

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



PKR:SG: 52:24

25th April 2024

BSE Limited (BSE)

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

BSE Scrip Code: 500790

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

NSE Symbol: NESTLEIND

Subject: Outcome of the Board Meeting:

- I. Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”): Audited Financial Results for the fifteen months financial year ended 31st March 2024;
- II. Regulation 30 of the Listing Regulations:
 - Recommended Final Dividend for the fifteen months financial year ended 31st March 2024;
 - Approved execution of a definitive agreement to form a joint venture with Dr. Reddy’s Laboratories Limited;
 - Convening of 65th Annual General Meeting (AGM) on Friday, 5th July 2024 through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM).
- III. Launch of Nespresso in India; and
- IV. Regulation 42 of the Listing Regulations: 65th AGM and Record Date of 15th July 2024 for determining the entitlement of Final Dividend for the fifteen months financial year ended 31st March 2024, if any, and date of payment of the Final Dividend, in case declared by the members, shall be on and from 2nd August 2024.

Dear Madam/ Sir,

This is to inform you that the Board of Directors of the Company, at its meeting held today, *inter-alia*, considered the following:

1. Audited Financial Results for the fifteen months financial year ended 31st March 2024:
 - a. approved the Audited Financial Results for the fifteen months financial year ended 31st March 2024; enclosed are the Audited Financial Results along with the Report of the Auditors thereon and the declaration in respect of Audit Reports with unmodified opinion for the fifteen months financial year ended 31st March 2024; the Audited Financial Results shall be published in newspapers as required under Listing Regulations. The above are also being uploaded on the Company’s website at www.nestle.in;
 - b. approved the Audited Financial Statements of the Company for the fifteen months financial year ended 31st March 2024; including Balance Sheet as on 31st March 2024 and Statement of Profit and Loss and the Cash Flow Statement for fifteen months financial year ended on that date.
2. Recommended Final Dividend of Rs. 8.50/- (Eight Rupees and Fifty Paise only) per equity shares of Re. 1/- each for the fifteen months financial year ended 31st March 2024 on the entire issued, subscribed and paid-up share capital of the Company of 964,157,160 equity shares of nominal value of Re. 1/- (Rupee one only) each.
3. Approved execution of a definitive agreement to form a joint venture between the Company and Dr. Reddy’s Laboratories Limited (“Dr. Reddy’s”) to bring together the well-known global range of nutritional health solutions as well as vitamins, minerals and health supplements of Nestlé Health Science with the nutraceuticals portfolios, strong and established commercial strengths of Dr. Reddy’s in India and other geographies as may be agreed by the Parties. The joint venture is expected to become operational in the second quarter of the financial year 2024-25, subject to customary closing conditions.

The details required under the Listing Regulations read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023 is attached herewith as Annexure-I.

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4. Approved launch of Nespresso in India wherein the Company will engage in the sale and distribution of Nespresso products (machines and capsules) through its distribution network, online channels, and boutiques under commercial arrangements with Nespresso and third parties. The Company expects to launch Nespresso in India by the end of 2024.

Enclosed is the Press Release relating to the results and other business items as mentioned above.

5. Approved convening of the 65th AGM of the Company on Friday, 5th July 2024 through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM) and fixed Monday, 15th July 2024 as Record Date for the purpose of determining entitlement of the Members to the Final Dividend for the fifteen months financial year ended 31st March 2024. The Final Dividend for the fifteen months financial year ended 31st March 2024, if approved by the Members at 65th AGM, shall be paid on and from 2nd August 2024. Enclosed is the intimation of the Record Date. Soft copy of the Annual Report and Notice of the 65th AGM shall be sent in due course. The same shall also be uploaded on the Company's website at www.nestle.in.

The meeting of the Board of Directors commenced at 9:00 hours and the above agenda items concluded at 12:00 hours.

The above is for your information and record.

Thanking you,

Yours truly,

NESTLÉ INDIA LIMITED

PRAMOD

KUMAR RAI

Digitally signed by
PRAMOD KUMAR RAI
Date: 2024.04.25
12:23:34 +05'30'

PRAMOD KUMAR RAI

COMPANY SECRETARY AND COMPLIANCE OFFICER

Encl.: as above



Nestlé Good food, Good life

Press Release

Nestlé House, 25th April 2024

Quarter five and fifteen-months financial year ended 31st March 2024

Nestlé India continues on its path of strong growth - Domestic sales crosses INR 5,000 crore mark this quarter Announces the launch of much awaited NESPRESSO in India Enters into a definitive agreement to form a Joint Venture with Dr. Reddy's Laboratories

The Board of Directors of Nestlé India today approved the results for the fifth quarter and fifteen months financial year ended 31st March 2024. The Financial Year of the Company was changed from 1st January – 31st December cycle to 1st April – 31st March cycle. Accordingly, the previous Financial Year of the Company was extended up to 31st March 2024 covering a period of 15 months commencing from 1st January 2023 to 31st March 2024 comprising five quarters ("hereafter referred as "Financial Year 2023-24").

Commenting on the results, **Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India said**, "I am pleased to share that we have delivered double-digit growth, despite challenges posed by rising food inflation and volatile commodity prices. We have witnessed a strong growth momentum across our product portfolio led by a combination of pricing and mix. Our domestic sales crossed INR 5,000 crore this quarter, a notable milestone for us. I would like to extend my heartfelt gratitude to my colleagues, distributors, retailers and partners for their unwavering dedication, determination, and diligence.

In the financial year ended 31st March 2024, Confectionery delivered strong performance, fuelled by KITKAT, making India the second-largest market for the brand globally. Our Beverages business recorded robust performance. NESCAFÉ has introduced its coffee to over 30 million households in India in the last 7 years. Milk Products and Nutrition witnessed strong growth despite inflationary pressures. Prepared Dishes and Cooking Aids registered strong growth across portfolio led by MAGGI Noodles and MAGGI Masala-ae-Magic. India emerged as the largest market worldwide for MAGGI.

The Out-of-Home business reported strong growth and e-commerce sustained its upward trajectory, contributing to 6.8 % of sales. We remained steadfast on our RUrban journey and expanded to encompass over 200,000 villages, marking a significant milestone in our journey.

The pursuit of new platforms and categories is a key component of Nestlé India's overall growth strategy and reflects our commitment to anticipating and responding to evolving market trends and consumer preferences. By leveraging our existing competencies and capabilities, and by investing in new areas of opportunity, Nestlé India strives to deliver long-term value to its stakeholders.

Launch of NESPRESSO

Towards this, I am delighted to inform you that NESPRESSO coffees and machines will soon be available for consumers, coffee aficionados and coffee connoisseurs in India, to unlock new experiences and discover extraordinary coffees. In recent years, coffee consumption in India has witnessed a surge, with a discernible trend towards in-home consumption. India is one of the fastest-growing coffee markets for Nestlé. The first NESPRESSO boutique is intended to be opened in Delhi, before expanding to other key cities. NESPRESSO will also be sold online through e-commerce platforms.

Definitive agreement to form a Joint Venture with Dr. Reddy's Laboratories to take health science nutraceutical portfolio to consumers

I am also very happy to share that we are entering into a definitive agreement to form a joint venture with Dr. Reddy's Laboratories Limited ("Dr. Reddy's"). We have been on a journey where we strive to add value to the lives of our consumers through powerful brands and products. This joint venture is another important step in that direction, allowing us to bring our science-backed nutritional solutions to more consumers across the country by leveraging Dr. Reddy's robust retail and distribution network. Dr. Reddy's is a trusted name in the pharmaceutical space and shares our commitment to provide access to high quality products. The joint venture company would be formed with Dr Reddy's holding 51% and Nestlé India's holding 49%. Nestlé India will have a call option to increase shareholding upto 60% after six years at a Fair Market Value. Dr Reddy's shall continue to hold at least 40% of the shareholding after the Company exercises its call option.

Financial Highlights – Fifteen months financial year ended 31st March 2024:

- Total Sales of INR 24,275.5 crore
- Profit from Operations at 22.0% of Sales
- Net Profit of INR 3,932.8 crore
- Robust Cash Generated from Operations at INR 4,174.8 Crore
- Earnings Per Share of INR 40.79
- Final Dividend recommended INR 8.50 per equity share
- CSR Spend INR 59.8 Crore
- Contribution to the exchequer of INR 6437.8 Crore

Business Comments – Fifteen months financial year ended 31st March 2024:

- **E-commerce:** Continued to accelerate with significant growth in the quick commerce along with click & mortar, driven by brands like KITKAT and MAGGI Noodles. Quick Commerce growth was aided by new user acquisition and targeted digital communication across various touchpoints.
- **Organized Trade:** Continued to deliver strong broad-based growth across categories driven by store expansion and improved footfalls.
- **Out of Home (OOH):** Continued to accelerate rapidly by focusing on relevant innovations and robust penetration in emerging channels. Geographical expansion beyond metros into Tier-1 towns, tapping tourist hot spots and focusing on geographical clusters also led to growth.

- **Exports:** Delivered good growth. MAGGI Noodles and sauces, witnessed an increased demand in key markets such as Canada, the United States, Australia, New Zealand, and Singapore. NESCAFÉ SUNRISE continued to gain traction in established markets such as Singapore and Taiwan, while also being exported to Canada for the first time.

Product Groups Performance (Domestic) – Fifteen months financial year ended 31st March 2024:

- **Prepared Dishes and Cooking Aids** – Growth momentum was aided by strong consumer engagements, media campaigns, innovations and enhanced RURBAN penetration. Strong innovation and renovation thrust, launched MAGGI Oats Noodles with Millet Magic, Korean Noodles, MAGGI Teekha Masala and MAGGI Chatpata Masala variants.
- **Milk Products and Nutrition** – MILKMAID and Ready-To- Drink (RTD) delivered strong growth.
- **Confectionery** – Growth was fueled by the launch of new products, increased media exposure, a more extensive and expanding distribution network, and innovative brand activations.
- **Beverages** – NESCAFÉ Classic, NESCAFÉ Sunrise, and NESCAFÉ GOLD, delivered strong double-digit growth. This resulted in the highest-ever yearly increase in household penetration and market share in 2023.
- **Petcare Business** – Strong focus on e-commerce accelerated the reach of product portfolio to more pet families.

Key Highlights for the quarter ended 31 March 2024:

The figures for the fifteen months financial year ended 31st March 2024 are not comparable to the previous financial year (twelve months) ended 31st December 2022. Comparisons below are for the three months period ended 31st March 2024 with three months period ended 31st March 2023 unless otherwise specified.

Total sales and Domestic sales for the quarter increased by 9.3% and 8.9%, respectively. Domestic sales growth was broad based. Export sales for the quarter increased by 19.0%. Domestic sales crossed INR 5,000 crore milestone for the first time.

Commodity Outlook:

Commodity prices are seeing unprecedented headwinds in Coffee and Cocoa with all time high prices and an ongoing price rally. Cereals and grains are going through a structural cost increase backed by MSP. Milk prices expected to rise on account of expected harsh summer.

Dividend

The Board of Directors have recommended a final dividend for the fifteen months financial year ended 31st March 2024 of ₹ 8.50 per equity share (face value of ₹ 1/- each) amounting to ₹ 8,195.3 million. Besides the aforementioned final dividend, the total dividend for the fifteen months financial year ended 31st March 2024 includes first interim dividend of ₹ 27/- per equity share (face value of ₹ 10/- each), second interim dividend of ₹ 140 per equity share (face value of ₹ 10/- each) and third interim dividend of ₹ 7/- per equity share (face value of ₹ 1/- each) paid on 8th May 2023, 16th November 2023 and 5th March 2024, respectively. Effective from 5th January 2024, the face value of the equity share has changed from ₹10/- each to ₹1/- each.

Cautionary Statement:

Statements in this Press Release, particularly those which relate to outlook, describing the company's projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

For more information

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