



Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2014**

STANDALONE		Particulars		STANDALONE Audited Results for the Year ended 31st March		CONSOLIDATED Audited Results for the Year ended 31st March	
Unaudited Results for the Quarter ended 31st March	Unaudited Results for the Quarter ended 31st December			2014	2013	2014	2013
693,582	703,778	1.a. Net Sales from Operations (Net of excise duty) [sum of (i) to (iii)]		2,740,329	2,520,638	2,853,898	2,631,715
540,716	557,488	i) Domestic FMCG - HPC		2,144,079	1,977,006	2,145,189	1,975,017
127,507	119,963	ii) Domestic FMCG - Foods		489,587	438,763	489,587	438,763
666,223	677,451	Domestic FMCG - Total (i+ii)		2,633,666	2,415,769	2,634,786	2,416,780
25,359	26,327	Others		107,163	104,879	219,112	214,945
15,828	18,357	1.b. Other Operating Income		61,084	60,383	69,430	68,684
709,410	722,335	1. Total Income from operations (net) [1.a. + 1.b.]		2,801,913	2,681,021	2,923,328	2,700,399
608,232	606,097	2. Expenses [sum of (a) to (g)]		2,380,442	2,204,248	2,478,714	2,304,999
291,004	270,151	a) Cost of materials consumed		1,115,981	1,028,466	1,188,998	1,098,782
96,086	83,744	b) Purchases of stock-in-trade		335,019	323,531	315,163	312,526
(12,987)	12,112	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		(16,638)	(3,113)	(17,247)	(2,600)
37,825	34,772	d) Employee benefits expense		143,595	131,834	157,579	141,268
6,577	6,442	e) Depreciation and amortisation expense		26,055	23,602	29,554	25,132
84,034	92,946	f) Advertising & Promotions		361,360	323,188	367,466	328,997
106,713	105,930	g) Other expenses		415,070	376,740	437,201	400,894
101,178	116,238	3. Profit from operations before other income, finance costs and exceptional items (1-2)		421,471	376,773	444,614	395,400
15,063	14,266	4. Other Income		62,103	60,690	57,098	53,203
116,241	130,504	5. Profit from ordinary activities before finance costs and exceptional items (3+4)		483,574	437,463	501,712	448,603
533	1,820	6. Finance costs		3,603	2,515	4,068	2,572
115,708	128,684	7. Profit from ordinary activities after finance costs but before exceptional items (5-6)		479,971	434,948	497,644	446,031
6,603	2,297	8. Exceptional items - net credit/ (charge)		22,868	60,840	23,874	60,572
122,311	130,981	9. Profit from Ordinary Activities Before Tax (7+8)		502,839	495,788	521,518	506,603
35,098	24,750	10. Tax expense		116,090	116,121	125,944	122,666
87,213	106,231	11. Net Profit from Ordinary Activities After Tax (9-10)		386,749	379,667	395,574	383,937
87,213	106,231	12. Extraordinary items		-	-	-	-
-	-	13. Net Profit for the period (11+12)		386,749	379,667	395,574	383,937
-	-	14. Share of profit of associates		-	-	-	-
-	-	15. Minority Interest		-	-	-	-
87,213	106,231	16. Net Profit after taxes, minority interest and share of profit of associates (13+14+15)		386,749	379,667	394,557	382,896
21,627	21,626	17. Paid up Equity Share Capital (face value Re. 1 per share)		21,627	21,625	21,627	21,625
4.03	4.91	18. Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year		306,011	245,710	332,035	264,785
4.03	4.91	19.i Earnings Per Share (EPS) before extraordinary items (of Re. 1/- each) (not annualised):		17.88	17.56	18.24	17.71
4.03	4.91	(a) Basic - Rs.		17.87	17.35	18.23	17.70
4.03	4.91	(b) Diluted - Rs.		17.88	17.56	18.24	17.71
4.03	4.91	19.ii Earnings Per Share (EPS) after extraordinary items (of Re. 1/- each) (not annualised):		17.87	17.55	18.23	17.70
4.03	4.91	(a) Basic - Rs.		-	-	-	-
4.03	4.91	(b) Diluted - Rs.		-	-	-	-
708,283,434	708,217,669	A. PARTICULARS OF SHAREHOLDING		708,283,434	1,027,622,850	708,283,434	1,027,622,850
32.75%	32.75%	1. Public Shareholding		32.75%	47.52%	32.75%	47.52%
-	-	- Number of Shares		-	-	-	-
-	-	- Percentage of Shareholding		-	-	-	-
-	-	2. Promoters and Promoter Group Shareholding		-	-	-	-
-	-	a) Pledged/Encumbered		-	-	-	-
-	-	- Number of shares		-	-	-	-
-	-	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)		-	-	-	-
-	-	- Percentage of shares (as a % of the total share capital of the company)		-	-	-	-
-	-	b) Non-Encumbered		-	-	-	-
-	-	- Number of shares		-	-	-	-
-	-	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)		-	-	-	-
-	-	- Percentage of shares (as a % of the total share capital of the company)		-	-	-	-
1,454,412,858	1,454,412,858	B. INVESTOR COMPLAINTS		1,454,412,858	1,134,849,460	1,454,412,858	1,134,849,460
100.00%	100.00%	Pending at the beginning of the quarter		100.00%	100.00%	100.00%	100.00%
67.25%	67.25%	Received during the quarter		67.25%	52.48%	67.25%	52.48%
-	-	Disposed of during the quarter		-	-	-	-
-	-	Remaining unresolved at the end of the quarter		-	-	-	-
				Quarter ended 31st March, 2014			
				Nil			
				18			
				18			
				Nil			

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED									
STANDALONE				STANDALONE		(Rs. in Lakhs)			
Unaudited Results for the Quarter ended		Unaudited Results for the Quarter ended		Particulars		Audited Results for the Year ended		Audited Results for the Year ended	
2014	2013	2013	2013			2014	2013	2014	2013
349,712	319,139	339,786		Segment Revenue (Sales and Other operating income)		1,270,182	1,270,182	1,388,341	1,270,182
198,329	183,112	230,390		- Soaps and Detergents		812,091	747,166	819,436	752,250
86,904	80,810	85,003		- Personal Products		331,186	297,466	331,186	297,466
41,968	37,233	37,276		- Beverages		164,830	150,574	164,830	150,574
29,579	25,024	27,658		- Packaged Foods		115,630	109,278	230,408	223,788
706,492	645,318	720,113		- Others (includes Exports, Water, Infant Care Products, etc)		2,574,666	2,574,666	2,914,201	2,694,260
				Total Segment Revenue					
				Less: Inter Segment Revenue					
706,492	645,318	720,113		Net Segment Revenue		2,792,078	2,574,666	2,914,201	2,694,260
				Segment Results (Profit before tax and interest from ordinary activities)					
42,171	38,303	45,089		- Soaps and Detergents		178,581	161,553	180,234	161,553
49,581	47,173	65,918		- Personal Products		206,806	194,886	205,677	192,974
16,304	13,619	13,730		- Beverages		58,069	47,457	58,069	47,457
2,296	1,397	(1,340)		- Packaged Foods		6,126	3,702	6,126	3,702
(2,505)	(1,808)	(1,349)		- Others (includes Exports, Water, Infant Care Products, etc)		(3,700)	(3,900)	20,135	16,679
107,847	98,684	122,048		Total Segment Results		445,882	403,698	470,241	422,365
(633)	(601)	(1,820)		Less: Finance Costs		(3,603)	(2,515)	(4,068)	(2,572)
14,997	3,875	10,753		Add/(Less): Other unallocable income net of unallocable expenditure		60,560	94,605	55,345	86,810
122,311	101,958	130,981		Total Profit Before Tax from ordinary activities		502,839	495,788	521,518	506,603
				Capital Employed (Segment assets less Segment liabilities)					
(23,091)	4,027	(35,129)		- Soaps and Detergents		(23,091)	4,027	(9,866)	4,027
(47,509)	(29,549)	(55,513)		- Personal Products		(47,509)	(29,549)	(46,313)	(28,374)
34,735	25,892	12,245		- Beverages		34,735	25,892	34,735	25,892
17,428	17,510	14,805		- Packaged Foods		17,428	17,510	17,428	17,509
(2,160)	(3,899)	(7,032)		- Others (includes Exports, Water, Infant Care Products, etc)		(2,160)	(3,899)	26,788	13,452
(20,597)	13,981	(70,624)		Total Capital Employed in segments		(20,597)	13,981	22,772	32,506
348,302	253,421	501,291		Add: Unallocable corporate assets less corporate liabilities		348,302	253,421	333,185	256,057
327,705	267,402	430,667		Total Capital Employed		327,705	267,402	355,957	288,563

Notes on Segment Information:

1. Segment Revenue, Results and Capital Employed figures represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest, dividend, gain on sale of investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and exceptional items.

Capital Employed figures are as at 31st March, 2014, 31st March, 2013 and 31st December, 2013. Unallocable corporate assets less corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped/reclassified wherever necessary to conform to this period's classification.

Registered Office : Unilever House, B.D Sawant Marg, Chakala Andheri (E), Mumbai 400 099





Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2014

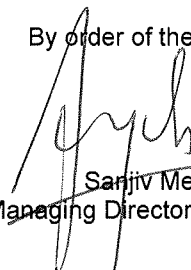
(Rs. in Lakhs)

Statement of Assets and Liabilities		STANDALONE		CONSOLIDATED	
		As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Particulars					
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	21,627	21,625	21,627	21,625
	(b) Reserves and surplus	306,078	245,777	332,102	264,852
	(c) Money received against share warrants	-	-	-	-
	Sub-total - Shareholders' funds	327,705	267,402	353,729	286,477
2	Share application money pending allotment	-	-	-	-
3	Minority Interest	-	-	2,228	2,086
4	Non-current liabilities				
	(a) Long-term borrowings	-	-	844	844
	(b) Deferred tax liabilities (net)	-	-	-	-
	(c) Other long-term liabilities	27,882	47,625	28,746	48,212
	(d) Long-term provisions	83,869	70,634	84,521	71,013
	Sub-total - Non-current liabilities	111,751	118,259	114,111	120,069
5	Current liabilities				
	(a) Short-term borrowings	-	-	3,714	1,630
	(b) Trade payables	579,389	516,769	596,489	534,174
	(c) Other current liabilities	85,294	61,615	93,928	65,911
	(d) Short-term provisions	195,701	187,202	212,732	198,837
	Sub-total - Current liabilities	860,384	765,586	906,863	800,552
	TOTAL - EQUITY AND LIABILITIES	1,299,840	1,151,247	1,376,931	1,209,184
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	274,184	250,854	303,766	265,385
	(b) Goodwill on consolidation	-	-	8,118	-
	(c) Non-current investments	63,617	54,803	38,019	39,532
	(d) Deferred tax assets (net)	16,173	20,478	17,955	20,852
	(e) Long-term loans and advances	60,551	38,429	53,052	42,164
	(f) Other non-current assets	68	29,684	70	29,685
	Sub-total - Non-current assets	414,593	394,248	420,980	397,618
2	Current assets				
	(a) Current investments	245,795	178,263	245,795	185,702
	(b) Inventories	274,753	252,699	293,983	270,597
	(c) Trade receivables	81,643	83,348	103,109	99,653
	(d) Cash and bank balances	222,097	170,789	251,603	190,071
	(e) Short-term loans and advances	53,768	64,826	53,452	58,198
	(f) Other current assets	7,191	7,074	8,009	7,345
	Sub-total - Current assets	885,247	766,999	955,951	811,566
	TOTAL - ASSETS	1,299,840	1,151,247	1,376,931	1,209,184

Notes:

1. Net Sales grew by 8.9% during the quarter. Domestic Consumer Business (FMCG + Water) grew by 9.0% with a 9.0% growth in HPC and 9.2% growth in Foods businesses.
2. Operating Profit (Profit from Operations before Other Income, Finance costs and Exceptional Items) for the quarter at Rs. 101,178 lakhs (MQ'13: Rs. 91,035 lakhs) grew by 11.1%.
3. Profit after tax from ordinary activities before Exceptional Items net of tax and prior period tax adjustments (refer note 6 below) for the quarter at Rs. 83,245 lakhs (MQ'13: Rs. 78,084 lakhs) grew by 6.6%.
4. Net Sales grew by 8.7 % during the financial year 2013-14. Domestic Consumer Business (FMCG + Water) grew by 9.0%, Operating Profit (Profit from Operations before Other Income, Finance costs and Exceptional Items) for the year grew by 11.9% and Profit after tax from ordinary activities before Exceptional Items grew by 7.3%.
5. Other income includes interest income, dividend income and net gain on sale of other non trade current investments aggregating to Rs. 15,063 lakhs (MQ'13: Rs. 10,583 lakhs).
6. Exceptional items, net credit in MQ'14 include profit on sale of surplus properties Rs. 1,558 lakhs (MQ'13: Nil) and reduction in provision for retirement benefits arising out change in actuarial assumptions of Rs 5,075 lakhs (MQ'13: Rs. 1,039 lakhs) and restructuring expenses Rs. 30 lakhs (MQ '13: Rs 98 lakhs).
7. The Company entered into a Share Purchase Agreement with the promoters of Aquagel Chemicals Private Limited (ACPL) for acquisition of additional 74% of the equity shares of ACPL with effect from 1st April, 2013. The Company earlier held 26% of the equity share capital of ACPL. Consequent to this acquisition, ACPL has become a wholly owned subsidiary of the Company with effect from 1st April, 2013. The excess of the cost to the Company of its investment in ACPL over the Company's portion of equity of ACPL amounting to Rs. 81.18 crores, at the date of investment, has been treated as 'Goodwill on consolidation'.
8. The Board of Directors at their meeting held on Monday, 28th April, 2014 recommended a final dividend of Rs. 7.50 per share of Re.1 each, for the financial year ended 31st March, 2014. Together with the interim dividend of Rs. 5.50 per share paid on 15th November, 2013, the total dividend for the financial year ended 31st March, 2014 works out to Rs.13 per share of Re. 1/- each. Final dividend, subject to approval of shareholders, will be paid on or after Friday, 4th July 2014.
9. Previous period figures have been re-grouped/reclassified wherever necessary, to conform to this period's classification.
10. The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
11. The text of the above statement was approved by the Board of Directors at their meeting held on 28th April, 2014.

Place: Mumbai
Date: 28th April, 2014

By order of the Board

Sanjiv Mehta
Managing Director & CEO

RESULTS FOR QUARTER AND FINANCIAL YEAR ENDING 31st MARCH 2014

9% DOMESTIC CONSUMER SALES GROWTH, OPERATING PROFIT (PBIT) UP 11% IN MARCH QUARTER 2014

Mumbai, April 28th, 2014: Hindustan Unilever Limited announced its results for the quarter and financial year ending 31st March 2014.

March Quarter 2014

During the quarter, the Domestic Consumer business grew at 9%, ahead of market, with 3% underlying volume growth.

Soaps and Detergents: Healthy performance

Skin Cleansing delivered double digit growth, aided by a step up in price growth as judicious pricing actions were taken to manage input cost inflation. Growth was broad based across brands with the liquids portfolio seeing accelerated growth.

In Laundry, growth was led by the premium segment with Surf maintaining its double digit growth momentum and Rin delivering good growth on the bars portfolio. Wheel growth stepped up on the back of its re-launch in the last quarter. Comfort Fabric Conditioners continue to lead market development with sustained high growth. Vim led the performance in Household Care.

Personal Products: Growth in a challenging environment

Skin Care grew well in a soft market. The re-launch of Fair & Lovely, with the new 'Best Ever Formula' and supported by a focused activation plan, is yielding positive results. Ponds had a good quarter at the premium end while Lakme and Dove sustained their robust performance. The Facial Cleansing portfolio registered broad based growth driven by innovations launched in previous quarters.

Hair Care sustained volume led double digit growth with Dove delivering another strong performance and Clinic Plus doing well. TRESEmmé, which saw the addition of a new Split Remedy variant, continued to make very good progress.

In Oral Care, significant investments were made to sustain our competitiveness in the category. While Close Up grew in the quarter, Pepsodent was impacted by the high promotional intensity in the market. Actions are underway to step up performance.

Colour Cosmetics maintained its strong innovation led growth momentum across both Lakme and Elle 18. Lakme continues to strengthen its position in premium make up driven by a range of exciting and contemporary offerings.

Beverages: Growth led by Tea

Tea sustained double digit growth on the back of stepped up volumes. Taj Mahal, Red Label and 3 Roses grew in double digits, driven by a strengthened mix and focused in-market activities. The thrust on leading market development for tea bags saw flavoured and green tea bags more than double sales in the quarter. In Coffee, Bru Gold continued to perform well.

Packaged Foods: Strong performance by Kissan, Kwality Walls and Magnum

Kissan registered another robust quarter with growth accelerating on both Ketchups and Jams, driven by impactful activation while Knorr growth continued to be led by Instant Soups which more than doubled volumes. Ice Creams saw strong growth arising from the selling in of Magnum which was extended to 4 other cities, and sharper in-market execution on Kwality Walls, ahead of the season.

Profitable growth sustained

The operating context during the quarter remained challenging with slowing market growth and high competitive intensity. Firm input costs were managed through a mix of judicious pricing and cost savings. Brand investments were sustained at competitive levels with higher advertising spend being offset by lower promotional activities. Profit before interest and tax (PBIT) grew by 11% and PBIT margin improved by 30 bps. Profit after tax before exceptional items, PAT (bei), grew by 7% to Rs. 832 Crores while Net Profit at Rs.872 Crores was up 11%.

Financial Year 2013-14: Competitive and profitable growth

The Domestic Consumer business grew by 9% with 4% underlying volume growth, ahead of market. Profit before interest and tax (PBIT) grew by 12% with PBIT margin improving 40 bps. Profit after tax but before exceptional items, PAT (bei), grew by 7% to Rs. 3555 Crores with Net Profit at Rs. 3867 Crores growing 2%. Net Profit growth was impacted by the significant property sale in the previous year. Cash generated from operations at over Rs. 5000 Crores for the year, was up Rs 462 Crores over the previous year.

The Board of Directors has proposed a final dividend of Rs. 7.5 per share for the financial year ending 31st March, 2014, subject to the approval of the shareholders at the Annual General Meeting. Together with interim dividend of Rs 5.5 per share, the total dividend for the financial year ending 31st March, 2014 amounts to Rs. 13.0 per share.

Harish Manwani, Chairman commented: "Against the backdrop of a challenging environment, we have delivered another year of competitive and profitable growth. We stepped up investment behind our brands and innovations, whilst driving cost savings and operational efficiencies with even greater rigor. Looking ahead, we are confident that our strategy is on track to deliver sustainable long term growth and margin improvement."



INDEPENDENT AUDITORS' REPORT

To the Members of Hindustan Unilever Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Hindustan Unilever Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under 'the Companies Act, 1956' of India (the "Act") read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Pradip Kanakia
Partner
Membership Number: 39985

Mumbai
April 28, 2014