	130.5	73.5	107.7
	TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES	12,263.0	9,958.1	12,296.0
	(ii) OTHER FINANCIAL LIABILITIES	2,938.6	2,563.4	3,161.8
	(b) PROVISIONS	1,817.8	1,172.5	1,572.6
	(c) CURRENT TAX LIABILITIES (NET)	1,591.2	1,935.6	-
	(d) OTHER CURRENT LIABILITIES	1,404.2	1,376.0	1,411.4
	Sub-total – CURRENT LIABILITIES	20,145.3	17,079.1	18,549.5
	TOTAL – EQUITY AND LIABILITIES	86,716.9	78,979.7	80,880.8



STATEMENT OF CASH FLOWS FOR SIX MONTHS ENDED 30 JUNE 2019

(₹ In million)

PARTICULARS		As at 30.06.2019 (Un-audited)
A	CASH FLOWS FROM OPERATING ACTIVITIES	
	PROFIT BEFORE TAX	13,604.8
	ADJUSTMENTS FOR :	
	DEPRECIATION AND AMORTISATION	1,587.7
	DEFICIT/ (SURPLUS) ON PROPERTY, PLANT AND EQUIPMENT SOLD/SCRAPPED/WRITTEN OFF (NET)	(10.9)
	OTHER INCOME	(1,457.8)
	INTEREST ON BANK OVERDRAFT AND OTHERS	18.5
	UNREALISED EXCHANGE DIFFERENCES	(17.5)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	13,724.8
	ADJUSTMENTS FOR WORKING CAPITAL CHANGES:	
	DECREASE/(INCREASE) IN TRADE RECEIVABLES	(316.7)
	DECREASE/(INCREASE) IN INVENTORIES	(1,176.4)
	DECREASE/(INCREASE) IN LOANS, OTHER FINANCIAL ASSETS & OTHER ASSETS	11.2
	INCREASE/(DECREASE) IN TRADE PAYABLE	(19.9)
	INCREASE/(DECREASE) IN OTHER FINANCIAL LIABILITIES & OTHER LIABILITIES	(189.4)
	INCREASE/(DECREASE) IN PROVISION FOR CONTINGENCIES	217.3
	INCREASE/(DECREASE) IN PROVISION FOR EMPLOYEE BENEFITS	770.9
	CASH GENERATED FROM OPERATIONS	13,021.8
	INCOME TAXES PAID (NET OF REFUNDS)	(2,921.5)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	10,100.3
B	CASH FLOWS FROM INVESTING ACTIVITIES	
	PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(624.2)
	SALE OF PROPERTY, PLANT AND EQUIPMENT	16.3
	PURCHASE OF TAX FREE LONG TERM BONDS AND T-BILLS	(158.7)
	DECREASE/(INCREASE) IN LOANS TO EMPLOYEES	9.4
	DIVIDEND RECEIVED ON MUTUAL FUNDS	76.5
	INTEREST RECEIVED ON BANK DEPOSITS, INVESTMENTS, TAX FREE BONDS, EMPLOYEE LOANS ETC.	1,463.7
	NET CASH GENERATED FROM INVESTING ACTIVITIES	783.0
C	CASH FLOWS FROM FINANCING ACTIVITIES	
	INCREASE IN DEFERRED VAT LIABILITIES UNDER STATE GOVERNMENT SCHEMES	163.8
	INTEREST ON BANK OVERDRAFT AND OTHERS	(4.4)
	DIVIDENDS PAID	(4,628.0)
	DIVIDEND DISTRIBUTION TAX PAID	(950.6)
	NET CASH USED IN FINANCING ACTIVITIES	(5,419.2)
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	5,464.1
	CASH AND CASH EQUIVALENTS	15,987.7
	CURRENT INVESTMENTS	19,251.3
	TOTAL CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (AS PER IND AS 7)	35,239.0
	CASH AND CASH EQUIVALENTS	23,153.9
	CURRENT INVESTMENTS	17,549.2
	TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (AS PER IND AS 7)	40,703.1
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	5,464.1



Notes:

Financial results have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ind-AS and Schedule III (Division II) to the Companies Act, 2013.

For better understanding of the financial performance, the Company has chosen to present "Profit from Operations" as an additional information in the Statement of Profit and Loss. "Profit from Operations" is arrived from 'Profit before Exceptional items and Tax' after reducing Other Income and adding back Finance Costs (including interest cost on employee benefit plans), Net provision for contingencies (others) and Corporate social responsibility expense.

Comparisons with reference to quarter ended 30.6.2018 unless otherwise specified:

1. "Total Sales" increased by 11.4%. "Domestic Sales" increased by 13.1% largely driven by volume & mix and positively influenced by sales to CSD and sale of surplus fat. "Export Sales" dropped by 13.9% due to lower coffee exports to Turkey.
2. "Other Income" has increased due to higher average liquidities.
3. "Cost of materials consumed" [B(i)+B(ii)+B(iii)] has increased due to higher commodity prices particularly milk and its derivatives.
4. "Net Provision for Contingencies" is mainly for matters related to litigations /related disputes and other uncertainties requiring management judgement. Provisions for Contingencies/ Contingent Liabilities are recognised/ disclosed after a careful evaluation of the facts and legal aspects of the matters involved, in line with Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".
5. "Re-Measurement of Retiral Defined Benefit Plans" represents actuarial gains/losses on defined benefit plans.
6. The Board of Directors have declared interim dividend comprising:
 - a) ₹ 23 per equity share (Face value ₹ 10/- per equity share) for 2019 amounting to ₹ 2,217.6 million out of current year profits, which is in addition to the interim dividend of ₹ 23 per equity share paid on 15 May 2019; and
 - b) A special interim dividend of ₹ 180 per equity share (Face value ₹ 10/- per equity share) out of the accumulated profits of previous years (surplus in the profit and loss account).

The total amount of ₹ 203 per equity share will be paid on and from 23 August 2019.

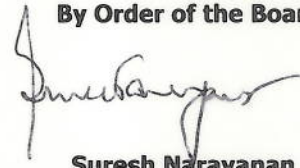
7. Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely Food. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.
8. Legal proceedings in the MAGGI Noodles issue are currently on before the Hon'ble Supreme Court. The issue has been adequately explained in the Annual Report 2015 and also in the press releases in 2015 available on the Company's website www.nestle.in.
9. Previous period's figures have been regrouped/ reclassified to conform with the current year's classification /grouping.
10. The Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on "Statement of Cash Flows".

THE ABOVE RESULTS AND THIS RELEASE HAVE BEEN REVIEWED BY THE AUDIT COMMITTEE OF THE BOARD AND APPROVED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON 2 AUGUST 2019.



Limited Review - The limited review, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related report forwarded to the stock exchange. The report does not have any impact on the above 'results and notes' for the quarter ended 30 June 2019.

By Order of the Board



Suresh Narayanan
Chairman and Managing Director

Date: 2 August 2019

Place: Gurugram

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Limited review report on unaudited quarterly financial results and year-to-date results of Nestlé India Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of Nestlé India Limited

We have reviewed the accompanying Statement of unaudited financial results of Nestlé India Limited ('the Company') for the quarter ended 30 June 2019 and year to date results for the period from 1 January 2019 to 30 June 2019 ("the Statement").

This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/ W-100022

Jiten Chopra

Partner

Membership No.: 092894

UDIN: 19092894A AAA B05795

Place: Gurugram

Date: 2 August 2019