



# NESTLE INDIA LIMITED

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

## UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> SEPTEMBER 2010

(Rupees in Lakhs)

THREE MONTHS ENDED (Un-audited)				NINE MONTHS ENDED (Un-audited)		Accounting Year ended 31.12.2009 (Audited)
30.09.2010	30.09.2009			30.09.2010	30.09.2009	
155510	121715		(i) NET DOMESTIC SALES	430491	353954	480077
8220	8508		(ii) EXPORT SALES	27888	23805	32861
163730	130223	1(a)	NET SALES/INCOME FROM OPERATIONS	458379	377759	512938
410	496	1(b)	OTHER OPERATING INCOME	1433	1474	2061
		2	EXPENDITURE			
4715	2421	a)	(INCREASE)/DECREASE IN STOCK IN TRADE & WORK IN PROGRESS	(6289)	2943	(865)
72836	58133	b)	CONSUMPTION OF RAW & PACKING MATERIALS	224998	172462	239806
2788	1673	c)	PURCHASE OF TRADED GOODS	7293	4216	5897
10406	9744	d)	EMPLOYEES COST	31548	29476	43238
3058	2860	e)	DEPRECIATION	9196	8060	11127
40794	31829	f)	OTHER EXPENDITURE	108839	85026	121413
-	160	g)	IMPAIRMENT OF FIXED ASSETS – NET	-	753	1032
(457)	(600)	h)	PROVISION FOR CONTINGENCIES (NET) - FROM OPERATIONS	(269)	1474	1677
134140	106220	i)	TOTAL (a+b+c+d+e+f+g+h)	375316	304410	423325
<b>30000</b>	<b>24499</b>	<b>3</b>	<b>PROFIT FROM OPERATIONS BEFORE OTHER INCOME [4], INTEREST [6], OTHER CONTINGENCIES [6(a)], AND EXCEPTIONAL ITEMS [8] i.e. [1 -2]</b>	<b>84496</b>	<b>74823</b>	<b>91674</b>
540	384	4	OTHER INCOME	1442	1249	1718
<b>30540</b>	<b>24883</b>	<b>5</b>	<b>PROFIT BEFORE INTEREST [6], OTHER CONTINGENCIES [6(a)], AND EXCEPTIONAL ITEMS [8] i.e. [3+4]</b>	<b>85938</b>	<b>76072</b>	<b>93392</b>
5	18	6	INTEREST EXPENSE	97	91	140
280	-	6(a)	PROVISION FOR CONTINGENCIES (NET) – OTHERS	280	-	1555
<b>30255</b>	<b>24865</b>	<b>7</b>	<b>PROFIT AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS [8] i.e. [5-6-6(a)]</b>	<b>85561</b>	<b>75981</b>	<b>91697</b>
-	-	8	EXCEPTIONAL ITEMS	-	-	-
<b>30255</b>	<b>24865</b>	<b>9</b>	<b>PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX [7-8]</b>	<b>85561</b>	<b>75981</b>	<b>91697</b>
8399	6589	10	TAX EXPENSE	24035	21773	26197
<b>21856</b>	<b>18276</b>	<b>11</b>	<b>NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX [9-10]</b>	<b>61526</b>	<b>54208</b>	<b>65500</b>
-	-	12	EXTRAORDINARY ITEM (NET OF TAX)	-	-	-
<b>21856</b>	<b>18276</b>	<b>13</b>	<b>NET PROFIT FOR THE PERIOD [11-12]</b>	<b>61526</b>	<b>54208</b>	<b>65500</b>
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	-	-	48485
<b>22.67</b>	<b>18.96</b>	<b>16</b>	<b>EARNINGS PER SHARE (EPS) BASIC AND DILUTED EPS (RS) BEFORE / AFTER EXTRAORDINARY ITEM</b>	<b>63.81</b>	<b>56.22</b>	<b>67.94</b>
35900637	36785762	17	PUBLIC SHAREHOLDING	35900637	36785762	36785762
37.24%	38.15%	-	NUMBER OF SHARES	37.24%	38.15%	38.15%
		-	PERCENTAGE OF SHAREHOLDING			
		18	<b>PROMOTERS &amp; PROMOTER GROUP SHAREHOLDING</b>			
		(a)	<b>PLEGGED/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	59629954	(b)	<b>NON-ENCUMBERED</b>	60515079	59629954	59629954
100%	100%	-	NUMBER OF SHARES	100%	100%	100%
		-	PERCENTAGE OF SHARES			
			(AS A % OF THE TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP)			
62.76%	61.85%	-	PERCENTAGE OF SHARES	62.76%	61.85%	61.85%
			(AS A % OF THE TOTAL SHARE CAPITAL OF THE COMPANY)			

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**Notes: All figures in percentages are for current quarter with reference to the same period last year.**

1. Net Sales increased by 25.7%. Net Domestic Sales increased by 27.8% on account of both volumes and realisations. Export Sales have been negatively impacted by diversion of capacity to domestic demand, timing difference and appreciation of the Indian Rupee.
2. Materials costs continue to remain high due to commodities prices. Higher advertising and sales promotion has contributed to the increase in Other Expenditure.

Employee cost comparisons are influenced by timing differences and base effect.

The growth in depreciation is subdued, as the increase in depreciation of tangible fixed assets is largely offset by the reduction in amortisation of management information systems as these have been fully amortised.

3. Other Income increased due to higher yields and liquidities.
4. Provision for Contingencies (Net) for matters related to Operations and Others result 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. The Board of Directors have maintained the interim dividends and declared today a second interim dividend for 2010 of Rs. 27.00 per equity share (nominal value Rs.10/- per equity share), amounting to Rs. 2,603.2 million, which will be paid on and from 16 November, 2010. The first interim dividend for 2010 of Rs. 9.00 per equity share was paid on 7th May, 2010.
7. 7 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 OCTOBER 29, 2010.**

**By Order of the Board**

**Date: October 29, 2010  
Place: Gurgaon**

**Antonio Helio Waszyk  
Chairman and Managing Director**

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