

NESTLÉ INDIA LIMITED

(CIN: L15202DL1959PLC003786)

Registered Office: 100 / 101 World Trade Centre,

Barakhamba Lane, New Delhi - 110 001

Email: investor@in.nestle.com, Website: www.nestle.in

Phone: 011-23418891, Fax: 011-23415130

Postal Ballot Notice

[Notice Pursuant to Section 110 read with Section 108 of the Companies Act, 2013, Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given that the resolution as set out in this notice is proposed for consideration by members of Nestlé India Limited ("the Company") for passing by means of postal ballot including voting by electronic means under Sections 110 and 108 of the Companies Act, 2013 ("the Act"), including any statutory modification(s) or re-enactment thereof for the time being in force, read with Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014 ("the Rules") and other applicable provisions or re-enactments thereof. The proposed Resolution as set out below along with the Explanatory Statement is being sent to the members for consideration, along with the Postal Ballot Form.

The Board of Directors of the Company has appointed Mr. Abhinav Khosla, Chartered Accountant (Membership No. 087010), Partner M/s. SCV & Co. LLP, Chartered Accountants, as the Scrutinizer for conducting the postal ballot including electronic voting process in a fair and transparent manner.

Members desiring to exercise their vote by means of postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed giving their assent (for) or dissent (against) in writing in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s) deposited in person or sent by post or courier at the expense of the Member will also be accepted. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5:00 p.m. on Tuesday, 2nd July, 2019 to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member(s).

Members desiring to opt for electronic voting ("e-voting") as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section "Voting through Electronic Means". References of Postal Ballot(s) in this notice include votes received electronically. Members may note that the e-voting facility will commence at 9:00 a.m. on Monday, 3rd June, 2019 and will remain open upto 5:00 p.m. on Tuesday, 2nd July, 2019.

After completion of scrutiny of the Postal Ballots including e-voting, the Scrutinizer will submit his report to the Chairman or any other authorized person within the stipulated time. The results of Postal Ballot including e-voting shall be declared on or before 5:00 p.m. on Thursday, 4th July, 2019 and shall be placed on the Company's website at www.nestle.in along with the Scrutinizer's Report and be communicated to BSE Limited and National Securities Depository Limited (NSDL) (e-voting agency).

Resolution by means of Postal Ballot

To consider and, if thought fit, to give assent / dissent to the following resolution, as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made 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 to the re-appointment of Mr. Shobinder Duggal (DIN 00039580) as a Whole-time Director of the Company, designated as "Executive Director-Finance & Control and Chief Financial Officer" for the period effective from 10th May, 2019 until 31st December, 2019, 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 authorised 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. Duggal."

By Order of the Board
For Nestlé India Limited

Place: Gurugram

Date: 14th May, 2019

B. Murli
Director - Legal & Company Secretary

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members whose name appear on the Register of Members / List of Beneficial Owners as received from the NSDL and Central Depository Services (India) Limited as on cut off date of 24th May, 2019 and they will be considered for the purpose of voting. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants / Company. For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self-addressed Business Reply Envelope.
3. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on cut-off date of 24th May, 2019.
4. The Postal Ballot Notice is also available on the website of the Company at www.nestle.in and website of NSDL at www.evoting.nsdl.com
5. Member(s) desirous of obtaining a printed Postal Ballot Form or a duplicate can send an e-mail to investor@in.nestle.com. The Company/ Registrar and Transfer Agent shall forward the same along with self-addressed Business Reply Envelope to the Member(s).

6. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5:00 p.m. on Tuesday, 2nd July, 2019 to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member(s). Any Postal Ballot Form received after 5:00 p.m. on Tuesday, 2nd July, 2019 will be considered invalid.
7. Corporate and Institutional Members shall be entitled to vote through their authorized representatives with proof of their authorization. Institutional Members (i.e. other than individuals, HUF, NRI etc.) voting through Postal Ballot are required to enclose the relevant Board Resolution / Power of Attorney / Authorization Letter etc., together with attested specimen signature of the authorized signatory(ies) who is/are authorized to vote, in self-addressed Business Reply Envelope to the Scrutinizer or send a scanned copy (PDF / JPG Format) thereof to the Scrutinizer through an e-mail to nestlescrutinizer@gmail.com or evoting@in.nestle.com
8. In compliance with Sections 110 and 108 of the Companies Act, 2013 and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on the resolution through the e-voting facility provided by NSDL. The instructions for e-voting are annexed to this Notice.
9. The e-voting period commences on Monday, 3rd June, 2019 (9:00 a.m.) and ends on Tuesday, 2nd July, 2019 (5:00 p.m.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th May, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once a Member casts the vote on the Resolution, he or she will not be allowed to change it subsequently.
10. Members can opt for only one mode of voting, i.e., either by Postal Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through the Postal Ballot Form will be treated as invalid.

Voting through Electronic Means

- I. In compliance with the provisions of Sections 110 and 108 of the Companies Act, 2013, Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014 ("Rules 2014"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the Postal Ballot Form by post. The Company has engaged the services of NSDL.

- II. The details of the process and manner for remote e-voting are explained herein below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://www.eservices.nsdl.com/> with your existing IDEAS login.
Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Form | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members who hold shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if EVEN is 101456 and folio number is 001*** then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the System will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered and you receive the physical Postal Ballot Form, the initial password is provided at the bottom of the Postal Ballot Form.
6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password, click on:
 - a) "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

III. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the NSDL e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

IV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email IDs: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company at the email ID: investor@in.nestle.com or contact at telephone no. 011-23418891.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The Members of the Company at the 55th Annual General Meeting ('55th AGM') held on 12th May, 2014, had approved appointment of Mr. Shobinder Duggal ("Mr. Duggal") as a Whole-time Director of the Company, designated as "Director- Finance & Control and Chief Financial Officer", for a five-year term effective from 10th May, 2014 till 9th May, 2019. The process to identify suitable candidate for such an important position is in progress and to ensure continuity and smooth transition to the incumbent, the Board of Directors of the Company at its meeting held on 25th April, 2019, on the recommendation of the Nomination and Remuneration Committee and subject to approval of the Members, approved re-appointment of Mr. Shobinder Duggal as a Whole-time Director of the Company, designated as "Executive Director - Finance & Control and Chief Financial Officer" for the period effective from 10th May, 2019 until 31st December, 2019 on the terms and conditions of re-appointment including remuneration as set out in the draft agreement for re-appointment, subject to the approval of Members.

Accordingly, approval of the Members is being sought to the terms, conditions and stipulations for the re-appointment of Mr. Duggal as a Whole-time Director of the Company designated as "Executive Director – Finance & Control and Chief Financial Officer" and the remuneration payable to him. The terms and conditions proposed (fixed by the Board of Directors at their meeting held on 25th April, 2019 based on the recommendation of Nomination and Remuneration Committee) continue to be in line with the remuneration package that is necessary to retain good professional managers with a sound career record to an important position such as that occupied by Mr. Duggal.

Brief profile of Mr. Duggal is given below:

Mr. Duggal, aged 61 years, is a Chartered Accountant. Mr. Duggal is Chairman of the Risk Management Committee and Member of the Stakeholders Relationship Committee of the Board of Directors of the Company. He joined the Company in 1986 and has had a distinguished career with the Company. Before his appointment as a Board member of the Company, he was holding position of Vice President – Corporate Control of the Company. Mr. Duggal has a wealth of experience in the area of Finance, which includes an assignment of around two years with Nestlé Group, Switzerland. He is also a Non-Executive Director of Nestlé Lanka PLC, Sri Lanka. As per Rules of the Company, Mr. Duggal retired from the Company on 31st March, 2018 on achieving age of 60 years. Considering Mr. Duggal's deep understanding of the Company, its business and his financial expertise, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, have approved his continuation as a Whole-time Director within the terms and conditions and remuneration approved by the Members.

The material terms and conditions of re-appointment and remuneration payable to Mr. Duggal as contained in the draft agreement are given below:-

I) Salary, Allowances and Commission (hereinafter referred to as "Remuneration"):

a) Salary comprising

- (i) Basic Salary not exceeding Rs. 1,100,000/- per month; and
- (ii) Allowances not exceeding 30% of the Basic Salary,

b) Commission and Performance linked incentive:

On net profits of the Company determined in accordance with the relevant provisions of the Companies Act, 2013 as per the criteria and rate to be determined by the Board of Directors, from time to time, but not exceeding an amount equivalent to the Salary in I(a) above, for the relevant period. The payment will be made on a pro-rata basis every month or on an annual basis or partly monthly and partly on an annual basis at the discretion of the Board.

II) Perquisites:

Perquisites as per the Rules of the Company or as may be agreed by the Board of Directors and Mr. Duggal. The value of the perquisites to be evaluated as per Income-tax Rules, wherever applicable, and at cost in the absence of any such Rule, shall be subject to an overall annual ceiling of an amount equal to the Salary for the relevant period. Some perquisites such as terminal benefits, expenses on shifting of residence and participation in any/ all employee stock option schemes/ plans of the Company or Nestlé S.A., shall be based on actual amounts and excluded from the perquisite limits.

The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated.

III) Minimum Remuneration:

Notwithstanding anything herein contained, where during the period of his office as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Duggal remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Duggal.

IV) Other Terms:

Mr. Duggal shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company relating to Finance and Control. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof. Consequent to Mr. Duggal's retirement as per Rules of the Company on attaining the age of 60 years, he shall continue to be paid retiral benefits in addition to the remuneration. The appointment can be terminated by Mr. Duggal or the Company, by one party giving to the other, 3(three) calendar months' notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed to by the Board of Directors and Mr. Duggal.

Mr. Duggal satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 for being eligible for his re-appointment. Further, Mr. Duggal is not disqualified in terms of Section 164 of the Companies Act, 2013.

Considering Mr. Duggal's deep understanding of the Company, its business and his financial expertise and in view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Ordinary Resolution as set out in this Notice of the Postal Ballot for the approval of the Members. The re-appointment of Mr. Duggal is appropriate and in the best interest of the Company. Mr. Duggal is not a Director in any other Company in India. Except to the extent of 905 equity shares held by him and his relatives in the Company, lease rentals paid/payable by the Company at the market rates for residential accommodation as per the agreement entered by the Company and recorded in the Register maintained in pursuance of Section 189 of the Companies Act, 2013 and Mr. Duggal being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution as set out in this Notice of Postal Ballot. Mr. Duggal is not related to any other Director of the Company.

Copy of the draft Agreement for re-appointment and the Register maintained in pursuance of Section 189 of the Companies Act, 2013 referred above, will be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, upto the date of declaration of the results of the Postal Ballot.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of the Institute of Company Secretaries of India.

By Order of the Board
For Nestlé India Limited

Place: Gurugram
Date: 14th May, 2019

B. Murli
Director - Legal & Company Secretary

NESTLÉ INDIA LIMITED

CIN : L15202DL1959PLC003786

Registered Office : 100/101 World Trade Centre, Barakhamba Lane, New Delhi-110 001.

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Phone : 011-23418891, Fax : 011-23415130

POSTAL BALLOT FORM

(Kindly refer to the instructions specified overleaf before filling the form)

Serial No. :

1. Name and registered address of the :
sole/first named Member
2. Name(s) of Joint Member(s), :
if any
3. DP ID-Client ID No. or :
Registered Folio No.
4. No. of Shares held :
5. I / We hereby exercise my / our vote in respect of an Ordinary Resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice dated 14th May, 2019 issued by the Company by sending my / our assent or dissent by placing tick (✓) mark at the appropriate box below:

| Brief Particulars of the Item | Number of Votes exercised corresponding to the total number of voting rights | I/We assent to the Resolution (For) | I/We dissent to the Resolution (Against) |
|---|--|-------------------------------------|--|
| Ordinary Resolution for re-appointment of Mr. Shobinder Duggal (DIN 00039580) as a Whole-time Director of the Company, designated as Executive Director – Finance & Control and Chief Financial Officer”, for the period effective from 10 th May, 2019 until 31 st December, 2019 and the terms and conditions of re-appointment and remuneration payable to Mr. Duggal. | | | |

Place :

Signature of the Member

Date : (must be as per specimen signature registered with the Company/Depository Participant)

Note :

1. Please read the instructions printed overleaf carefully before filling this Form.
2. The last date for the receipt of Postal Ballot Forms by the Scrutinizer is Tuesday, 2nd July, 2019 upto 5:00 p.m.

ELECTRONIC VOTING PARTICULARS

The e-voting facility is available at the link <https://www.evoting.nsdl.com>. The electronic voting particulars are set out as follows:

| EVEN (E-Voting Event Number) | USER ID | PASSWORD / PIN |
|------------------------------|---------|----------------|
| | | |

The e-voting facility will be available during the following voting period:

| | |
|---|--|
| Commencement of e-voting | End of e-voting |
| Monday, 3 rd June, 2019 at 9:00 a.m. | Tuesday, 2 nd July, 2019 at 5:00 p.m. |

Note :

Please refer to the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith for e-voting.

INSTRUCTIONS

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s) deposited in person or sent by post or courier at the expense of the Member will also be accepted.
2. Alternatively, a Member may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participant). In case of joint holding, it should be completed and signed by the first-named Member and in his / her absence, by the next-named Member.
4. Assent (For) must be accorded by placing a tick mark [✓] in the column 'I/We assent to the Resolution' or dissent (Against) must be accorded by placing a tick mark [✓] in the column 'I/We dissent to the Resolution'.
5. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 5:00 p.m. on Tuesday, 2nd July, 2019. If any Postal Ballot Form is received after this date, it will be considered that no reply from the concerned Member has been received.
6. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/ Power of Attorney/ Authorisation Letter alongwith attested specimen signatures.
7. Members are requested NOT to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope. Such Business Reply Envelopes will be sent to the Scrutinizer and any extraneous paper found in such Envelopes would be destroyed by the Scrutinizer and the Company would not be able to act on the same.
8. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member on the cut-off date of 24th May, 2019.
9. The vote(s) of a Member shall be considered invalid if:
 - a. The Postal Ballot Form other than one issued by the Company has been used;
 - b. The Postal Ballot Form has not been signed by or on behalf of the Member;
 - c. The Member's signature does not match with the specimen signature;
 - d. It is not possible to determine without any doubt the assent or dissent of the Member;
 - e. Neither assent nor dissent mentioned;
 - f. Any competent authority has given directions in writing to the Company to freeze the voting rights of the Member(s);
 - g. The envelope containing the Postal Ballot Form is received after the last date prescribed;
 - h. The Postal Ballot Form, signed in a representative capacity is not accompanied by a certified copy of the relevant specific authority;
 - i. The Postal Ballot Form is received in a torn or defaced or mutilated way such that its identity as a genuine Postal Ballot Form cannot be established;
 - j. Member has made any amendment to the Resolution or imposed any condition while exercising his/her vote.
10. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
