

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: 25:22

21.04.2022

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort,

Mumbai – 400 001

BSE Scrip Code: 500790

- Subject :**
- 1. Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'); Unaudited Financial Results for the first quarter ended 31st March 2022; and**
 - 2. Regulation 30 of the Listing Regulations: Recommend to the members of the Company appointment of Ms Alpana Parida as an Independent Non-Executive Director of the Company for a term of five consecutive years effective from 1st June 2022**

Dear Sir/ Madam,

1. Unaudited Financial Results for the first quarter ended 31st March 2022

The Board of Directors, at their meeting held today, approved the Unaudited Financial Results (UFR) of the Company for the first quarter ended 31st March 2022. Enclosed the UFR of the Company for the first quarter ended 31st March 2022 alongwith the Limited Review Report of M/s. S R Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company and the Press Release relating to the UFR for the first quarter ended 31st March 2022.

The same are also being uploaded on the Company's website. The UFR shall be published in newspapers as per the Listing Regulations.

2. Recommended to the members of the Company appointment of Ms Alpana Parida (DIN: 06796621) as an Independent Non-Executive Director of the Company for a term of five consecutive years effective from 1st June 2022

The Board of Directors, at their meeting held today on the recommendation of the Nomination and Remuneration Committee, has recommended the appointment of Ms Alpana Parida (DIN: 06796621), as an Independent Non-Executive Director of the Company for a term of five consecutive years effective from 1st June 2022, for approval of the members of the Company by way of Special Resolution through Postal Ballot by electronic means. In terms of the Companies Act 2013 read with relevant Circulars issued by the Ministry of Corporate Affairs and Regulation 44 of the Listing Regulations, the Company shall provide remote e-voting facility for the said purpose.

The cut-off date of 22nd April 2022 has been fixed to determine the eligibility of the Members to cast their vote through Postal Ballot by remote e-voting facility.

Ms. Alpana Parida, aged 59 years, graduated from IIM-Ahmedabad and has a degree in Economics from St. Stephens, Delhi University.

Ms. Parida has more than two decades of experience in retail and marketing communications in India and in the United States of America. She is a Founder & Chief Executive Officer of Tiivra Ventures Private Limited. She has served as the Managing Director of DMA Yellow Works Limited. She has also been associated with Titan Industries Limited. Ms. Parida holds directorship on leading boards including GRP Limited, FSN e-Commerce Ventures Limited, Cosmo Films Limited, Nykaa Fashion Private Limited, Jivagro Limited, Tiivra Ventures Private Limited, FSN Brands Marketing Private Limited and Hindware Limited.

Ms. Parida has vast experience in the area of corporate governance, strategy, e-commerce, digital and new technologies, mergers and acquisitions, finance, audit, sustainability, innovation management and human resources. Ms. Parida has no relationship with any other Director on the Board of the Company and she is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. The notice of Postal Ballot will be sent in due course.

The meeting of the Board of Directors commenced at 09:00 hours and the above agenda items concluded at 9:55 hours.

Thanking you,

Yours very truly,

NESTLÉ INDIA LIMITED

B. MURLI

GENERAL COUNSEL & COMPANY SECRETARY

Encl.: as above



NESTLÉ INDIA LIMITED

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

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2022

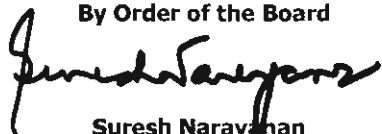
PARTICULARS		THREE MONTHS ENDED			(₹ Million)
		31.3.2022 (Un-audited)	31.12.2021 (Audited as explained in Note 7)	31.3.2021 (Un-audited)	Accounting Year ended 31.12.2021 (Audited)
A	INCOME				
	DOMESTIC SALES	37,942.6	35,597.8	34,420.3	139,941.5
	EXPORT SALES	1,566.4	1,464.2	1,581.7	6,395.7
	SALE OF PRODUCTS	39,509.0	37,062.0	36,002.0	146,337.2
	OTHER OPERATING REVENUES	298.0	331.2	106.2	756.9
i	REVENUE FROM OPERATIONS	39,807.0	37,393.2	36,108.2	147,094.1
ii	OTHER INCOME	214.4	273.3	296.5	1,201.1
	TOTAL INCOME	40,021.4	37,666.5	36,404.7	148,295.2
B	EXPENSES				
i	COST OF MATERIALS CONSUMED	18,459.3	16,628.9	15,134.9	61,541.0
ii	PURCHASES OF STOCK-IN-TRADE	740.9	605.6	571.8	2,275.2
iii	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	(1,442.9)	(1,167.6)	(730.4)	(627.0)
iv	EMPLOYEE BENEFITS EXPENSE	3,966.4	3,866.4	3,680.7	15,213.0
v	FINANCE COSTS (INCLUDING INTEREST COST ON EMPLOYEE BENEFIT PLANS)	355.7	435.8	540.4	2,011.9
vi	DEPRECIATION AND AMORTISATION	1,042.8	1,057.5	936.2	3,901.9
vii	OTHER EXPENSES	8,664.8	8,708.2	8,111.1	32,482.0
viii	IMPAIRMENT LOSS ON PROPERTY, PLANT AND EQUIPMENT	-	-	6.9	12.2
ix	NET PROVISION FOR CONTINGENCIES	61.2	(143.8)	(5.0)	(251.7)
x	CORPORATE SOCIAL RESPONSIBILITY EXPENSE	110.8	238.7	39.5	534.0
	TOTAL EXPENSES	31,959.0	30,229.7	28,286.1	117,092.5
C	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (A-B)	8,062.4	7,436.8	8,118.6	31,202.7
D	EXCEPTIONAL ITEMS	-	2,365.0	-	2,365.0
E	PROFIT BEFORE TAX (C-D)	8,062.4	5,071.8	8,118.6	28,837.7
F	TAX EXPENSE:				
	CURRENT TAX	2,162.0	1,161.8	2,148.4	7,443.9
	DEFERRED TAX	(46.7)	43.4	(52.3)	(54.8)
G	PROFIT FOR THE PERIOD (E-F)	5,947.1	3,866.6	6,022.5	21,448.6
H	OTHER COMPREHENSIVE INCOME				
a.	(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS				
	- RE-MEASUREMENT OF RETIRAL DEFINED BENEFIT PLANS	23.4	(625.7)	(251.7)	(2,025.3)
	- EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	(17.7)	-	-	-
	(ii) INCOME TAXES RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	(5.9)	157.5	63.3	509.7
b.	(i) ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS				
	- CHANGES IN FAIR VALUE OF CASH FLOW HEDGES	1.7	18.7	(15.6)	2.0
	(ii) INCOME TAXES RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS	(0.4)	(4.7)	3.9	(0.5)
	TOTAL OTHER COMPREHENSIVE INCOME (a+b)	1.1	(454.2)	(200.1)	(1,514.1)
I	TOTAL COMPREHENSIVE INCOME (G+H)	5,948.2	3,412.4	5,822.4	19,934.5
J	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – ₹10 PER SHARE)	964.2	964.2	964.2	964.2
K	OTHER EQUITY	-	-	-	19,880.6
L	EARNINGS PER SHARE (EPS) (not annualized for quarters)				
	BASIC/ DILUTED EPS (₹)	61.68	40.10	62.46	222.46
	ADDITIONAL INFORMATION:				
	PROFIT FROM OPERATIONS [C - A(ii) + B(v) + B(x)]	8,314.5	7,838.0	8,402.0	32,547.5

Notes:

1. Financial results have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ind-AS and Schedule III (Division II) to the Companies Act, 2013.
2. For better understanding of the financial performance, the Company has chosen to present Profit from Operations as an additional information in the Statement of Profit and Loss. Profit from Operations is derived from Profit before Exceptional Items & Tax less Other Income and adding back Finance Costs (Including Interest Cost on Employee Benefit Plans) and Corporate Social Responsibility Expense.
3. **Comparisons with reference to quarter ended 31.03.2021 unless otherwise specified:**
 - a. Total Sales and Domestic Sales for the quarter increased by 9.7% and 10.2% respectively. Domestic Sales growth is broad based and largely driven by volume & mix. Export Sales were lower by 1.0% largely due to change in product mix.
 - b. Other Income decreased due to lower average liquidities, partly offset by higher yields.
 - c. Cost of materials consumed [B(i)+B(ii)+B(iii)] as a % to sales has increased due to higher commodity prices, particularly edible oil, milk and its derivatives and packaging materials, partly offset by better realisations.
4. Net Provision for Contingencies is mainly for matters related to litigations/related disputes and other uncertainties requiring management judgement. Provisions for Contingencies/Contingent Liabilities are recognised/disclosed after a careful evaluation of the facts and legal aspects of the matters involved, in line with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and Ind AS 12 Income Taxes.
5. The Board of Directors on 11th April 2022 have declared an interim dividend for 2022 of ₹ 25.0 per equity share (Face value ₹ 10/- per equity share) amounting to ₹ 2,410.4 million, which will be paid on and from 6 May 2022 along with the final dividend for 2021 of ₹ 65.0 per equity share approved in the Annual General Meeting on April 12, 2022.
6. Based on the guiding principles given in Ind AS 108 Operating Segments, the Company's business activity falls within a single operating segment, namely Food. Accordingly, no separate segment information has been provided.
7. Figures for the three months ended 31 December 2021 are the balancing figures between audited figures in respect of the full year and the un-audited published figures up to the period ended 30 September 2021.

THE ABOVE RESULTS AND THIS RELEASE HAVE BEEN REVIEWED BY THE AUDIT COMMITTEE OF THE BOARD AT THEIR MEETING HELD ON 20 APRIL 2022 AND APPROVED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON 21 APRIL 2022.

Date: 21 April 2022
Place: Gurugram

By Order of the Board

Suresh Narayanan
Chairman and Managing Director

Head Office: Nestlé House, Jacaranda Marg, M Block, DLF City Phase – II, Gurugram 122 002 (Haryana)
Registered Office: 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001
Corporate Identity Number: L15202DL1959PLC003786
Email ID: investor@in.nestle.com, Website: www.nestle.in
Phone: 011-23418891, Fax: 011-23415130

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Nestle India Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Nestle India Limited (the "Company") for the quarter ended March 31, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative Ind AS financial information and Ind AS financial statements of the Company for the immediately preceding quarter and year ended December 31, 2021 and corresponding quarter ended March 31, 2021, included in these Ind AS financial results, were audited/reviewed by the predecessor auditor who expressed an unmodified opinion and unmodified conclusion on those financial information on February 17, 2022 and April 20, 2021 respectively.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

PANKAJ
Digitally signed by PANKAJ CHADHA
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o=Personal,
email=pankaj.chadha@srb.in
CHADHA
Reason: I am approving this document
Date: 2022.04.21 10:01:46 +05'30'

per Pankaj Chadha

Partner

Membership No.: 091813

UDIN: 22091813AHMHWE7626

Place of Signature: Gurugram, Haryana

Date: April 21, 2022



Good food, Good life

Press Release – Q1 2022

Nestlé House, 21st April 2022

Nestlé India continues to deliver strong volume and mix growth despite volatility and cost pressures

The Board of Directors of Nestlé India today approved the results for the first quarter of 2022.

Commenting on the results, **Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India said**, “I am pleased to share that in this quarter we have delivered double-digit domestic sales driven by volume and mix, which once again demonstrates the strength of our brands, consumer resonance and the resilience of the Nestlé India team and our partners. Our key brands continue to perform well with *Maggi* Noodles, *KitKat*, *Nestlé Munch*, *Nescafé* Classic and *Sunrise* posting creditable double-digit growth in this quarter. This growth across a range of categories was enabled by a mix of innovative campaigns, attractive consumer promotions, analytics-based consumer insights, geo-targeted distribution drives and leveraging the opportunity of festive seasons. Our endeavour is to continue on the path of penetration led volume growth with determination.

We have continued to progress well on our RURBAN journey and this has borne fruit with strong sustained rural growth performance, complemented by strong growth in smaller town classes and urban agglomerates. Our robust performance in e-commerce continued as the channel grew by 71% and now contributes 6.3% of domestic sales. We will continue to leverage e-commerce further through meaningful shopper insights, data analytics, speed, sharp communication and customization.

As highlighted in previous quarters, cost of key raw and packaging materials are witnessing 10-year highs, and costs continued to surge this quarter which has impacted profit from operations. Continued inflation is likely to be a key factor in the short to medium term. We are confident of facing this turbulence with strategies of scale, efficiencies, mix and pricing all of which we will deploy judiciously.

On the occasion of World Earth Day tomorrow, I am pleased to share that as an organization we continue to invest in our sustainability journey through various commitments across climate change, packaging, sourcing and water.”

Financial Highlights – Q1 2022:

- Total Sales of INR 3,951 Crore
- Total Sales Growth at 9.7%. Domestic Sales Growth at 10.2%.
- Profit from Operations at 21.0% of Sales
- Net Profit of INR 595 Crore
- Earnings Per Share of INR 61.7
- Interim Dividend INR 25 per equity share declared on 11th April 2022

Business Comments – Q1 2022:

- **E-commerce:** The channel showed strong acceleration with growths being largely fuelled by new emerging formats like 'quick commerce' and 'click & mortar' for the channel.
- **Organized Trade:** The channel witnessed strong broad based revenue growth as footfall normalized.
- **Out of Home (OOH):** Despite COVID wave 3 impacting January sales, the OOH Business posted better than expected Q1 results mainly resulting from faster channel opening & due to continuation of the business led revenue acceleration measure as per the agreed strategy (channel & geographical initiatives, portfolio transformation etc.)
- **Exports:** Our continuous focus remains towards proliferation of Indian product portfolio in new markets; expanding new categories like confectionery and our offerings with MAGGI range, fuelled with channel expansion in mainstream in the United Kingdom and Australia.

Category Performance – Q1 2022 (Domestic):

- **Prepared Dishes and Cooking Aids:** Strong growth momentum continued in Noodles aided by media and mega portfolio activation. *Maggi Sauces* and *Maggi Masala-ae-Magic* growth was impacted by high base and gradual shift from in-home cooking to out-of-home consumption, with the progressive opening up of offices and schools.
- **Milk Products and Nutrition:** Nutrition performed well, coupled with pricing actions. Milk products continue to face challenges from competition.
- **Confectionery:** *KitKat* and *Nestlé Munch*, both registered double-digit growth. The strong performance was aided by media campaigns, strong festive interventions, attractive consumer promotions, trade inputs and focused distribution drives.
- **Beverages:** *Nescafé Classic* and *Sunrise* delivered double-digit growth, supported by generating demand inputs to leverage the consumption season.

Commodity Outlook in Short to Medium Term:

Cost outlook for key commodities like edible oils, coffee, wheat, fuel remains firm to bullish while costs of packaging materials continue to increase amid supply constraints, rising fuel and transportation costs. Input costs are expected to be on bullish trend both globally and locally. Fresh milk costs are expected to remain firm with continued increase in demand and rise in feed costs to farmers.

Dividend:

The Board of Directors on 11th April 2022 have declared an interim dividend for 2022 of INR 25.0 per equity share (Face value INR 10/- per equity share) amounting to INR 2,410.4 million, which will be paid on and from 6 May 2022 along with the final dividend for 2021 of INR 65.0 per equity share approved in the Annual General Meeting on April 12, 2022.

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:

Ambereen Ali Shah, Nestlé India, +91 9717022731

Shashank Kumar Nair, Nestlé India, + 91 9818077775

Nestlé India Limited, Head Office: Nestlé House, Jacaranda Marg, M Block, DLF City Phase – II, Gurugram 122 002 (Haryana)

Registered Office: 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi – 110001,

Corporate Identity Number: L15202DL1959PLC003786

Email ID: ambereen.shah@in.Nestlé.com / shashank.nair@in.Nestlé.com (with a CC to media.india@in.Nestlé.com); investor@in.Nestlé.com,

Website: www.Nestlé.in