

## Nestlé in India: an overview

- Commenced business in India in 1912
- Began local manufacturing in Moga in 1961
- Listed in the Bombay Stock Exchange in 1968, has a public shareholding of 37.2%
- Eight factories in Moga, Samalkha, Tahlival, Pantnagar, Ponda, Bicholim, Nanjangud and Choladi
- Provides direct employment to around 7,000 employees and indirect employment to another half a million people
- Total investment in India as at end 2014 – Rs 52.5 billion (5253 crores)
- 2014 net sales – Rs. 98 billion (9806.2 crores)
- 2014 export revenue - Rs 6.4 billion (644.18 crores)
- Dividend paid to shareholders in 2014 – Rs 63 per share of face value of Rs 10 per share

## R&D India: driving noodle technology for Nestlé worldwide

- Inaugurated in 2012
- Total investment of Rs 2.75 billion (275 crores)
- Employs 50 scientists and 8 research students.
- Drives noodle technology for Nestlé worldwide and is the global R&D hub for noodles, including *Maggi*
- Studies local ingredients, cuisines and palettes to deliver nutritional products specifically for mainstream India
- Develops PPPs (Popularly Positioned Products) - affordable, nutritional products that cater to lower income families - for Nestlé in India and worldwide. Available in smaller or 'daily portion' packs, it is adapted to local cuisine and fortified with micronutrients.
- PPPs sold in India include [Maggi 2-Minute Noodles](#) fortified with calcium and protein at Rs. 5 and [Maggi Masala-ae-Magic Spice Mix](#) fortified with iron, iodine and vitamin A at Rs. 4

## Quality assurance at Nestlé India

- 300 quality assurance analysts
- 9 Nestlé laboratories to test for quality and food safety
- Works with 2 more external NABL accredited laboratories for independent analysis
- Monitors quality and food safety throughout the value chain: from the raw material to the finished product

## Creating shared value

- Nutrition:
  - Fortifies products with micronutrients like iron, zinc, iodine, calcium and vitamin A
  - Targeted nutrition - *Resource Diabetic* is a protein drink that slows down glucose absorption. Other products like *Resource Renal*, *Resource Dialysis*, *Resource E Hepatic* and *Resource High Protein* cater to various energy and protein requirements
  - Educates over 34,000 Indian school students on healthy diets and lifestyles, including physical activity, through the [Nestlé Healthy Kids Programme](#), a non-commercial activity
  
- Rural development:
  - Works with over 200,000 Indian farmers, has one of the largest agricultural extension services of any private company in India
  - Almost 89% of total investment for raw material procurement in 2014 was in indigenous products
  - Buys over 300 million litres of milk from more than [100,000 dairy farmers](#) every year
  - Educates over 60,000 female dairy farmers on food safety, quality and productivity through a [special dairy development programme for women](#)
  - Launched [Nescafé Plan](#) in India in 2012 to help [coffee farmers](#) improve quality and productivity and grow coffee crops sustainably
  - Provides over 36,000 female students with [sanitation facilities in schools to ensure they continue to attend school](#) as they grow older
  - External assessment reports
    - A 2011 [FSG](#) report '[Measuring Shared Value: how to unlock value by linking social and business results](#)' highlights Nestlé's rural development efforts in Punjab, Haryana and Rajasthan
    - A 2011 study '[Impact of Nestlé's Moga factory on surrounding areas](#)' by Prof. Biswas, founder of the [Third World Centre for Water Management](#), assesses the economic and social impact of Nestlé's Moga factory on the surrounding community
  
- Water and environment:
  - Resource efficiency over the last 15 years:
    - 72% reduction in water used for every tonne of production
    - 71% reduction in waste water generated per tonne of production
    - 57% reduction in energy used for every tonne of production
    - 64% reduction in greenhouse gas (CO<sub>2</sub>) emissions per tonne of production
  - Provides 94,000 children with access to safe drinking water through more than 200 [clean drinking water projects](#)
  - [Educates over 50,000 students](#) on conserving water, protecting water resources and simple ways to purify water for safe drinking
  - External assessment report:
    - An [International Water Management Institute](#) study "[Measuring the water footprints of milk production: contributions to livelihood benefits and sustainable water use in the Moga District in Punjab \(pdf, 1.14MB\)](#)" researches the main factors for groundwater depletion in the Moga district by studying the water footprint of agriculture. The study's recommended interventions for sustainable irrigation and agriculture are promoted by Nestlé among dairy farmers in the region.