

**Nestlé India Limited**  
**Registered Office: M-5A, Connaught Circus,**  
**New Delhi - 110 001**

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTY THIRD ANNUAL GENERAL MEETING OF NESTLÉ INDIA LIMITED will be held at Air Force Auditorium, Subroto Park, New Delhi – 110 010 on Friday, 30<sup>th</sup> March, 2012, at 10:00 a.m. to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> December, 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare final dividend and confirm the two interim dividends of Rs. 9.00 and Rs. 27.00 per equity share for the year ended 31<sup>st</sup> December, 2011.
3. To appoint a director in place of Mr. Michael W.O. Garrett, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Ravinder Narain, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s A.F. Ferguson & Co., Chartered Accountants (ICAI Registration No. 112066W) as statutory auditors and fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Ashok Kumar Mahindra, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 21<sup>st</sup> April, 2011, in terms of Section 260 of the Companies Act, 1956 ("the Act") and Article 127 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and the period of his office shall be liable to determination by retirement of directors by rotation."

By Order of the Board



B. Murli

Senior Vice President – Legal  
& Company Secretary

Date : 14<sup>th</sup> February, 2012  
Place : Gurgaon

### IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed on Friday, 23<sup>rd</sup> March, 2012 to Friday, 30<sup>th</sup> March, 2012 (both days inclusive) for annual closing and determining the entitlement of the members to the final dividend for 2011.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIM / HER. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. Final dividend of Rs. 12.50 per share has been recommended by the Board of Directors for the year ended 31<sup>st</sup> December, 2011 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on and around 10<sup>th</sup> April, 2012. Two interim dividends for the year 2011, first at the rate of Rs. 9.00 per equity share and the second at the rate of Rs. 27.00 per equity share, were paid on 6<sup>th</sup> May, 2011 and 22<sup>nd</sup> December, 2011, respectively.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
6. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund, constituted by the Central Government. Accordingly, the Company has transferred Rs. 41,73,070/- being the unpaid and unclaimed amount pertaining to Interim Dividends for the year 2004, to the Investor Education and Protection Fund of the Central Government.  
  
A separate reminder has been sent to those members having unclaimed dividends pertaining to Final dividend for 2004 and First Interim Dividend 2005 paid on 10<sup>th</sup> May, 2005 or any subsequent dividend payment(s). Members who have not encashed their dividend warrants are requested to write to the Company immediately claiming dividends declared by the Company for the said periods. Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the said Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date of payment and no payment shall be made in respect of any such claims.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested submit their PAN details to the Company.
9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, is separately annexed hereto. The Directors seeking appointment/re-appointment have furnished the declaration under the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003.
10. The Notice of the 53<sup>rd</sup> Annual General Meeting of the Company along with printed Attendance Slips has been dispatched to all Members. As a part of its Green Initiative in Corporate Governance and circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2011 has been sent to all the members whose email address is registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, the Annual Report for 2011 is separately sent alongwith the Notice. All those members, who have not yet registered, are requested to register their email address with the Company/Depository Participant.

The Notice of the 53<sup>rd</sup> Annual General Meeting and the Annual Report for 2011 will also be available, on the Company's website [www.nestle.in](http://www.nestle.in) for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.



**I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 6**

The Board of Directors appointed Mr. Ashok Kumar Mahindra as an Additional Director of the Company with effect from 21<sup>st</sup> April, 2011. Under Section 260 of the Companies Act, 1956 read with Article 127 of the Articles of Association of the Company, he holds office only up to the date of the forthcoming Annual General Meeting of the Company. He is also the Chairman of the Audit Committee of Directors of the Company.

A notice has been received from a member as required under Section 257 of the Companies Act, 1956, proposing Mr. Mahindra as a candidate for the office of a Director.

Mr. Mahindra holds Bachelor degree in Arts and Master's degree in Philosophy, Politics and Economics from the University of Oxford. He is a fellow member of The Institute of Chartered Accountants of India and The Institute of Chartered Accountants in England and Wales and also an associate member of The Institute of Taxation in England. He retired as the Managing Partner of M/s A.F. Ferguson & Co., a leading Accounting Firm and as the Co- Chairman of Deloitte, Haskins and Sells in March, 2008.

His area of specialization includes audit, business consultancy, business valuation, corporate management, financial management, pre-acquisition studies and corporate laws. He was involved in audit and taxation of wide selection of Indian and multinational clients. He is also a director in Tower Insurance & Reinsurance Brokers (India) Private Limited.

Mr. Mahindra does not hold by himself or for any other person, on a beneficial basis, any shares in the Company.

The Board considers that the appointment of Mr. Mahindra as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment.

Mr. Mahindra may be deemed to be interested or concerned in the Resolution at Item No. 6.

**II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:**

**Re-appointment of Mr. Michael W.O.Garrett (Item No. 3)**

Mr. M.W.O.Garrett joined the Board of Directors as a Non-Executive Director of the Company in November, 1992. He is also a member of the Audit Committee and the Corporate Governance Committee of the Directors of the Company.

Mr. Garrett retired in April, 2005 as the Executive Vice President of Nestlé S.A. and was the Zone Director responsible for Asia, Oceania, Africa and the Middle East. He is graduate of the IMD Business School in Lausanne/Switzerland. Mr. Garrett started with Nestlé Group in 1961 as a Marketing Trainee and he accomplished a brilliant career of 44 years highlighted by truly outstanding achievements. Prior to his assignment as the Zone Director for Asia, Oceania, Africa and the Middle East, he was heading a number of key functions in the United Kingdom, Australia and Japan.

Mr. Garrett is not a Director in any other Company registered under the Companies Act, 1956. He does not hold by himself or for any other person, on a beneficial basis, any shares in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Garrett as a Director. Accordingly, the Board recommends his re-appointment.

Mr. Garrett may be deemed to be interested or concerned in the Resolution at Item No. 3.

**Re-appointment of Mr. Ravinder Narain (Item No. 4)**

Mr. Ravinder Narain joined the Board of Directors as a Non-Executive Director in March, 1978. He is also the Chairman of the Shareholder/ Investor Grievance Committee and a member of the Audit Committee and the Corporate Governance Committee of the Directors of the Company.



Mr. Ravinder Narain is an eminent lawyer. He is Bachelor of Law having vast experience in the field of law. He is practicing in the Supreme Court, High Courts and other legal foras. He has been actively associated with leading Constitutional, Taxation and Commercial Cases. He was appointed by the Ministry of Finance, Government of India as a Member of the High Level Committee set up to review and suggest simplification of the Central Excise and Customs Laws.

Apart from his experience in the field of Corporate Laws, he has been actively associated with various Corporations for over two decades. Mr. Narain is a Director in Shriram Pistons & Rings Ltd., Shree Rajasthan Syntex Limited, DCM Shriram Industries Limited; a member of the Shareholders' Committee and Remuneration Committee of DCM Shriram Industries Limited and a Member of the Nomination Committee of Shriram Pistons & Rings Limited.

Mr. Narain does not hold by himself or for any other person, on a beneficial basis, any shares in the Company.

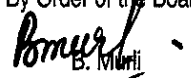
The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Narain as a Director. Accordingly, the Board of Directors recommends his re-appointment.

Mr. Narain may be deemed to be interested or concerned in the Resolution at Item No. 4.

**Appointment of Mr. Ashok Kumar Mahindra (Item No. 6)**

For the details of Mr. Mahindra, please refer to the above Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business (Item No. 6 of the Notice of the Annual General Meeting).

Date : 14<sup>th</sup> February, 2012  
Place : Gurgaon

By Order of the Board  
  
B. Murji  
Senior Vice President – Legal &  
Company Secretary