

## Nestlé India Limited

(CIN : L15202DL1959PLC003786)

Nestlé House

Jacaranda Marg

'M' Block, DLF City, Phase – II

Gurugram – 122002, Haryana

Phone 0124 - 3940000

E-mail: investor@IN.nestle.com

Website www.nestle.in



BM: PKR: 45:19

14.05.2019

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai – 400 001

Scrip Code – 500790

- Subject :**
- 1. Regulation 33 : Unaudited Financial Results for the first quarter ended 31<sup>st</sup> March, 2019; and**
  - 2. Seek approval of Members through Postal Ballot on the proposal of re-appointment of Mr. Shobinder Duggal as a Whole-time Director with effect from 10<sup>th</sup> May, 2019 till 31<sup>st</sup> December, 2019**

Dear Sir,

**Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"): Unaudited Financial Results for the quarter ended 31<sup>st</sup> March, 2019**

Please find enclosed following:

- a) the Unaudited Financial Results of the Company for the first quarter ended 31<sup>st</sup> March, 2019 approved by the Board of Directors at their meeting held today alongwith the Limited Review Report of M/s. B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company; and
- b) Press Release relating to the Unaudited Financial Results for the quarter ended 31<sup>st</sup> March, 2019.

The Unaudited Financial Results shall be published in newspapers as required. The same is also being uploaded on the Company's website.

**Seek approval of Members by means of Postal Ballot on the proposal of the re-appointment of Mr. Shobinder Duggal as a Whole-time Director with effect from 10<sup>th</sup> May, 2019 till 31<sup>st</sup> December, 2019**

This is further to the intimation vide letter no. BM:PKR:43:19 dated 25<sup>th</sup> April, 2019 regarding re-appointment of Mr. Shobinder Duggal as a Whole-time Director, designated as Executive Director – Finance & Control and CFO, with effect from 10<sup>th</sup> May, 2019 till 31<sup>st</sup> December, 2019, subject to approval of the Members. The Board of Directors at their meeting held today approved Postal Ballot including voting by electronic mean, to seek approval of Members, for the re-appointment of Mr. Shobinder Duggal as a Whole-time Director, designated as Executive Director – Finance & Control and CFO, with effect from 10<sup>th</sup> May, 2019 till 31<sup>st</sup> December, 2019. The Postal Ballot Notice shall be sent to the Members in due course.

The meeting of the Board of Directors commenced at 13:45 hours and concluded at 16:45 hours.

Thanking you,

Yours very truly,

**NESTLÉ INDIA LIMITED**

**B. MURLI**

**DIRECTOR – LEGAL & COMPANY SECRETARY**

Encl.: as above

**STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2019**

(₹ In million)

PARTICULARS	THREE MONTHS ENDED			Accounting Year ended
	31.3.2019 (Un-audited)	31.12.2018 (Audited as explained in Note 10)	31.3.2018 (Un-audited)	31.12.2018 (Audited)
<b>A INCOME</b>				
DOMESTIC SALES	28,215.5	26,905.1	25,602.0	105,075.4
EXPORT SALES	1,608.4	1,883.2	1,766.4	7,086.9
<b>SALE OF PRODUCTS</b>	<b>29,823.9</b>	<b>28,788.3</b>	<b>27,368.4</b>	<b>112,162.3</b>
OTHER OPERATING REVENUES	205.6	184.4	204.0	760.4
<b>i REVENUE FROM OPERATIONS</b>	<b>30,029.5</b>	<b>28,972.7</b>	<b>27,572.4</b>	<b>112,922.7</b>
ii OTHER INCOME	731.9	752.3	564.3	2,589.2
<b>TOTAL INCOME</b>	<b>30,761.4</b>	<b>29,725.0</b>	<b>28,136.7</b>	<b>115,511.9</b>
<b>B EXPENSES</b>				
i COST OF MATERIALS CONSUMED	12,086.7	12,008.6	11,160.6	43,656.8
ii PURCHASES OF STOCK-IN-TRADE	519.4	610.7	512.3	2,305.6
iii CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	(152.7)	(725.0)	(396.0)	(60.1)
iv EMPLOYEE BENEFITS EXPENSE	3,037.6	2,798.9	2,689.9	11,241.5
v FINANCE COSTS (INCLUDING INTEREST COST ON EMPLOYEE BENEFIT PLANS)	316.1	251.7	310.7	1,119.5
vi DEPRECIATION AND AMORTISATION	779.5	784.2	825.3	3,356.7
vii OTHER EXPENSES	6,933.2	8,086.8	6,405.7	28,181.1
viii IMPAIRMENT LOSS ON PROPERTY, PLANT AND EQUIPMENT	-	69.4	-	110.8
ix NET PROVISION FOR CONTINGENCIES - OPERATIONS	117.6	147.2	150.6	621.7
x - OTHERS	-	415.1	-	415.1
xi CORPORATE SOCIAL RESPONSIBILITY EXPENSE	110.7	55.4	80.8	273.7
<b>TOTAL EXPENSES</b>	<b>23,748.1</b>	<b>24,503.0</b>	<b>21,739.9</b>	<b>91,222.4</b>
<b>C PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (A-B)</b>	<b>7,013.3</b>	<b>5,222.0</b>	<b>6,396.8</b>	<b>24,289.5</b>
D EXCEPTIONAL ITEMS	-	-	-	-
<b>E PROFIT BEFORE TAX (C-D)</b>	<b>7,013.3</b>	<b>5,222.0</b>	<b>6,396.8</b>	<b>24,289.5</b>
F TAX EXPENSE:				
CURRENT TAX	2,438.4	1,847.6	2,454.7	8,848.7
DEFERRED TAX	(57.9)	(43.2)	(298.2)	(628.5)
<b>G PROFIT FOR THE PERIOD (E-F)</b>	<b>4,632.8</b>	<b>3,417.6</b>	<b>4,240.3</b>	<b>16,069.3</b>
<b>H OTHER COMPREHENSIVE INCOME</b>				
a. (i) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS				
- RE-MEASUREMENT OF RETIRAL DEFINED BENEFIT PLANS	(149.8)	(201.6)	(89.9)	(464.0)
- 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	52.3	70.5	31.3	162.0
b. (i) ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS				
- CHANGES IN FAIR VALUE OF CASH FLOW HEDGES	(2.5)	55.9	(35.1)	(3.2)
(ii) INCOME TAXES RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS	0.9	(19.5)	12.2	1.1
<b>TOTAL OTHER COMPREHENSIVE INCOME (a+b)</b>	<b>(99.1)</b>	<b>(94.7)</b>	<b>(181.5)</b>	<b>(404.1)</b>
<b>I TOTAL COMPREHENSIVE INCOME (G+H)</b>	<b>4,533.7</b>	<b>3,322.9</b>	<b>4,058.8</b>	<b>15,665.2</b>
J PAID UP EQUITY SHARE CAPITAL (FACE VALUE – ₹10 PER SHARE)	964.2	964.2	964.2	964.2
<b>K EARNINGS PER SHARE (EPS) BASIC/ DILUTED EPS (₹)</b>	<b>48.05</b>	<b>35.45</b>	<b>43.98</b>	<b>166.67</b>
ADDITIONAL INFORMATION:				
PROFIT FROM OPERATIONS [C - A(ii) + B(v)+B(x)+B(xi)]	6,708.2	5,191.9	6,224.0	23,508.6

**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 31.3.2018 unless otherwise specified:**

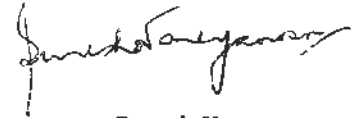
1. "Total Sales" increased by 9.0%. "Domestic Sales" increased by 10.2% supported by volumes. "Export Sales" dropped by 8.9% due to lower coffee exports to Turkey.
2. "Other Income" has increased due to higher average liquidities as well as higher yields.
3. "Cost of materials consumed" [B(i)+B(ii)+B(iii)] has marginally increased due to higher commodity prices.
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 had declared on 25 April 2019, an interim dividend for 2019 of ₹ 23.0 per equity share (Face value ₹10/- per equity share) amounting to ₹ 2,217.6 million, which will be paid on and from 15 May 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](http://www.nestle.in).
9. Previous period's figures have been regrouped/ reclassified to conform with the current year's classification /grouping.
10. Figures for three months ended 31 December 2018 are the balancing figures between the audited figures in respect of the full year ended 31 December 2018 and the published un-audited figures for nine months ended 30 September 2018.

**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 14 MAY 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 31 March, 2019.

**By Order of the Board**



**Suresh Narayanan**  
Chairman and Managing Director

**Date: 14 May 2019**  
**Place: Gurugram**

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Chartered Accountants

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## Limited review report on the Statement of Financial 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 ("the Statement") of Nestlé India Limited ('the Company') for the quarter ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are 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 of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations 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

Place: Gurugram  
Date: 14 May 2019

Nestlé House, Gurugram, 14<sup>th</sup> May 2019

## Nestlé India Continues To Deliver Volume Led Growth, To Launch Organic Food Products

### Nestlé India – Q1 2019

- Total Sales of INR 2,982 Crore
- Total Sales Growth at 9%. Domestic Sales Growth at 10.2%.
- Profit from Operations at 22.5% of Sales
- Net Profit of INR 463 Crore
- Earnings Per Share of INR 48.05

The Board of Directors of Nestlé India met today at Nestlé House and approved the results for the first quarter of 2019. Commenting on the results, **Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India** said, "We have continued on the track of volume led growth with our iconic brands like MAGGI, KITKAT and Nestlé MUNCH delivering strong performances. The market momentum remained strong, while the input costs have witnessed hardening. I am delighted to share that in line with our vision to provide exciting options rooted in nutrition, health and wellness, we will be launching Organic Food Products in the category 'Milk Products and Nutrition' in the coming months.

I am pleased with the progress made in our Nestlé Business Excellence (NBE) journey. NBE will provide fuel for growth for the business to leverage the Company's size and capabilities. Towards this a state of the art facility has been operationalized in Gurugram, with adequately trained manpower."

### Highlights for the quarter ended 31 March 2019:

Total Sales increased by 9.0%. Domestic Sales increased by 10.2% supported by volumes. Export Sales dropped by 8.9% due to lower coffee exports to Turkey.

### Dividend:

The Board of Directors had declared on 25<sup>th</sup> April 2019, an interim dividend for 2019 of INR 23.0 per equity share (Face value INR 10/- per equity share) amounting to INR 222 Crore, which will be paid on and from 15<sup>th</sup> May 2019.

### For more information:

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