



NESTLÉ INDIA LIMITED

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

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st MARCH, 2003 (Rupees in Million)

		Three months ended		Accounting Year ended 31.12.2002 (Audited)
		31.03.2003	31.03.2002	
1	DOMESTIC SALES	5,322.6	4,626.7	18,114.7
2	EXPORT SALES	658.4	673.4	2,362.3
3	NET SALES (1+2)	5,981.0	5,300.1	20,477.0
4	OTHER INCOME	110.5	46.4	278.8
5	GROSS REVENUE (3+4)	6,091.5	5,346.5	20,755.8
6	EXPENDITURE			
	a) (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS & WORK – IN –PROGRESS	(100.7)	35.8	(94.9)
	b) CONSUMPTION OF RAW & PACKING MATERIAL	2,455.4	1,988.4	8,088.6
	c) STAFF COST	388.7	321.9	1,462.1
	d) OTHER EXPENDITURE	1,925.0	1,699.0	7,030.6
	TOTAL EXPENDITURE (a+b+c+d)	4,668.4	4,045.1	16,486.4
7	EARNINGS BEFORE INTEREST, TAX & DEPRECIATION (EBITDA) EXCLUDING OTHER INCOME (3-6)	1,312.6	1,255.0	3,990.6
8	INTEREST	10.9	31.3	60.8
9	DEPRECIATION	113.4	123.7	494.0
10	PROFIT BEFORE TAXATION, IMPAIRMENT & CONTINGENCIES (5-6-8-9)	1,298.8	1,146.4	3,714.6
11	IMPAIRMENT OF FIXED ASSETS	-	-	212.5
12	PROVISION FOR CONTINGENCIES (NET)	119.9	161.1	313.6
13	PROVISION FOR TAXATION			
	a) CURRENT TAXES	412.0	345.0	1,233.0
	b) DEFERRED TAXES	19.9	25.9	(113.6)
	NET TAXES (a+b)	431.9	370.9	1,119.4
14	NET PROFIT (10-11-12-13)	747.0	614.4	2,069.1
15	EXCEPTIONAL ITEM IN RELATION TO EARLIER YEARS (NET OF TAX)	-	-	53.9
16	NET PROFIT AFTER EXCEPTIONAL ITEM IN RELATION TO EARLIER YEARS (14-15)	747.0	614.4	2,015.2
17	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	964.2	964.2	964.2
18	RESERVES EXCLUDING REVALUATION RESERVES	-	-	1,928.8
19	BASIC AND DILUTED EARNINGS PER SHARE (RS)	7.75	6.37	20.90
20	AGGREGATE OF NON – PROMOTER SHAREHOLDING			
	- NUMBER OF SHARES	39,812,969	44,372,839	39,819,869
	- PERCENTAGE OF SHAREHOLDING	41.29%	46.02%	41.30%

Notes:

- Net Sales for the quarter have increased by 12.8% as compared to the same period of 2002, despite difficult & uncertain market conditions. Domestic Sales have increased by 15%. Export sales in volume terms have declined by 5.1% mainly due to lower coffee exports to Russia. The same in value terms is lower by 2.2% mainly due to higher realisation on instant coffee due to increased green coffee prices.

The increase in Other Income is mainly due to interest on income tax refunds relating to earlier years.

- Net Profit for the quarter has increased by 21.6% as compared to the same period last year. The positive impact of higher 'Other Income', lower Interest, depreciation and provision for contingencies have been partly offset by higher commodity prices and staff cost due to higher provisions for retirement benefit liabilities.

3. The contingency provision is for various contingencies resulting mainly from matters relating to litigation 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. Previous period's figures have been regrouped/reclassified wherever necessary, to make them comparable.

THE ABOVE RESULTS & THIS RELEASE HAVE BEEN REVIEWED BY AUDIT COMMITTEE OF THE BOARD AND APPROVED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON 30.04.2003.

By Order of the Board

Date : 30.04.2003
Place : Gurgaon

CARLO M.V.DONATI
Chairman and Managing Director