

Nestlé India Limited

(CIN : L15202DL1959PLC003786)

Nestlé House
Jacaranda Marg
'M' Block, DLF City, Phase – II
Gurugram – 122002, Haryana
Phone 0124 - 3940000
E-mail: investor@IN.nestle.com
Website www.nestle.in



BM: PKR: 24:19

12.03.2019

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Scrip Code - 500790

Subject : Regulation 34 - copy of the Notice of 60th Annual General Meeting & Annual Report for the year 2018

Dear Sir,

This is further to our letter no. BM:PKR:05:19 dated 14th February, 2019 regarding convening of the 60th Annual General Meeting of the Company on Thursday, 25th April, 2019.

Please find enclosed copy of the Notice of the 60th Annual General Meeting and Annual Report for the year 2018 being despatched/sent to the members in the permitted mode(s).

The above is also being uploaded on the website of the Company www.nestle.in.

Please take the same on record.

Thanking you,

Yours truly,

NESTLÉ INDIA LIMITED

B. MURLI

SENIOR VICE PRESIDENT- LEGAL & COMPANY SECRETARY

Encl.: As above

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

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTIETH ANNUAL GENERAL MEETING ("AGM") OF NESTLÉ INDIA LIMITED will be held at Air Force Auditorium, Subroto Park, New Delhi – 110 010 on Thursday, 25th April, 2019 at 10:00 a.m. to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year 2018 including audited Balance Sheet as at 31st December, 2018, 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. To confirm the payment of three Interim Dividends aggregating to ₹ 90 per Equity Share and to declare a Final Dividend on Equity Shares for the financial year ended 31st December, 2018.
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.

SPECIAL BUSINESS:

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

"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 31st December, 2019 be paid ₹ 2,07,000/- plus out of pocket expenses and applicable taxes."

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

"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"), Ms. Roopa Kudva (DIN: 00001766), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st January, 2019 in terms of Section 161(1) of the Act and Article 127 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and who has submitted a declaration that she 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 to hold office for a term of five consecutive years with effect from 1st January, 2019 to 31st December, 2023."

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

"RESOLVED THAT pursuant to Regulation 23 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any amendment(s) or modification(s) or re-enactment thereof), effective from 1st April, 2019, approval of the members of the Company be and is hereby accorded for continuation of the payment of general licence fees (royalty) by Nestlé India Limited ("the Company") to Société des Produits Nestlé S.A. ("the Licensor"), being a related party, at the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company as per the terms and conditions of the existing General Licence Agreements ("GLAs"), notwithstanding that the transaction(s) involving payments to the Licensor with respect to general licence fees (royalty), during any financial year including any part thereof, is considered material related party transaction(s) being in excess of the limits specified under the Listing Regulations at any time.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised by the members of the Company to make amendment/s to the GLAs, from time to time, for the updation of products and/or updation of schedule of trademarks and/or change of the Licensor to any other Nestlé affiliate entity and/or other terms relating to operation of the GLAs, provided that the payment of general licence fees (royalty) shall not exceed the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company as per the terms of the GLAs."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Mr. Rajya Vardhan Kanoria (DIN: 00003792), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 13th May, 2019 to 12th May, 2024”.

By Order of the Board

B. Murli
Senior Vice President – Legal
& Company Secretary

Date : 14th February, 2019
Place: Gurugram

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 3rd May, 2019 to 4th May, 2019, both days inclusive, for annual closing and determining the entitlement of the shareholders to the Final Dividend for 2018.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4 to 7 of the accompanying Notice, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES 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 less than forty-eight hours before the commencement of AGM. A proxy form is sent herewith. Proxies submitted on behalf of companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable.

Pursuant to Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy for at most fifty (50) Members and holding in the aggregate not more than 10% of the total share capital of the Company. In case a Member holding more than 10% of the total share capital of the Company carrying voting rights proposes to appoint a proxy, then such Member may appoint a single person as proxy, however, such proxy shall not act as a proxy for any other person or Member.

4. The Board of Directors has recommended Final Dividend of ₹ 25 per Equity Share for the year ended 31st December, 2018 that is proposed to be paid on and from 15th May, 2019, subject to the approval of the shareholders at the ensuing AGM. First, Second and Third Interim dividend for the year 2018, at the rate of ₹ 20, ₹ 20 and ₹ 50 per Equity Share was paid on 1st June, 2018, 24th August, 2018 and 21st December, 2018, respectively.
5. Members holding shares in electronic form are informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend(s). 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 respective 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(s) are requested to write to the Company.
6. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (“IEPF”), constituted by the Central Government. The Company had, accordingly, transferred ₹ 4,932,466/- and ₹ 6,016,653/- being the unpaid and unclaimed dividend amount pertaining to Final Dividend 2010 and Interim Dividend 2011; and Second Interim Dividend 2011 on 30th May, 2018 and 17th January, 2019, respectively, to the IEPF.

The Company has been sending reminders to members having unpaid/ unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the Company’s website www.nestle.in. Members who have not encashed Final Dividend 2011 and Interim Dividend 2012 or any subsequent dividend declared by the Company, are advised to write to the Company immediately.

7. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority (“IEPF Account”) within a

period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 1,296 Equity Shares of ₹10/- each on which the dividend remained unpaid or unclaimed for seven consecutive years with reference to the due date of 23rd May, 2018, were transferred during the year 2018 to the IEPF Account, after following the prescribed procedure.

Further, all the shareholders who have not claimed / encashed their dividends in the last seven consecutive years from 2012 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
9. 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 can submit their PAN details to the Company.
10. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
11. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from 1st April, 2019. In view of the above, members are advised to dematerialise shares held by them in physical form.
12. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India ("ICSI"), in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
13. Electronic copy of the Annual Report for 2018 is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018 are being sent in the permitted mode.

Electronic copy of the Notice of the 60th AGM of the Company, inter alia, indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 60th AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

14. Members may also note that the Notice of the 60th AGM, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2018 will also be available on the Company's website www.nestle.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection without any fee during normal business hours (9:00 am to 5:00 pm) on all working days except Saturday, up to and including the date of the AGM of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may send requests by email to investor@in.nestle.com.

15. Webcast Facility

The Company will be providing one-way live webcast of the proceedings of the AGM on the NSDL website. You may access the same at <https://www.evoting.nsdl.com> by using your remote e-voting credentials. The link will be available in shareholder login where the EVEN of Company will be displayed.

16. Voting through electronic means

- I. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ("Amended Rules 2015"), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 60th AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members

using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (“NSDL”).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period will commence on 22nd April, 2019 (9:00 am) and end on 24th April, 2019 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th April, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.
- VI. 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://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	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 holding shares in Physical Form.	EVEN followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 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, your 'initial password' is communicated to you on your postal address.

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 click 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nestlescrutinizer@gmail.com or evoting@in.nestle.com with a copy marked to evoting@nsdl.co.in.
2. 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 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.
3. 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 nos. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email ID: investor@in.nestle.com or contact at telephone no. 011-23418891

- VII. The voting rights of members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 18th April, 2019.

- VIII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of the AGM and holds shares as on the cut-off date i.e. 18th April, 2019, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or evoting@in.nestle.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- X. Mr. Abhinav Khosla, Chartered Accountant (Membership No. 087010), Partner of M/s. SCV & Co. LLP, Chartered Accountants, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be submitted to the Chairman or a person authorized by him in writing, within 48 (forty eight) hours from the conclusion of the AGM, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.nestle.in and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
17. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days, excluding Saturday up to and including the date of the AGM of the Company.
18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the AGM.

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 4

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on 14th February, 2019 approved the appointment of M/s. Ramanath Iyer & Co., Cost Accountants, New Delhi (Firm Registration No. 00019), as Cost Auditors to conduct the audit of the cost records of the Company pertaining to products (milk powder etc.) falling under the specified Customs Tariff Act Heading 0402 manufactured by the Company for the financial year ending 31st December, 2019 at a remuneration of ₹ 2,07,000/- plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st December, 2019.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution. The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice of the AGM for approval by the members.

Item No. 5

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, appointed Ms. Roopa Kudva (DIN: 00001766) as an Additional Director with effect from 1st January, 2019 under Section 161(1) of the Companies Act, 2013 and Article 127 of the Articles of Association of the Company and as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold office from 1st January, 2019 till 31st December, 2023.

Her appointment is subject to the approval of the members. The Company has received a notice from a member proposing Ms. Roopa Kudva as a candidate for the office of Director of the Company.

Ms. Kudva aged 55 years holds a postgraduate diploma in management from Indian Institute of Management, Ahmedabad (IIM-A) and was recognized as a Distinguished Alumnus of the Institute.

Ms. Kudva is Managing Director, Omidyar Network India Advisors Private Limited, leading the firm in overall investment strategy, operations and portfolio development. Before that, she spent 23 years with CRISIL, and was its Managing Director and Chief Executive Officer from 2007 till 2015. Ms. Kudva also worked for Standard & Poor's, Paris, as director, financial institutions ratings.

Ms. Kudva has been a member of several policy-level committees relating to the Indian financial system, including committees of the Securities and Exchange Board of India and the Reserve Bank of India. She has also been a member of the National Executive Council of NASSCOM.

Ms. Kudva is a recipient of several prestigious awards including the 'Outstanding Woman Business Leader of The Year' at CNBC TV18's 'India Business Leader Awards 2012', India Today 'Corporate Woman Award 2014' and Indian Merchants' Chamber Ladies' Wing's 'Woman of the Year' Award 2013-14.

Ms. Kudva holds directorship and membership of the Committees of the understated companies:

- Director in Infosys Limited, Tata AIA Life Insurance Company Limited and Managing Director, Omidyar Network India Advisors Private Limited.
- Infosys Limited - Chairperson of Stakeholders Relationship Committee; Member of Audit Committee and Corporate Social Responsibility Committee; and
Tata AIA Life Insurance Company Limited - Chairperson of Nomination and Remuneration Committee; Member of Audit Committee, Risk and ALM Committee and Corporate Social Responsibility Committee.

Ms. Kudva does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Ms. Kudva has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Ms. Kudva fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for her appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Kudva as an Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Kudva as an Independent Non-Executive Director for a term of five consecutive years from 1st January, 2019 till 31st December, 2023. Ms. Kudva would bring with her immense experience to the Company in the areas of investment strategy, operations and portfolio development. Accordingly, based on recommendation of Nomination and Remuneration Committee, the Board recommends Ordinary Resolution as set out at Item No. 5 of the Notice of the AGM for the approval by the members.

Except Ms. Kudva, 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 set out at Item No. 5 of the accompanying Notice of the AGM. Ms. Kudva is not related to any Director of the Company.

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 ICSI.

Item No. 6

The existing General Licence Agreements (hereinafter 'the GLAs') with Société des Produits Nestlé S.A. ("the Licensor") allows your Company access to Nestlé Group's intellectual property rights including global portfolio of brands, proprietary technology including numerous patents, extensive research and development capabilities and expertise in best practices. The GLAs include access to large number of brands such as NESTLÉ, MAGGI, NESCAFÉ and technologies developed by the global network of 31 Research & Development Centres, including Centre in India at Manesar, Haryana. All the products manufactured and/or sold by the Company, are on the basis of the Licences provided by the Licensor to the Company under the GLAs, other than Breakfast Cereals products.

The GLAs have contributed significantly to the success story of your Company. For ten years' performance and other related details, please refer to the Annual Report 2018.

The Board's Report for the year ended 31st December, 2012, had an Addendum for review of the GLAs for the royalty rates. At the Annual General Meeting held on 8th May, 2013 the members voting received, considered and adopted the Financial Statements of the Company for the year 2012 including audited Balance Sheet as at 31st December, 2012, 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. Below extracts from the Addendum to the Board's Report - 2012:

"Nestlé Group had requested two years ago for a review of the two decades old royalty rates and subsequently substantiated the same by a study conducted by McKinsey & Co. This study was subjected to fairness review by two Indian firms i.e. M/s Bansi S. Mehta & Co. and KPMG (Registered) who independently used different valuation methods and recommended ranges of royalty rates which were similar to that of McKinsey & Co. The GLA, the proposal from Nestlé Group and the studies by the independent firms were examined by the Corporate Governance Committee. The Board of Directors on 22nd March, 2013 with only the Independent Directors voting and the Executive Directors recusing, approved staggered increase in the royalty rate @ 0.20% per annum over the next 5 years effective 1st January, 2014. Under the GLA, Royalty is paid on third party sales and is net of tax. Your Company negotiated increase in royalty from 3.5% to 4.5% of sales in a staggered manner by making an increase of 0.20% per annum over the next five years effective 1st January, 2014. The royalty rate on exports will also be aligned to 4.5% of sales. The Independent Directors appreciated the high emphasis on corporate governance keeping in view the elaborate review process. The access under the GLA to the capabilities of Nestlé Group, world's leading Nutrition Health and Wellness Company having the largest Food and Nutrition R&D network globally, will enable your Company to continue to deliver long term sustainable profitable growth and Create Shared Value for society and the shareholders."

Accordingly, basis the elaborate review process undertaken as detailed in the Addendum to the Board's Report – 2012, general licence fees (royalty) payments are currently made to Licensor at the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company. Further, general licence fees paid to the Licensor, are in the ordinary course of business and are on an arm's length basis. Post coming into force of the Companies Act, 2013, the GLAs were adopted and approved by the Audit Committee under Section 177 of the Companies Act, 2013.

Regulation 23(1A) has been inserted in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") effective from 1st April, 2019 and provides that transactions involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

While the bundle of intellectual property rights available under the GLAs extends beyond brand usage to include access to patents, technology, know-how and related assistance in implementation; in compliance with Regulation 23 of the Listing Regulations, and other applicable provisions, if any, approval of shareholders by way of Ordinary Resolution is being sought for continuation of general licence fees (royalty) payments to the Licensor at the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company under the existing GLAs from 1st April, 2019 onwards. As per Regulation 23(4) of the Listing Regulations, none of the related parties shall vote on the Ordinary Resolution.

The details of the existing General Licence Agreements and their material terms are as under:

1. The Company has two GLAs with the Licensor, a wholly owned subsidiary of Nestlé S.A., Switzerland ("NSA").
2. NSA together with Maggi Enterprises Limited (ultimate holding company being NSA) holds 62.76% shareholding in the Company. The Company and the Licensor are fellow subsidiaries of NSA.
3. The GLAs with Licensor:
 - a. General Licence Agreement dated 19th December, 2000 including amendments thereto, covering all the products currently manufactured and/or sold by the Company, except Healthcare Nutrition Products and Breakfast Cereals products.
 - b. General Licence Agreement dated 14th July, 2008 including amendments thereto, entered by Speciality Food India Private Limited (wholly owned subsidiary of NSA) with the Licensor for Healthcare Nutrition Products, assigned to the Company by Amendment No.1 dated 18th January, 2010, consequent to purchase of the Healthcare Nutrition Business by the Company from Speciality Foods India Private Limited,

both the above General Licence Agreements are referred hereunder as "GLAs".

4. Material Terms:
 - a. Exclusive right and licence to the Company to use the trademarks, brands, designs, visual properties and the like (hereinafter "Trademarks"), set out in the GLAs, within the Territory upon or in relation to the Products.

- b. Exclusive right and licence to the Company in relation to Products (products listed in the GLAs) during the term of the GLAs to use or have used the Know-how within India, Nepal and Bhutan (hereinafter "Territory") including any improvements in or developments of Know-how which Licensor may develop, acquire or otherwise possess.
- c. Exclusive right and licence to the Company under the Patents, during the term of the GLAs, to make, use etc. or sell the Products within the Territory.
- d. In consideration of the Know-how including technical and non-technical assistance, Trademarks and Patents licences granted or to be granted, Company to pay to the Licensor, during the term of the GLAs, general licence fees of 4.5%, net of taxes, of the net sales of the Products sold by the Company to third parties. Any taxes or charges imposed or payable in India shall be paid by the Company.
- e. Licensor to make available or cause to be made available, experts as may be required in relation to the Know-how licensed. Upon reasonable request, Licensor to also provide appropriate training for employees of the Company to maintain / attain necessary competence. In relation to above, the Company shall bear or reimburse any travelling, accommodation and such other incidental expenses.
- f. GLAs shall remain in force indefinitely unless and until Licensor or the Company shall at any time give 12 months prior notice to the other of its intention to terminate.
- g. Notwithstanding (f) above, either party shall be entitled to terminate the GLAs forthwith under special circumstances as set out under the GLAs. Failure by the Company to make and obtain the transfer of any payment to Licensor within a period of six months after due date, shall be deemed to be a material breach of GLAs.

The access under the GLAs to the capabilities of Nestlé Group, is integral for the Company to continue to deliver long term sustainable growth, Create Shared Value for the shareholders and society. The shareholders have supported the need for GLAs and the general licence fees payment to the Licensor, by adopting the Audited Financial Accounts with Reports of Directors and Auditors thereon, over years with near absolute majority. The resolution set out, is to comply with the new requirement effective 1st April, 2019 under the Listing Regulations. Accordingly, approval of the Members is sought by way of an Ordinary Resolution under Regulation 23 of the Listing Regulations and other applicable provisions, if any, for continuation of general licence fees (royalty) payments to the Licensor at the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products under the existing GLAs with the Licensor on the same terms and conditions, with effect from 1st April, 2019 onwards, notwithstanding that the transactions involving payments to the Licensor with respect to general licence fees (royalty) during any financial year including any part thereof, is considered material related party transactions being in excess of the limits specified under the Listing Regulations.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Copy of the GLAs would be available for inspection by the members, without any fees, at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday.

The Board of Directors recommend Ordinary Resolution set out at Item No. 6 of the Notice of the AGM for approval by the members.

Item No. 7

Mr. Rajya Vardhan Kanoria (DIN: 00003792) is an Independent Non-Executive Director of the Company and Chairman of the Nomination and Remuneration Committee and a Member of the Audit Committee and Stakeholders Relationship Committee of the Board of Directors of the Company. He joined the Board of Directors of the Company in May, 2014. Pursuant to the Act, Mr. Kanoria, was appointed as an Independent Non-Executive Director to hold office for five consecutive years for a term upto 12th May, 2019, by the Members of the Company in the 56th AGM held on 15th May, 2015.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Kanoria, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 13th May, 2019 upto 12th May, 2024.

Mr. Kanoria aged 64 years is one of India's leading Industrialists. He is Promoter and CMD of Kanoria Chemicals & Industries Limited. He is an MBA (Hons.) from IMD, Switzerland.

He has been instrumental in influencing trade policy both at the national and global level and has over four decades of experience in the chemicals, textiles and jute industries. He has contributed to Industry and Society immensely. He has occupied various offices in Industry Associations including the office of President of Federation of Indian Chambers of Commerce and Industry (FICCI) in 2012-13. He has also Chaired, Commission on Trade and Investment Policy of the International Chamber of Commerce, Paris during 2008 – 2011. He has been Chairman of Confederation of Indian Textile Industry and Chairman of Indian Jute Mills' Association. He has served on various Government Committees particularly on trade and investment. He has been awarded with "Swiss Ambassador's Award for Leadership and Business Ethics, 2013" and bestowed with the Distinction of Commander of the Order of Leopold II by the King of Belgium for his contribution to the development of business ties between India and Belgium.

Mr. Kanoria holds directorship and membership of the Committees of the understated companies:

- Chairman and Managing Director of Kanoria Chemicals & Industries Limited, Director of Kirtivardhan Finvest Services Limited, KPL International Limited, Ludlow Jute & Specialties Limited, R V Investment & Dealers Limited, J K Paper Limited and Vardhan Limited.
- Kanoria Chemicals & Industries Limited - Chairman of Finance Committee; Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee;
J K Paper Limited – Chairman of Stakeholders Relationship Committee; Member of Audit Committee, Nomination and Remuneration Committee and Committee of Directors;
Ludlow Jute & Specialties Limited - Member of Corporate Social Responsibility Committee;
KPL International Limited - Chairman of Audit Committee; Member of Share Transfer Committee and Nomination and Remuneration Committee;
R V Investment & Dealers Limited - Member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee; and
Vardhan Limited - Member of Corporate Social Responsibility Committee.

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

Mr. Kanoria has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Kanoria fulfils the conditions specified in the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of Mr. Kanoria as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday.

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. Kanoria as an Independent Director and based on the recommendation of the Nomination and Remuneration Committee recommends the Special Resolution as set out at Item No. 7 of the Notice of the AGM for approval of the members.

Except Mr. Kanoria, 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 set out at Item No. 7 of the accompanying Notice of the AGM. Mr. Kanoria is not related to any Director of the Company.

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 ICSI.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

Re-appointment of Mr. Martin Roemkens (DIN : 07761271) as a Director (Item No. 3)

In terms of Section 152(6) of the Act, Mr. Martin Roemkens shall retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment.

Mr. Martin Roemkens was appointed as a Whole-time Director of the Company designated as "Director- Technical" for a period of five years with effect from 1st April, 2017. As per the terms of his appointment, his re-appointment at the AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director, designated as "Director- Technical".

Mr. Roemkens is also a member of Risk Management Committee of the Company.

Mr. Roemkens aged 49 years holds Bachelor of Engineering from the University of Western Australia. He has over 22 years of rich and exhaustive experience in Technical and Production functions and has held senior management positions during his career.

Before Nestlé India posting, Mr. Roemkens was the Technical Manager in Nestlé's North East Africa Region which he successfully led for almost four years including developing the factories in Egypt to a world-class standard. He has also served as the Factory Manager of the Moga Factory of the Company, one of the largest factories in the Region, from 2009 to 2012.

He is responsible for, amongst others, the management and conduct with respect to the technical areas of the Company including all existing and future factory locations.

Mr. Roemkens is not a Director in any other Company in India. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM.

Mr. Roemkens is not related to any Director of the Company. Upon his re-appointment as a director, Mr. Roemkens shall continue to hold office as a Whole-time Director designated as "Director- Technical". Accordingly, the Board recommends his re-appointment.

Appointment of Ms. Roopa Kudva (DIN: 00001766) as an Independent Non-Executive Director of the Company (Item No. 5)

For the details of Ms. Roopa Kudva, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 5 of the accompanying Notice of the AGM pursuant to Section 102 of the Companies Act, 2013.

Re-appointment of Mr. Rajya Vardhan Kanoria (DIN: 00003792) as an Independent Non-Executive Director of the Company (Item No. 7)

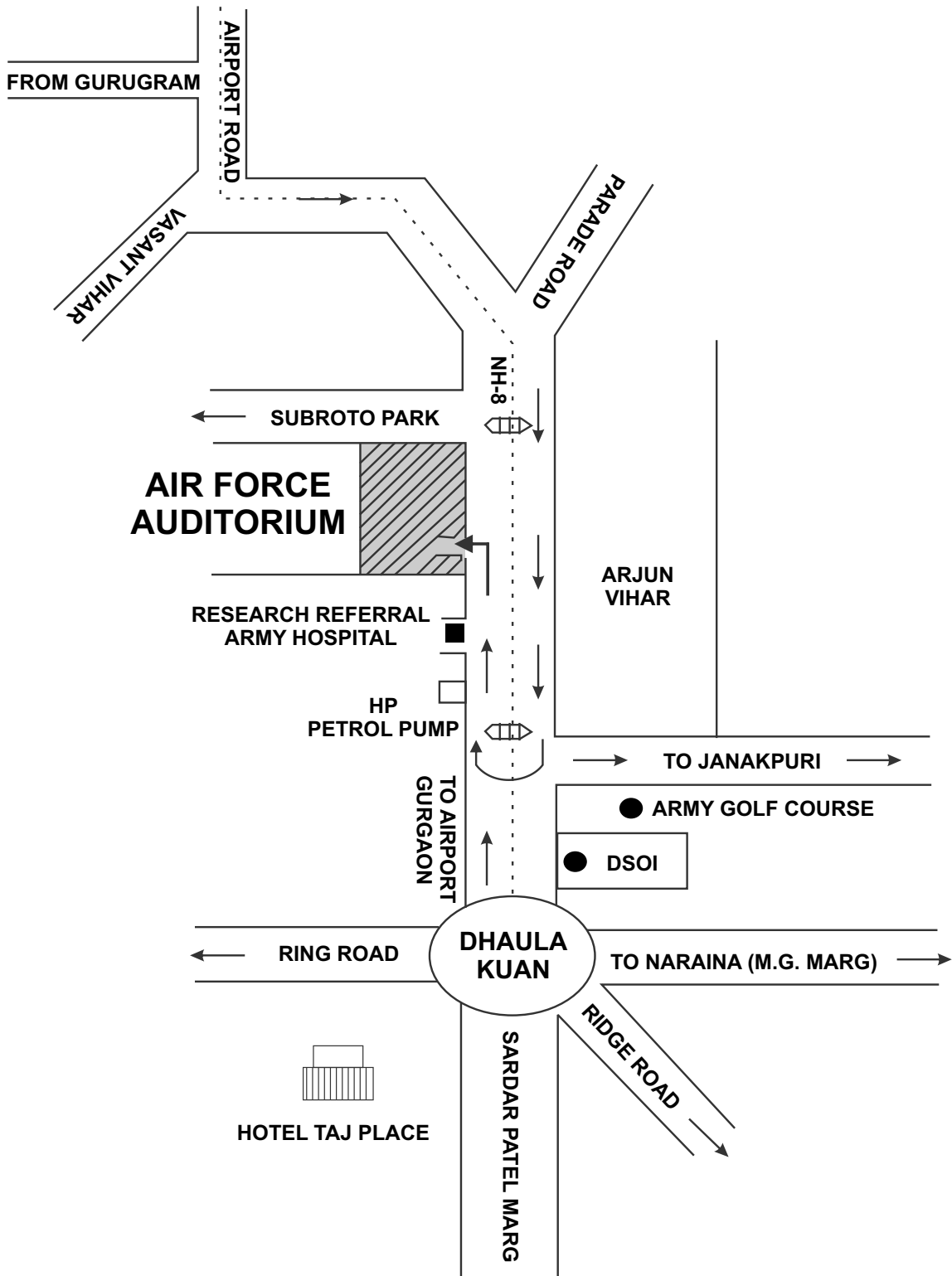
For the details of Mr. Rajya Vardhan Kanoria, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 7 of the accompanying Notice of the AGM pursuant to Section 102 of the Companies Act, 2013.

By Order of the Board

B. Murli
Senior Vice President – Legal
& Company Secretary

Date : 14th February 2019
Place: Gurugram

ROUTE MAP



NESTLÉ INDIA LIMITED

(CIN : L15202DL1959PLC003786)

Regd. Office : 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi-110001

60th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

2019

I/We hereby record my/ our presence at the 60th Annual General Meeting of the Company at **Air Force Auditorium, Subroto Park, New Delhi-110010** on **Thursday, 25th April, 2019 at 10:00 a.m.**

Member's Folio/DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

ELECTRONIC VOTING PARTICULARS

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

NOTE : Please read instructions given at Note No. 16 of the Notice of the 60th Annual General Meeting carefully before voting electronically.

NESTLÉ INDIA LIMITED

(CIN : L15202DL1959PLC003786)

Regd. Office : 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi-110001

PROXY FORM

Name of the Member(s):

Registered Address :

Folio No. /Client ID:

E-mail ID :

DP ID :

I/We being the member(s) of.....shares of the above named Company hereby appoint :

- Name :Address :
E-mail Id :Signature: or failing him;
- Name :Address :
E-mail Id :Signature: or failing him;
- Name :Address :
E-mail Id :Signature: ;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the Company, to be held on Thursday, 25th April, 2019 at 10:00 a.m. at Air Force Auditorium, Subroto Park, New Delhi-110 010 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Optional*	
	For	Against
Ordinary Business		
1. Adoption of Financial Statements for the year ended 31 st December, 2018.		
2. Confirm payment of three interim dividends and declare final dividend for the year 2018.		
3. Re-appointment of Mr. Martin Roemkens (DIN : 07761271), who retires by rotation.		
Special Business		
4. Ordinary Resolution for ratification of remuneration of M/s. Ramanath Iyer & Co., Cost Auditors (Firm Registration No. 00019)		
5. Ordinary Resolution for the appointment of Ms. Roopa Kudva (DIN : 00001766) as an Independent Non-Executive Director for a term of five consecutive years w.e.f. 1 st January, 2019.		
6. Ordinary Resolution pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for continuation of payment of royalty to Société des Produits Nestlé S.A., being considered material related party transaction w.e.f. 1 st April, 2019.		
7. Special Resolution for the re-appointment of Mr. Rajya Vardhan Kanoria (DIN:00003792) as an Independent Non-Executive Director for a second term of five consecutive years with effect from 13 th May, 2019.		

Signed thisday of.....2019.

Signature of Member(s)

Signature of Proxy holder(s)

Affix
Revenue
Stamp

- Note:**
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 60th Annual General Meeting.
 - It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.