

**PROCEEDINGS OF THE 61<sup>st</sup> (SIXTY FIRST) ANNUAL GENERAL MEETING ('AGM') OF NESTLÉ INDIA LIMITED HELD ON FRIDAY, 19<sup>TH</sup> JUNE 2020 FROM 10:00 HOURS TO 13:05 HOURS THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS ('VC / OAVM') FACILITY AT THE REGISTERED OFFICE - 100 / 101, WORLD TRADE CENTRE, BARAKHAMBA LANE, NEW DLEHI – 110 001 (DEEMED VENUE OF THE MEETING)**

**Directors present through VC / OAVM facility**

Mr Suresh Narayanan	- Chairman and Managing Director
Mr David Steven McDaniel	- Executive Director – Finance & Control and CFO
Mr Martin Roemkens	- Executive Director – Technical
Ms Rama Bijapurkar	- Independent Non-Executive Director
Mr Rajya Vardhan Kanoria	- Independent Non-Executive Director
Ms Roopa Kudva	- Independent Non-Executive Director
Dr Rakesh Mohan	- Independent Non-Executive Director
Dr Swati A. Piramal	- Independent Non-Executive Director
Mr B. Murli	- Senior Vice President – Legal & Company Secretary

**Moderators for the AGM present through VC / OAVM facility**

Ms Diksha Dange (Chorus Call)	- Moderator for Announcements and coordination with pre-registered Member Speakers.
Mr Pramod Kumar Rai (Nestlé India Limited)	- Moderator for the Communication Box

**Confirmation to Company Secretary before start of the virtual AGM**

Mr. Amit Vishal, Senior Manager, National Securities Depository Limited, confirmed to the Company Secretary that sufficient members to constitute quorum had logged in as participants and that the Statutory Auditors, Secretarial Auditors and Cost Auditors had also logged in for the meeting.

**Announcement before the start of the Virtual AGM**

Ms. Diksha Dange, the Moderator for the AGM, welcomed the Members for attending the 61<sup>st</sup> Annual General Meeting of the Company through VC / OAVM facility ("AGM") and apprised them that for the smooth conduct of the meeting, all Members were in mute mode and Members who had pre-registered themselves as speaker at the AGM would be unmuted on the request of the Chairman. Further, she stated that the proceedings of the meeting would be recorded and available on the Company's website. After the announcement, she handed over to Mr. Suresh Narayanan, Chairman and Managing Director of the Company.

**Chairman**

Mr. Suresh Narayanan, Chairman and Managing Director of the Company, thanked Diksha and welcomed participants to the AGM. At the outset, he extended his heartfelt tribute on behalf of the Company management and shareholders to the Indian soldiers martyred a few days ago and expressed that in this hour of tragedy, the management joined feelings and respect to the departed souls and to their families.

**Members Attendance and Quorum**

M/s. Nestlé S.A., holding 33,051,399 equity shares represented by Mr. Suresh Narayanan, M/s. Maggi Enterprises Limited, holding 27,463,680 equity shares represented by Mr. B. Murli and 203 Members holding 53,499 equity shares of the Company participated in the AGM through VC/ OAVM facility.

The Chairman declared the meeting as validly convened on the basis of advice from the Company Secretary that the requirement of the quorum as per the Articles of Association of the Company and the Companies Act, 2013 read with MCA Circular No. 20 /2020 dated 5<sup>th</sup> May 2020, was fulfilled.

### **Introduction**

The Chairman stated that he was privileged to attend his fifth Annual General Meeting as the Chairman and Managing Director of the Company and the first virtual AGM of the Company. He further stated that the virtual AGM is a progressive step as it allows Members irrespective of where they are physically present anywhere in India or even abroad, to participate in the annual general meeting. He welcomed the Members participating in the meeting through VC / OAVM facility.

Thereafter, the Chairman introduced other Board Members participating in the AGM through VC / OAVM facility, drawing attention of the Members to the top left of the screen, Ms. Rama Bijapurkar, Independent Non-Executive Director, Chairperson of the Stakeholders Relationship Committee and member of the Corporate Social Responsibility Committee, participating from Mumbai; Dr. Swati Ajay Piramal, Independent Non-Executive Director, Chairperson of Corporate Social Responsibility Committee, participating from Mumbai; Ms. Roopa Kudva, Independent Non-Executive Director, member of the Audit Committee and the Nomination and Remuneration Committee, participating from Mumbai; Dr. Rakesh Mohan, Independent Non-Executive Director, member of the Audit Committee and the Nomination and Remuneration Committee, participating from United States. The Chairman stated that this would be last AGM of Dr. Mohan as he retires on 30<sup>th</sup> June 2020 as per the Retirement Policy of Non-Executive Directors of the Company. On behalf of the Board of Directors and Members, he conveyed gratitude and thanked Dr. Mohan for his valuable contributions to the Company. He apprised the Members that Dr. Mohan would be connected until 1:30 a.m. US time. The Chairman then introduced Mr. Rajya Vardhan Kanoria, Independent Non-Executive Director, Chairman of the Audit Committee and the Nomination and Remuneration Committee, member of the Stakeholders Relationship Committee, who was participating from Delhi. Mr. Kanoria was appearing on the middle left of the screen; Thereafter, starting from the bottom left of the screen, the Chairman introduced Mr. Martin Roemkens, Executive Director - Technical and member of the Risk Management Committee, who was participating from the Head Office, Nestlé House, Gurugram; Mr. David Steven McDaniel, Executive Director - Finance & Control and CFO, member of the Stakeholders Relationship Committee and Risk Management Committee, who was participating from Head Office, Nestlé House, Gurugram. The Chairman briefly introduced Mr. McDaniel, being his first Annual General Meeting, and stated that Mr. McDaniel joined the Board effective from 1<sup>st</sup> March 2020. He further stated that Mr. McDaniel, aged 51 years, is a Chartered Management Accountant. He has over 30 years of rich and exhaustive experience in Finance and Control division and held senior management positions in various markets during his career with the Nestlé Group. Before joining the Company, he was the Chief Financial Officer of Nestlé UK and Ireland since April 2016. Prior to this Mr. McDaniel has had relevant exposure in Asia having worked as Division Director - Finance & Control of Nestlé Korea and Head of Finance and Control - Nestlé Indochina. He has also worked in China in various capacities with the Finance and Control function and at Nestlé S.A. in Vevey, as the Head of Financial Services with the Global Business Services organization. He further stated that the Notice of the AGM contains full details of Mr. McDaniel's background and that his association and Nestlé group experience would be of immense benefit to the Company and the Board recommended to the Members his appointment as Executive Director - Finance & Control and CFO of the Company for a term of five years starting from 1<sup>st</sup> March 2020.

The Chairman also took the opportunity to thank Mr. Shobinder Duggal, who retired on 31<sup>st</sup> December 2019 as Whole-time Director of the Company, for his unstinted, distinguished and dedicated contributions to the fortunes of the Company during a 16-year tenure as Executive Director,-Finance & Control and CFO.

Finally, the Chairman introduced Mr. B. Murli, Senior Vice President - Legal & Company Secretary of the Company, who was participating from Head Office, Nestlé House, Gurugram.

The Chairman acknowledged participation of the partners and authorized representatives of the Statutory Auditors, M/s. B S R & Co. LLP, Chartered Accountants; the Secretarial Auditors, M/s. S. N. Ananthasubramanian & Co., Company Secretaries; and the Cost Auditors, M/s. Ramanath Iyer & Co., Cost Accountants.

The Chairman announced that the Statutory Registers required to be available during the AGM were available for inspection on NSDL website. The Company's performance was covered in the Board's Report and the Annual Report for 2019.

### **Chairman's Speech**

Thereafter, the Chairman delivered his speech, highlights of which are recorded hereafter.

The Chairman started by sharing his views on the impact of COVID-19 crisis on the people and community and that the Company has committed itself to continue to give every possible support to the communities and to the authorities fighting tirelessly and valiantly against the deadly virus. He assured that all efforts were being made that the much-needed food and beverage products were available to the consumers and communities throughout the Country.

The efforts undertaken by the Company to battle the COVID-19 pandemic encompassed the areas meant for the communities, people, frontline sales force and from the employees. Elaborating further on each area, the Chairman stated that for the communities, the Company had committed initially a sum of Rs.15 crores towards feeding programs and other support for less privileged sections of the society through participation with leading and credible NGOs engaged in this along with distribution of essential groceries to the needy. Out of this fund, contribution of Rs.1 crore was made to 'Narayana Hrudayalaya Charitable Trust' for purchase of much needed ventilators for the Delhi NCR areas. The Company had also contributed to Akshaya Patra's COVID-19 relief operations which had helped to serve 815,000 meals so far. Contributions of the Company's products have been made to local governments including the police force in cities across the country. Through Nestlé Healthy Kids Program and for the beneficiaries as part of "Project Jagriti", the Company used social media and phone calls in collaboration with NGO partners to educate the community on the steps to be taken to prevent COVID-19. Through "Project Hilldaari" and in collaboration with local stakeholders, the Company reached out to various professionals in the select towns and enabled them to face the COVID-19 crisis by providing essentials, creating awareness and equipping them with safety gears. Local influencers were also engaged to convey the seriousness of the situation adequately.

He apprised the Members that employees of the Company stood together to support the fight against COVID-19 and had an "Employee Voluntary Contribution Program". The amount generated through this 'Nestlé in India' initiative was Rs.2.5 crores and provided to Indian Red Cross and used for providing much needed relief in most impacted areas and to people suffering due to the present conditions.

The Company rolled out “Nestlé Suraksha” Program for the frontline sales force of its business partners to cover each one of them who is not covered by Employees State Insurance (ESI) with a COVID-19 insurance protection for a period of three months from 1<sup>st</sup> May 2020 to 31<sup>st</sup> July 2020.

Elaborating further, he shared that the Company continued to follow strict social distancing measures and other precautionary measures at all the manufacturing locations to ensure the health and well-being of the people. The Company rolled out across all operating factories “Nestlé SAMMAN” Program to reward each operator for working during the stipulated period. Similarly, every commitment to internship was honored. All young Management Trainees joined on time. Every new employee contract was respected, and employees of the Company received their full salaries, bonuses and other benefits.

He further stated that as a responsible corporate citizen, the Company continues to offer help to the most vulnerable in the society and thanked the authorities at all levels of Government for timely interventions, guidance and support.

He expressed his gratitude to people in the workforce who have shown extraordinary commitment in keeping the Company’s operations running and meeting consumer needs under tough challenges. Quoting few examples, the Chairman mentioned some contributors like Mr Mustafa Hossain, a dedicated Nestlé distributor’s salesman in Gangtok who walked 14 kilometers each day for 3 days through the mountainous terrain to get the necessary permissions from the local authorities to distribute Nestlé products; Mr. Prateek Puranik at Nestlé Health Science who worked tirelessly with local government officials and the courier company, to get the necessary permissions so that Peptamen - a nutritionally-complete peptide-based formula specifically designed for people who cannot digest or absorb nutrients from conventional foods, reached all the way from Ahmedabad to Indore for a 12-year-old child, a stroke-paralytic patient who needed it urgently; a sales executive M. Balaji who went beyond his call of duty by supporting the distributor in Hosur, Ramakrishnan whose delivery boys could not report because of the lockdown, to deliver products to super markets and grocery stores so that people of Hosur have access to Nestlé products; Mr Swapan Kumar Roy a distributor in Kolkata who serviced 300 retailers alone with the help of just one staff member, and personally delivered stocks.

The Company will continue to contribute towards society and build for a sustainable future and stay the course on its purpose. One word that encapsulates Nestlé presence over 10-decades in India, is “Trust.” Nestlé has been a partner in India’s growth for 108- years and as the Company moves into the new decade, it will continue to focus on “Make in India” and “Made for India.” It is a matter of great pride that 99.7% of the employees starting from him are Indians, who work across the eight manufacturing locations, four branches and head office. The Company has been working with milk farmers since 1961 and today partners with over 100,000 milk farmers in India. It is also working with 3,500 coffee farmers and over 1,250 spice farmers. The Company’s products are distributed through 1,700 distributors and lakhs of retail shops for creating employment opportunities for fellow Indians and contributing to the economy.

The Chairman stated that the founder of Nestlé, Henri Nestlé envisioned contributing to a healthier future right from the start of Nestlé’s history. Nestlé was founded for a societal cause. Henri Nestlé developed “Farine Lactée” which is a French word for milk with wheat flour and sugar, which saved the life of a child. Henri Nestlé embodied many of the key attitudes and values that are part and parcel of the corporate culture till today. Right from the birth of Nestlé, more than 150-years ago, its

purpose remains 'enhancing the quality of life and contributing to a healthier future'. Shaping a healthier world around through products, education, information and intervention has always been the Company's priority.

Speaking on the Company's wide range of products and the geographical reach, the Chairman stated that the introductions in 2019 ranged from entry into the organic food category with 'Ceregrow' Organic Selection, traditional Indian breakfast MAGGI Poha and Upma to the launch of the world's number 1 Cocoa Malt Beverage, MILO in India. A web platform, asknestle.in, was introduced for consumers, which provides authentic, scientifically validated, credible information to the consumers on the needs of growing up children, nutritional nourishment catering to picky eaters and tools to track a child's growth with an aim to have a positive impact on people's lives and create maximum value for consumers.

The Company's positive impact on society focuses on enabling healthier and happier lives for individuals and families, helping develop thriving and resilient communities, and stewarding the planet's natural resources for future generations, with particular care for water. He apprised the Members that the Company had already reached out to nearly 5 million beneficiaries directly and indirectly across the societal initiatives and the Company's flagship program "Nestlé Healthy Kids" commemorated 10-years in 2019. Speaking on the initiative taken by the Company with regard to plastic waste management, he stated that in the year 2019 most of the key brands like MAGGI Noodles, NESCAFÉ and KITKAT became plastic-neutral, which indicated that the Company managed an equivalent or a higher amount of plastic waste than these brands generated through their consumption in the market.

The Company's Purpose is built into every aspect of the business and speaks of a higher cause of trust and responsibility. People look up to the companies they can believe in, trust in, and a company that has a social impact, which can change lives, positively. The future demands an increased commitment from companies, making sure that business stays committed to the community, the consumer and the planet and expressed hope that the Company will stand tall in making its contribution to this important endeavor.

Before closing his Speech, Chairman elucidated five principles that Company would abide by through this crisis and beyond. Firstly, quality and unimpeachable safety of products will remain the Company's signature of trust with the loving consumers. Secondly, the Company will continue to encourage and protect like a banyan tree, the ecosystem of suppliers, vendors, customers and stakeholders until this pandemic is over and beyond. Thirdly, the Company will continue to reinforce its culture of people first to define work practices, further strengthen hygiene and safety protocols in the post-COVID world as non-negotiable and to ensure key decisions pivot around the 'people impact'. Fourthly, the Company will continue to be an innovative, fast, focused and flexible Company and will use Nestlé Group's competence in science, technology and nutrition to address needs of the post-COVID world. Finally, the Company will continue to be sensitive, empathetic responsive and responsible to the community that surrounds it by making 'Corporate Compassion' as Company's way of response.

Concluding his speech, the Chairman thanked all the Members for their commitment, support and loyalty towards the Company, which inspires everyone in the Company to work towards reaching new heights, and help in creating shared value for all the stakeholders of the Company. He wished the Members best of the health.

## **Business Items**

The Chairman then took up the formal proceedings of the AGM. The Notice of the 61<sup>st</sup> Annual General Meeting ('AGM') dated 20<sup>th</sup> May 2020 together with the Financial Statements and Board's Report, which was sent to the Members by email and public notice published in the Newspapers, were taken as read.

The Chairman informed that the Auditors' Report on the Financial Statements of the Company for the year ended 31<sup>st</sup> December 2019 did not have qualifications, observations or comments on financial transactions or matters, which have any adverse effect on the functioning of the Company. In view of the same, there was no need to read the Auditor's Report.

He stated that as per the applicable provisions of the Companies Act, 2013 and Rules thereunder, the Company had provided remote e-voting facility to the Members entitled to cast their vote on the AGM agenda items from 16<sup>th</sup> June 2020 (9:00 am IST) to 18<sup>th</sup> June 2020 (5:00 pm IST). He drew attention of the Members that at the end of discussion on the resolutions, Members present at the meeting but have not cast their votes by availing the remote e-voting facility, can exercise their vote using e-voting platform of NSDL, which would be closed along with closure of the Meeting.

The Chairman thereafter proceeded with the Agenda, summarizing that the AGM Notice contains seven business items. Three ordinary business related to: 1) adoption of Audited Financial Statements of the Company for the year 2019 including the Balance Sheet as on 31<sup>st</sup> December 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon; 2) confirmation of payment of three interim dividends aggregating to Rs.101/- per equity share for the year 2019 out of current year profits and a special interim dividend of Rs.180/- per equity share out of accumulated profits of previous years (surplus in the profit & loss account) and declaration of final Dividend of Rs. 61/- per equity share for the financial year ended 31<sup>st</sup> December 2019; and 3) re-appointment of Mr. Martin Roemkens (DIN:07761271) as a Director, liable to retire by rotation; and four special business related to: 4) ratification of remuneration of M/s. Ramanath Iyer & Co., Cost Auditors; 5) re-appointment of Mr. Suresh Narayanan (DIN:07246738) as Managing Director of the Company for another term of five consecutive years w.e.f. 1<sup>st</sup> August 2020 on the terms and conditions of re-appointment and remuneration as contained in the draft agreement; 6) appointment of Mr. David Steven McDaniel (DIN:08662504) as Whole-time Director, designated as Executive Director – Finance & Control and Chief Financial Officer, for a term of five consecutive years w.e.f. 1<sup>st</sup> March 2020 until 28<sup>th</sup> February 2025 on the terms and conditions of appointment and remuneration as contained in the draft agreement; and 7) appointment of Mr. Ramesh Prathivadibhayankara Rajagopalan (DIN 01915274), as an Independent Non-Executive Director w.e.f. 1<sup>st</sup> July 2020 for a term of five consecutive years up to 30<sup>th</sup> June 2025.

Before starting the question and answer session, the Chairman explained to the Members that considering the participation of Members in the AGM through VC/ OAVM Facility, three options were available to the Members to ask questions/ give their comments during their participation in the AGM. One, Members pre-registered as a Speaker at least 48 hours in advance of the meeting at the designated investor e-mail address of the Company, two, Members submitted their questions 48-hours in advance of the meeting at the designated investor e-mail address of the Company and three, Members can during the meeting, post messages on the communication box available on the screen to all Members participating in the Meeting.

Thereafter, the Chairman invited Members who had pre-registered themselves as speakers to ask their questions on the Agenda Items as set out in the AGM Notice. Following Members gave their comments and asked question through audio visual means during the AGM:

Ms Sakshi Sanjeev Kapur (DP ID/ Client ID IN301549/31490246) from Mumbai;  
Ms Hutokshi Sam Patel (DP ID/ Client ID 1203710000018446) from Mumbai;  
Mr Ravi Kumar Naredi (DP ID/ Client ID IN301983/10275573) from Bhilwara, Rajasthan;  
Ms Homayun F Pouredehi (DP ID/ Client ID 1202890001487824) from Mumbai;  
Mr Kanishk Khullar (DP ID/ Client ID IN300360/20194749) from New Delhi;  
Mr Devender Khanna (DP ID/ Client ID IN302316/10005682) from New Delhi;  
Mr Seetharaman Radhakrishnan (DP ID/ Client ID IN300183/11300965) from Bengaluru;  
Mr N Thiagarajan (DP ID/ Client ID IN302902/42929028) from Pudukkottai, Tamil Nadu;  
Mr Yash Pal Chopra (DP ID/ Client ID IN300708/10592558) from New Delhi;  
Mr Dipankar Purkayastha (DP ID/ Client ID 1204720009417188) from New Delhi;  
Mr K Raja Venkata Subramaniam (DP ID/ Client ID 1301240005401893) from Chennai;  
Mr Ashok Bhavsar (DP ID/ Client ID 1202900000003088) from Baroda;  
Mr Ranjit Hingorani (DP ID/ Client ID IN301151/20860157) from Indore; and  
Mr B.S. Srimal (DP ID/ Client ID IN303719/11033159) from Kolkata

Following Members had sent questions and suggestions in advance on the designated email address of the Company:

Mr Nitin Narlekar (DP ID / Client ID IN300829/1135198)  
Mr Yogesh Khatri (DP ID / Client ID IN300020/10761895)  
Mr Dipankar Purkayastha (DP ID/ Client ID 1204720009417188) and  
Mr MP Bhutani (DP ID / Client ID 1203000000059427).

The Chairman acknowledged that he has received the messages posted on the Communication box available to them on the Screen during AGM.

The Chairman responded to the questions received in advance from the above esteemed Members; thereafter he took the questions of the Member Speakers; and then responded to the messages posted by the Members on the Communication Box. Summary of comments by the Members and response to their questions/ messages are recorded hereunder:

#### **Members' comments and Management response**

The Members congratulated the Chairman and Managing Director and the Board of Directors for the good performance of the Company. Many Members appreciated the Company's decision to conduct the AGM through VC/ OAVM Facility and allowed them to participate from distant places. Members also appreciated the high quality standards of the food products sold by the Company and appreciated the Company's efforts to bring back the MILO brand in the market. They expressed their satisfaction on the contribution of the Company in the societal activities undertaken by the Company.

Some of the comments/ questions of the Members were around the Company's policy on Work from Home; splitting the face value of the shares to a lower denomination; demand for issue of bonus shares; increase of Company's debt status; Company's cash position and its utilization; clarification

on reduction in shareholder's fund; availability of Company's products through e-commerce channels; Capital Expenditure plans of the Company; desire to subscribe to rights issue of the shares; availability of Company's products for diabetic people; Company's plan to ensure no damage on profitability and protecting profit margin; Company's plan to revive the premium brands; reasons for not providing for in the matter of Union of India complaint before the National Consumer Disputes Redressed Commission; any plan by the Company to shift from own Pension Scheme to National Pension Scheme; Company's plan to ensure supply of essential food products during COVID 19 times; Company's plan on rural market growth; innovation pipeline and introduction of new products for rural market; suggestion for launching innovative and immunity boosting coffee & tea with natural and herbal ingredients; suggestion for entering in the production of new range of products such as sanitizer etc.; launch of new variant of MAGGI Noodles; clarification on loans and advances given by Company to its employees; opening more Kiosks and providing employment opportunity to youth through such Kiosks; current production level at factories during COVID 19 circumstances; suggestion on setting up a fund for organized and unorganized sector during COVID-19; reason for lower foreign exchange earnings as compared to foreign exchange outgo; Company's initiatives for more aggressive growth in dairy and beverages; performance of currently launched breakfast cereals and its future; arrangement of factory visit for the Members; suggestion to shift registered office to Mumbai; suggestion on signing of balance sheet by all the Directors; businesses which are driving most of the volume growth; reason for conducting AGM on 19<sup>th</sup> June 2020; Company's efforts to revive volume growth in Infant Nutrition business and NESCAFÉ business and the medium to long term prospects of Infant Nutrition business; long term roadmap of the business development and new initiatives across the business segments; clarification on whether price increases taken on the Company's product; reasons for higher turnover ratio; deteriorating holding period of raw material and finished goods; and reason for increase in general licence fees during 2019.

The Chairman thanked the Members for their confidence, suggestions, comments and support to the Company and the Board of Directors of the Company. He stated that the comments from the Members were an acknowledgement for the hard work and dedication of employees and the Management Team of the Company. He further stated that Company was proud of the Members for the level of their engagement with the Company and that all observations, suggestions, experiences, ideas and comments will be taken forward after due consideration.

Responding on the Company's Work From Home Policy, the Chairman stated that moving completely to Work From Home could not be envisaged at this stage. However, in the post COVID-19 world, Work From Home is probably a New Reality for some time. Certainly, the Company will continue to look for Work From Home in areas where it is practically possible for the employees.

Responding on splitting of face value of shares of the Company, the Chairman stated that the Company takes into consideration its current equity financing patterns, its needs for the future and its capability to enhance shareholder value as a consequence of splitting the shares. Accordingly, the suggestions of splitting of face value of the shares of the Company will be taken for due consideration at an appropriate time.

Responding on the growth of the Company's business, the Chairman stated that both 'prepared dishes and cooking aids' and the 'chocolates and confectionary' categories have exhibited remarkable growth in the last couple of years. Coming out of the MAGGI crisis was due to all the stakeholders, the confidence of the Members, the employees of the Company and all the partners, and of course, the love of the consumers. The Company had crossed the 2014 volumes and has



come back from the crisis quite strongly. The Company is looking at with a greater degree of confidence, both in the prepared dishes and cooking aids category and chocolates and confectionery category. On Nutrition products, he stated that breastfeeding is the best practice. If for any reason, it is not possible to breastfeed, the nutrition products of the Company do play a role. This category has enjoyed enormous trust with consumers, with the medical fraternity, and indeed, the Company registered satisfactory growth in the last couple of years. On Coffee products, he stated that the performance was mixed, while on domestic front during last three years the Company witnessed satisfactory volume and value growth, however on the export front, the supply of Coffee to Turkey, which was one of the Company's largest exports to an affiliate, suffered due to re-alignment of Affiliate's capacities in Europe. The Company's recent forays into NESCAFÉ Gold has been very encouraging, especially in the COVID period and the Company witnessed increased traction for the NESCAFÉ Gold. The Company expects to do well in the Coffee products and finding growth opportunities.

While responding on longer term roadmap of the Company, the Chairman stated that Company will focus on the core categories it operates in which is 'milks and nutrition', 'prepared dishes and cooking aids', 'chocolates and confectionery', and of course, 'coffee and beverages'. In addition, the Company has forayed into new products like Breakfast Cereals business under the brand name NESPLUS, Nestlé Health Science business, which are witnessing satisfactory performance. The Company believes that during this time and in the post COVID world, consumers would seek trust, quality, intervention of science and technology, better nutrition and better immunity for the family. These are all areas where the Company has core competence and strength and will continue to work on the product offerings catering to such needs.

Responding on the Company's efforts to drive growth through innovation and renovation, the Chairman stated that the Company in the year 2019 introduced several products across categories. He was happy to share with the Members that in the last five years, the Company's pace of innovation and renovation has been almost three times of what it had been in the previous five to ten years. The Company has become more innovative and agile in terms of responding to the consumer needs and the consumer journey. In the year 2020, despite the COVID-19 situation the Company has launched new variants of MAGGI Noodles on e-commerce platforms. He further shared that the diversification strategy of the Company is to focus on areas where the Company has strength, opportunity and where it can add value to the consumers. The Company evaluates introduction of new, innovated or renovated products at the relevant time based on consumer trends and preferences that meets high standards of quality and safety.

Responding on the Company's plan on rural market growth and innovation pipeline and introduction of new products for rural market, the Chairman stated that a lot of opportunities that the Company has in milks and nutrition area, through better innovation, through accessing rural markets. He further stated that the growth of the Company in recent past has come from Tier-2 and Tier-3 towns, which reflects that semi-urban India and rural India is receptive to Nestlé brands and to the fact that the good quality, good safe nutrition is important and the opportunity in rural India continues to be strong. The Company will be looking at expanding quite aggressively into rural opportunities as well.

Responding on the suggestion for launching innovative and immunity boosting coffee & tea with natural and herbal ingredients, Chairman stated that company manufactures instant tea and Nestea

is one of the products made from instant tea and currently the Company mainly exports the instant tea.

With regard to the suggestion to introduce new product ranges like sanitizers, etc. as similarly done by some other FMCG companies, the Chairman explained that Company is primarily in the foods and beverages business aimed at nutrition, health and wellness. The Company does not operate in categories like sanitizers or soaps or detergents or personal care. Further, he added that there are opportunities that the Company sees, whether it is in immunity products, better nutrition products, more convenient products, more efficacious products, products addressing specific health needs and health requirements. The Company has strong support and access to all possible technology and assistance from Nestlé Group.

Responding on the availability of Company's product on e-commerce platform, the Chairman stated that the Company is working with various e-commerce operators such as Amazon, Flipkart, Big-Basket, Goffers, and Milk Basket. He stated that the Company has also started distribution activities on Zomato, Swiggy, Dunzo and other online delivery channels. He further stated that currently e-commerce contributes to about 3% of Company's business.

With regard to a Members' suggestion regarding expansion of the kiosks, the Chairman stated that there are already around 400 kiosks operating across the country, which created around 1,000 jobs. This gives dual benefit of improving the sales of the Company as also generating employment.

With regard to the query on shifting of registered office of the Company to Mumbai, the Chairman stated that it is a Delhi-NCR based Company for more than four decades now and the Company does not have any plans to shift its Registered office.

Responding on the availability of products for diabetics, he stated that the Company has range of products suitable for people who are diabetic but those products are prescriptive in nature. He referred various products such as Nestlé Health Science products, which is range of health science, high quality, efficacious and proven products and some products have low GI; Resource Diabetic, which is a protein supplement and Nestlé Optifast for those who have issues around managing their weight and obesity and which is a proven solution for weight management through dietary means. In the dairy segment, the Company has portfolio of Nestlé A+ range of Slim Milk and Actiplus Dahi, which is suitable for diabetics. In prepared foods, diabetics could also consume seasonings such as Masala-ae-Magic, and MAGGI Cubes.

Responding to production capacity and continuous supply of products, the Chairman stated that all eight factories of the Company are operational with an average of about 80% of the manufacturing capacity. All the Distribution Centers are operational. Therefore, most of the essential products manufactured by the Company are being made available to the consumers. He further stated that five factories of the Company that manufactures MAGGI Noodles are trying to ensure availability and supply chain to cater to the demand.

Regarding the capacity expansion of the factories and any capital expenditure plans, the Chairman stated that all the factories have world-class facilities and based on the demand and growth in various categories, the Company continues to evaluate the creation or addition of capacities at the existing or new facilities. The Company has plans to put up its ninth factory in Sanand in Gujarat with an investment of over Rs. 700 Crores. Unfortunately, the civil construction work has been impeded due to labour shortage in the wake of COVID-19. Nevertheless, the ninth factory will be one of the

best factories in the Nestlé world, it will be equipped with best-in-class facilities with 50% women workforce. It would be another factory meeting Nestlé's global standards of quality and safety.

With regard to price hike of the Company's product, the Chairman clarified that no price increase was taken up during the COVID-19 period and that price increases are not made opportunistically but considering factors like commodity headwind that is not capable of being mitigated by the Company either by better efficiency, by better economies of scale or by better and more efficacious manufacturing. Only in such situations conscious decision on price increases are taken. As of now, Company has no plan to increase the prices.

Responding on suggestion for setting up a fund for organized and unorganized sector during COVID-19 and Company's efforts to fight with pandemic, the Chairman stated that Company has already committed to a sum of Rs. 15 crores as part of CSR contribution to deal with specific issues with the community and to support the community. He shared the Company's outreach programs involving collaborating with NGOs in their feeding programs, provision of ventilators, PPE equipment and engaging with small retailers and protecting their incomes. In addition, the Company works with numerous MSMEs across the board.

With regard to the query on holding AGM earlier, the Chairman responded that original date announced by the Company was 8<sup>th</sup> May 2020. The AGM was postponed due to spread of COVID-19 and lockdown announced by the government. However, the Company had conducted the AGM through video conferencing/ other audiovisual means at the earliest possible dates and in line the notifications and circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

Responding on the proposal of the Members to facilitate factory visits, the Chairman stated that the Company has no scheme for arranging factory visits. However, in the past if any member happened to be near any of the Company's factory locations, the Company had arranged their individual visits, upon their request. At the convenience of the Factory, the Company can arrange for the factory visits provided Members give advance intimation. He added that because of the COVID-19 pandemic, currently Company do not encourage any factory visit in order to secure the manufacturing locations. Therefore, it would be practically difficult for the Company to organize any factory visit currently.

Responding on the suggestion on signing of balance sheet by all the Directors, Chairman stated the Board of Directors approves the balance sheet and signed in accordance with the Companies Act 2013, nevertheless, this suggestion was noted.

Thereafter, the Chairman invited Mr. David Steven McDaniel, Executive Director – Finance & Control and CFO to respond to some of the questions/ comments of the Members. Responding on demands for issue of bonus shares and right issue, Mr. McDaniel explained that in deciding on any capital increase, the Company had to take into account the requirement of such funds, the cost of servicing the Capital i.e. maintaining dividend on the enlarged share capital. In the opinion of the Management the current share capital of the Company is appropriate for the current size of Company's business. However, the Company continues to benchmark the capital structure of the Company and the various instruments available in the market for value creation and constantly reviews and evaluates various options for utilizing the available liquidities and reserves of the Company in the best interest of the shareholders and the Company.

Responding to a specific question of some Members on the gap between foreign exchange earnings and outgo and the exports performance of the Company, Mr McDaniel responded that during the year 2019, the foreign exchange earnings were down by about 10% as the Company's export of coffee to Turkey was affected for the reasons of re-alignment of Affiliate's capacities in Europe, as a consequence of which the Company has not been able to get that opportunity. He also explained that the Company witnessed growth in most category of businesses and this is likely to increase the foreign exchange earnings in future. In terms of outgoings, he stated that there has been an exceptionally high level of interim dividend in 2019 with the payment of the special interim dividend during 2019 out of accumulated profits and was primary reason for the steep increase in the foreign exchange outgo.

Responding on stock situation of the Company and reasons for maintaining higher levels of inventory at the end of the year 2019, Mr. McDaniel stated that the inventory turnover ratio was 10.9, that has deteriorated roughly 10% from 2018 as a result of deliberate actions, which can be explained in two parts, one is the increase stocks of raw materials, majorly milk solids and the derivatives because of higher forecasted prices and cost reduction exercise undertaken for the future by taking more inventory in the fourth quarter of 2019. The second reason was an increase to finished good stocks, to handle the forecasted sales in quarter one of 2020 being higher in line with the continuing growth of the Company and that necessitated an increase in finished goods stocks in fourth Quarter of 2019, therefore, deterioration in inventory turnover ratio was entirely in line with business requirements.

Responding on higher royalty payments, Mr. McDaniel stated that the royalty payment in 2019 was at the same percentage level as 2018, which was 4.5% of the sales net of tax. The increase in royalty payment was entirely in line with the sales increase of the Company. He stated that the royalty rate of 4.5% of the sales net of tax was validated by a number of exercises that have been done locally with the BSM and KPMG, for example, range of royalty payments made by other competitor companies or other MNCs ranges between 5% and 9% of the Sales. Comparatively, the Company is on the lower end of the range.

With regard to Company's pension scheme and reason for not shifting to defined contribution plan, he stated that the defined benefit schemes are volatile and can be increasingly expensive over time as the factors that determine the valuation of the obligation move. He further stated that in the year 2013, the Company closed the defined benefit pension scheme for the new employees. The defined benefit obligation is for employees who were part of the Company before that date, after that date the Company contributes to the National Pension System for eligible employees.

Responding on the reason to increase in the Company's debt, he informed that the Company has substantial shareholder funds and very little borrowings overall. As on date, in the Books of Account there are some non-current borrowings, which in fact are in the nature of tax incentive from the state of Karnataka, which is an interest free loan in lieu of VAT payable on goods produced and sold in the state of Karnataka. This is a new benefit available for seven years and repayments starts from 2021. He stated that overall Company's debt is negligible, and the Company was having good liquidities.

Responding to clarification sought for decline in cash balances, Mr. McDaniel stated that decline in cash balances or liquidity was primarily due to outgo of special interim dividend paid in 2019.

With regard to clarification on loans and advances given by Company to its employees, Mr. McDaniel responded that loans to employees have tenure of 36 months. These are small loans provided to the

employees on the occasion of relocating in the country for a new job to help them with short-term expenses and advances to employees are mainly the travel advances mostly for sales force employees.

On the query related to the non-creation of provision for a complaint filed by Union of India before the National Consumer Disputes Redressal Commission, seeking compensation and punitive damages, Chairman invited Mr. B. Murli, Senior Vice President – Legal and Company Secretary to respond. Mr. Murli responded that on similar issues the Honorable Bombay High Court in 2015 in the Company's Writ Petition bearing number 1688 of 2015 titled "Nestlé India Limited versus FSSAI" had decided in favour of the Company. Moreover, during the pendency of the matter, pursuant to Court Orders, samples of MAGGI Noodles that were manufactured before June 2015 were also tested at CFTRI (Central Food Technology Research Institute), Mysore and the test results of all samples tested have found MAGGI Noodles to be compliant with food regulations. Additionally, as per the Honorable Supreme Court's Order dated 3<sup>rd</sup> January 2019, the CFTRI test results will form the basis of proceedings for the matter pending before the NCDRC. Thus, in the assessment of the Company ultimately the complaint should not succeed. The Company will continue to monitor the future developments, and if need be, will review this assessment. As regards response required from the Auditors', he stated that in the auditor's report there were no qualifications, observations, or comments on the position taken by the Company's Management.

The Chairman thanked all the Members for their presence and for the trust, passion, confidence and honest sharing of ideas and acknowledged appreciation of the Members' sentiments and long cherished relationship with the Company. While efforts had been made to address the questions raised, he requested the Members that if any question remained unanswered then the Member can write an email to the Company.

#### **Conduct of voting through e-Voting during the AGM**

The Chairman thereafter took up the Agenda Items contained in the AGM Notice and stated that as explained earlier, Members participating in the AGM through VC/ OAVM Facility, but who have not cast their votes by availing the remote e-voting facility could exercise their vote in proportion to their shareholding through electronic voting platform provided by NSDL, the icon of which was available on the top of the screen. Mr. Abhinav Khosla Partner M/s SCV & Co. LLP, Chartered Accountants, will scrutinize the votes cast through remote e-voting and votes cast during the AGM on e-voting platform as provided by NSDL. Mr. Khosla will submit the report thereon in the prescribed manner not later than 2 p.m. the next day i.e. 20<sup>th</sup> June 2020. The Voting Results on all the resolutions placed before the AGM would be declared not later than around 6 p.m. the next day i.e. 20<sup>th</sup> June 2020 and shall be immediately intimated to BSE Limited, Mumbai. The results along with the report of the Scrutinizers shall be uploaded on the websites of the Company and the NSDL and shall be also available at the Registered Office of the Company. The e-voting platform provided by NSDL would remain open for another 30 minutes. The proceedings of the e-voting will close after all the Members participating in the meeting have cast their votes through e-voting which will lapse after 30 minutes.

Members participating in the AGM through VC/ OAVM Facility were given opportunity to cast their vote, which ended 30 minutes after the announcement made by the Chairman.

Thereafter, Ms. Diksha Dange, Moderator, announced to the Members that the Scrutinizers had advised that the time for e-voting has elapsed and they were of the opinion that all Members who are participating in the AGM were given adequate time and opportunity to vote at the AGM and that the voting process of AGM had concluded. Thereafter, she invited the Chairman to close the proceedings.

Mr Suresh Narayanan, Chairman and Managing Director and Mr B Murli appeared on the screen. The Chairman thanked the Members for their participation, suggestions and comments and closed the meeting.

**Result of the Remote E-Voting between 16<sup>th</sup> June 2020 (9:00 am IST) to 18<sup>th</sup> June 2020 (5:00 pm IST) and E-Voting during the Annual General Meeting held on Friday, 19<sup>th</sup> June 2020 on the Ordinary and Special Businesses**

On the basis of the Scrutinizer's Report for the electronic voting by Members who participated in the AGM through VC / OAVM facility on 19<sup>th</sup> June 2020 and voting by Members through Remote e-Voting between 16<sup>th</sup> June 2020 (9:00 am IST) to 18<sup>th</sup> June 2020 (5:00 pm IST), the Results were declared on 19<sup>th</sup> June 2020 at around 8:00 pm, the summary of which is recorded hereunder. All the Resolutions for the Ordinary and Special business as set out in Agenda Item Nos. 1 to 7 of the AGM Notice were duly passed by the requisite majority.

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
<b>Resolution required: (Ordinary)</b>		<b>1. To receive, consider and adopt the Audited Financial Statements of the Company for the year 2019 including Balance Sheet as at 31st December 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>								<b>No</b>
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>60515079</b>	<b>60515079</b>	<b>100.000</b>	<b>60515079</b>	<b>0</b>	<b>100.0000</b>
Public – Institutions	E-Voting	20379603	15835562	77.7030	15835562	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>20379603</b>	<b>15835562</b>	<b>77.7030</b>	<b>15835562</b>	<b>0</b>	<b>100.0000</b>
Public- Non Institutions	E-Voting	15521034	160563	1.0345	160560	3	99.9981	0.0019
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>15521034</b>	<b>160563</b>	<b>1.0345</b>	<b>160560</b>	<b>3</b>	<b>99.9981</b>
<b>Total</b>		<b>96415716</b>	<b>76511204</b>	<b>79.3555</b>	<b>76511201</b>	<b>3</b>	<b>99.9981</b>	<b>0.0000</b>
<b>Resolution required: (Ordinary)</b>		<b>2. To confirm payment of three interim dividends, aggregating to Rs. 101/- per equity share, for the year 2019 out of current year profits and a special interim dividend of Rs. 180/- per equity share out of accumulated profits of previous years (surplus in the profit &amp; loss account) and to declare a final dividend on equity shares for the financial year ended 31<sup>st</sup> December 2019.</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>								<b>No</b>
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>60515079</b>	<b>60515079</b>	<b>100.0000</b>	<b>60515079</b>	<b>0</b>	<b>100.0000</b>
Public – Institutions	E-Voting	20379603	16429482	80.6173	16425357	4125	99.9749	0.0251
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>20379603</b>	<b>16429482</b>	<b>80.6173</b>	<b>16425357</b>	<b>4125</b>	<b>99.9749</b>
Public- Non Institutions	E-Voting	15521034	160613	1.0348	157449	3164	98.0300	1.9700
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		<b>15521034</b>	<b>160613</b>	<b>1.0348</b>	<b>157449</b>	<b>3164</b>	<b>98.0300</b>
<b>Total</b>		<b>96415716</b>	<b>77105174</b>	<b>79.9716</b>	<b>77097885</b>	<b>7289</b>	<b>99.9905</b>	<b>0.0095</b>

<b>Resolution required: (Ordinary)</b>		<b>3. To appoint a Director in place of Mr Martin Roemkens (DIN: 07761271), who retires by rotation and being eligible, offers himself for re-appointment.</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>							<b>No</b>	
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		60515079	60515079	100.0000	60515079	0	100.0000
Public – Institutions	E-Voting	20379603	16429265	80.6162	16408949	20316	99.8763	0.1237
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		20379603	16429265	80.6162	16408949	20316	99.8763
Public- Non Institutions	E-Voting	15521034	159952	1.0305	156764	3188	98.0069	1.9931
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		15521034	159952	1.0305	156764	3188	98.0069
<b>Total</b>		<b>96415716</b>	<b>77104296</b>	<b>79.9707</b>	<b>77080792</b>	<b>23504</b>	<b>99.9695</b>	<b>0.0305</b>
<b>Resolution required: (Ordinary)</b>		<b>4. Ratification of remuneration of M/s. Ramanath Iyer &amp; Co., Cost Auditors (Firm Registration No. 00019).</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>							<b>No</b>	
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		60515079	60515079	100.0000	60515079	0	100.0000
Public – Institutions	E-Voting	20379603	16383004	80.3892	16383004	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		20379603	16383004	80.3892	16383004	0	100.0000
Public- Non Institutions	E-Voting	15521034	160512	1.0342	160461	51	99.9682	0.0318
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		15521034	160512	1.0342	160461	51	99.9682
<b>Total</b>		<b>96415716</b>	<b>77058595</b>	<b>79.9233</b>	<b>77058544</b>	<b>51</b>	<b>99.9999</b>	<b>0.0001</b>
<b>Resolution required: (Ordinary)</b>		<b>5. Re-appointment and the terms and conditions of re-appointment of Mr. Suresh Narayanan (DIN: 07246738) as Managing Director for another term of five consecutive years effective from 1<sup>st</sup> August 2020</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>							<b>No</b>	
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		60515079	60515079	100.0000	60515079	0	100.0000
Public – Institutions	E-Voting	20379603	16180634	79.3962	15732168	448466	97.2284	2.7716
	Poll		-	-	-	-	-	
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		20379603	16180634	79.396240	15732168	448466	97.2284
Public- Non Institutions	E-Voting	15521034	160599	1.0347	160551	48	99.9701	0.0299
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		15521034	160599	1.0347	160551	48	99.9701
<b>Total</b>		<b>96415716</b>	<b>76856312</b>	<b>79.7135</b>	<b>76407798</b>	<b>448514</b>	<b>99.4164</b>	<b>0.5836</b>
<b>Resolution required: (Ordinary)</b>		<b>6. Appointment and the terms and conditions of appointment of Mr. David Steven McDaniel (DIN: 08662504) as Whole-time Director designated as Executive Director - Finance &amp; Control and CFO of the Company for a term of five consecutive years effective from 1<sup>st</sup> March 2020.</b>						
<b>Whether promoter / promoter group are interested in the agenda / resolution?</b>							<b>No</b>	
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		60515079	60515079	100.0000	60515079	0	100.0000
Public – Institutions	E-Voting	20379603	16383517	80.3917	16321412	62105	99.6209	0.3791
	Poll		-	-	-	-	-	
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		20379603	16383517	80.3917	16321412	62105	99.6209
Public- Non Institutions	E-Voting	15521034	160513	1.0342	157335	3178	98.0201	1.9799
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		15521034	160513	1.0342	157335	3178	98.0201
<b>Total</b>		<b>96415716</b>	<b>77059109</b>	<b>79.9238</b>	<b>76993826</b>	<b>65283</b>	<b>99.9153</b>	<b>0.0847</b>

Resolution required: (Ordinary)		7. Appointment of Mr. Ramesh Prathivadibhayankara Rajagopalan (DIN: 01915274) as an Independent Non-Executive Director of the Company for a term of five years with effect from 1 <sup>st</sup> July 2020						
Whether promoter / promoter group are interested in the agenda / resolution?								No
Promoter and Promoter Group	E-Voting	60515079	60515079	100.0000	60515079	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>		60515079	60515079	100.0000	60515079	0	100.0000
Public – Institutions	E-Voting	20379603	16212446	79.5523	16212446	0	100.0000	0.0000
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>			16212446	79.5523	16212446	0	100.0000
Public- Non Institutions	E-Voting	15521034	160213	1.0322	160168	45	99.9719	0.0281
	Poll		-	-	-	-	-	-
	Postal Ballot#		-	-	-	-	-	-
	<b>Total</b>			160213	1.0322	160168	45	99.9719
<b>Total</b>		<b>96415716</b>	<b>76887738</b>	<b>79.7461</b>	<b>76887693</b>	<b>45</b>	<b>99.9999</b>	<b>0.0001</b>

# Not applicable

The Resolutions for the Ordinary and Special businesses as set out in Agenda Item Nos. 1 to 7 in the Notice of the 61<sup>st</sup> Annual General Meeting, duly approved by the Members with requisite majority, are recorded hereunder as part of the proceedings of 61<sup>st</sup> Annual General Meeting of the Members held on 19<sup>th</sup> June 2020.

### **Ordinary Business**

**Item No. 1: Ordinary Resolution to receive, consider and adopt the Audited Financial Statements of the Company for the year 2019 including Balance Sheet as at 31<sup>st</sup> December 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.**

RESOLVED that the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> December 2019 including Balance Sheet as at 31<sup>st</sup> December 2019, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of Board and Auditors thereon, be and are hereby approved and adopted.

**Item No. 2: Ordinary Resolution to confirm payment of three interim dividends, aggregating to Rs. 101/- per equity share, for the year 2019 out of current year profits and a special interim dividend of Rs. 180/- per equity share out of accumulated profits of previous years (surplus in the profit & loss account) and to declare a final dividend on equity shares for the financial year ended 31<sup>st</sup> December 2019.**

RESOLVED that Members do hereby approve and declare Final Dividend of Rs. 61/- per equity share of Rs. 10/- each for the year 2019 as recommended by the Board of Directors and confirm three interim dividends aggregating to Rs. 101/- per equity share, already paid for the year 2019 out of current year profits and special interim dividend of Rs. 180/- per equity share out of accumulated profits of previous year (surplus in the profit & loss account), on the entire issued, subscribed and paid-up capital of the Company of 96,415,716 equity shares of the nominal value of Rs. 10/- each.

**Item No. 3: Ordinary Resolution to appoint a Director in place of Mr Martin Roemkens (DIN: 07761271), who retires by rotation and being eligible, offers himself for re-appointment**

RESOLVED that Mr Martin Roemkens (DIN : 07761271), who retires in accordance with the provision of Article 119 of the Articles of Association of the Company and the Companies Act, 2013 and has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.



## **Special Business**

### **Item No. 4: Ordinary Resolution for ratification of remuneration of M/s. Ramanath Iyer & Co., Cost Auditors (Firm Registration No. 00019).**

RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 00019), appointed as the Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost accounting records for the products falling under the specified Customs Tariff Act Heading 0402, manufactured by the Company for the financial year ending 31<sup>st</sup> December 2020 be paid, Rs. 2,07,000/- plus out of pocket expenses and applicable taxes.

### **Item No. 5: Ordinary Resolution for re-appointment and the terms and conditions of re-appointment of Mr Suresh Narayanan (DIN: 07246738) as Managing Director for another term of five consecutive years effective from 1<sup>st</sup> August 2020.**

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr Suresh Narayanan (DIN: 07246738) as Managing Director of the Company for another term of five consecutive years effective from 1<sup>st</sup> August 2020 until 31<sup>st</sup> July 2025 on the terms and conditions of re-appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of re-appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr Narayanan.

### **Item No. 6: Ordinary Resolution for appointment and the terms and conditions of appointment of Mr David Steven McDaniel (DIN: 08662504) as Whole-time Director designated as Executive Director – Finance & Control and CFO of the Company for a term of five consecutive years effective from 1<sup>st</sup> March 2020.**

RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr David Steven McDaniel (DIN: 08662504), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> March 2020 in terms of Section 161(1) of the Companies Act, 2013 and Article 127 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting, be and is hereby appointed as a Director and the period of his office shall be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the requisite approval of the Central Government, the Company hereby accords its approval to the appointment of Mr David Steven McDaniel (DIN 08662504), as the whole-time Director, designated as “Executive Director-Finance &

Control and Chief Financial Officer” for a term of five consecutive years effective from 1<sup>st</sup> March 2020 until 28<sup>th</sup> February 2025 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. McDaniel.

**Item No. 7: Ordinary Resolution for appointment of Mr Ramesh Prathivadibhayankara Rajagopalan (DIN: 01915274) as an Independent Non-Executive Director of the Company for a term of five years with effect from 1st July 2020.**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Mr Ramesh Prathivadibhayankara Rajagopalan (DIN : 01915274), who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company with effect from 1<sup>st</sup> July 2020, to hold office for a term of five consecutive years i.e. upto 30<sup>th</sup> June 2025.

**Sd/-**  
**Suresh Narayanan**  
**Chairman and Managing Director**

**Place : Gurugram**

**Date : 07/07/2020**

**CERTIFIED TRUE COPY**  
**NESTLE INDIA LIMITED**



**B. MURLI**  
**SENIOR VICE PRESIDENT – LEGAL & COMPANY SECRETARY**