

## 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:JK: 112:2024-25

4<sup>th</sup> February 2025

### 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: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'): Presentation for analyst and institutional investors meet to be held today at 03:00 P.M. (IST)**

Dear Madam/ Sir,

Further to our letter PKR:SG:JK: 106:2024-25 dated 17<sup>th</sup> January 2025 intimating about analyst and institutional investors meet on business performance of the Company, and in terms of the requirement of Regulation 30 read with Part A of Schedule III of the Listing Regulations, please find enclosed herewith the presentation to be made at the analyst and institutional investors meet scheduled to be held today at 03:00 P.M. (IST) and the same is also being uploaded on the Company's website at www.nestle.in. As prescribed under the Listing Regulations, the recording and transcript of the aforesaid Meet will be uploaded on the Company's website at www.nestle.in and will be intimated to the Stock Exchanges in due course.

The above is for your information and record.

Thanking you,

Yours truly,

**NESTLÉ INDIA LIMITED**

**PRAMOD KUMAR RAI**

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Encl.: as above



Nestlé Good food, Good life



# Our Path to Progress

Analyst and Institutional Investors Meet, February 04, 2025  
Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India



Analyst and Institutional Investor Meet, February 2025



Nestlé Good food, Good life

# Disclaimer

- Except for the historical financial information contained herein, this presentation may contain statements which reflect Management's current views and estimates and could be construed as forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which holds only as of the date.
- The future involves uncertainties and risks that could cause actual results to differ materially from the current views being expressed.
- Potential uncertainties and risks include but are not limited to factors such as changes in general economic, political or market conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.
- Significant disruptions in the operations due to unforeseen events (including spread of any disease)
- Figures are on standalone basis and are regrouped / reclassified to make them comparable.
- Calculations are based on non-rounded figures.
- 'Analytical data' are best estimates to facilitate understanding of business and NOT meant to reconcile reported figures.
- Answers to Questions may be given basis generally available information in public domain.
- No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or presentation must not be relied upon as having been authorized by or on behalf of Nestlé India Limited.
- The Financial Year of the Company stands changed from 1<sup>st</sup> January – 31<sup>st</sup> December cycle to 1<sup>st</sup> April – 31<sup>st</sup> March cycle. Accordingly, the Financial Year 2023-24 covers a period of 15 months commencing from 1<sup>st</sup> January 2023 to 31<sup>st</sup> March 2024.
- Where CY is mentioned, it stands for January – December calendar year

# Today we will **discuss**

-  Our **consistent growth story**
-  The **rising India opportunity**
-  Delivering on our strategy – **Virtuous Circle and 5Ps**
-  Key **takeaways**

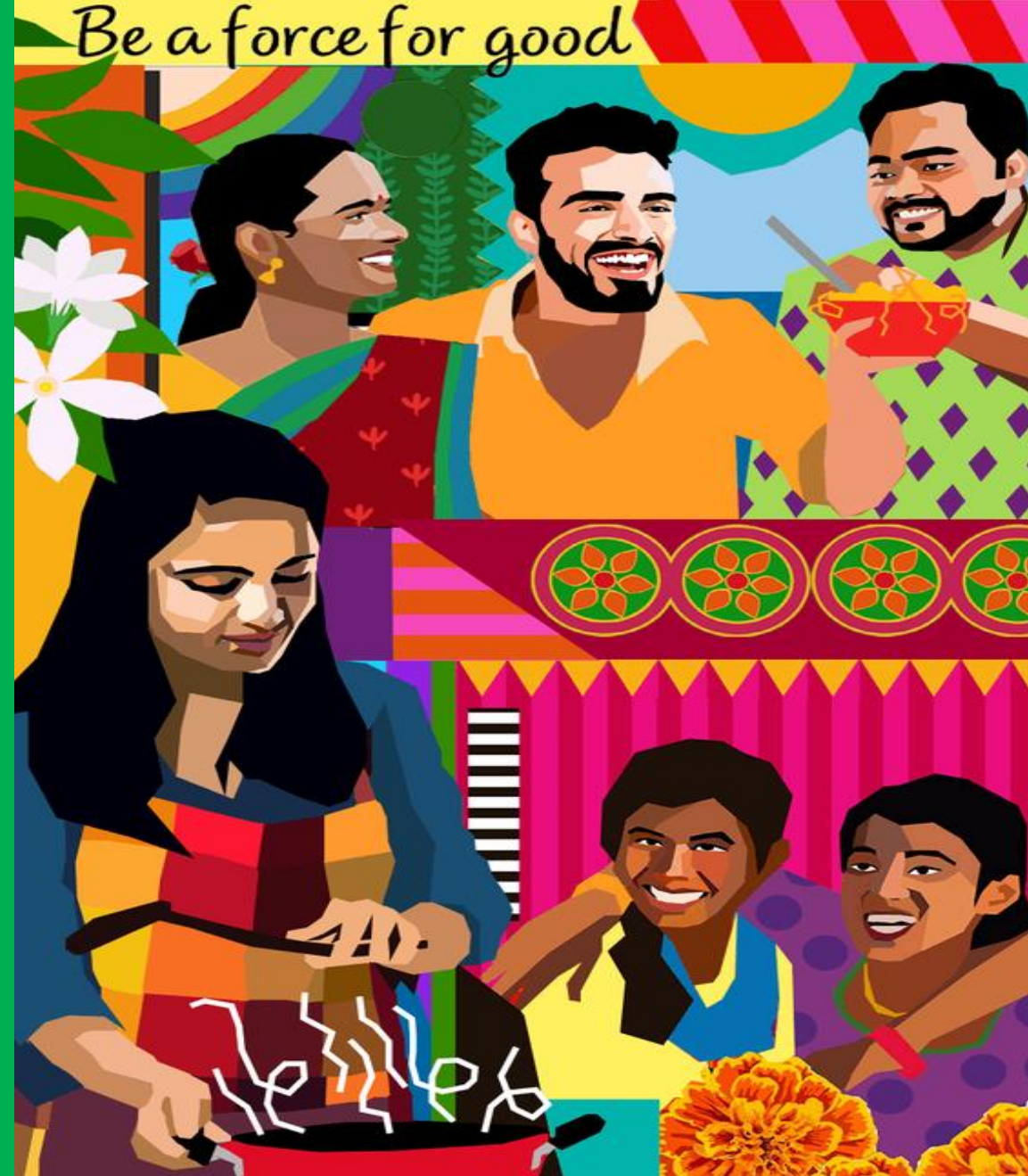
Our Purpose

**Unlocking the power  
of food to enhance  
quality of life for  
everyone, today and  
for generations to  
come**

Analyst and Institutional Investor Meet, February 2025



# Our consistent growth story



# Deeply entrenched **in India**



Legacy of **113 years**



**8,700+**  
Employees



**547,000 +**  
Shareholders



**~14 million beneficiaries**  
Societal initiatives



**10,000+**  
Distributors & re-distributors



**5.3 million outlets**  
Total reach



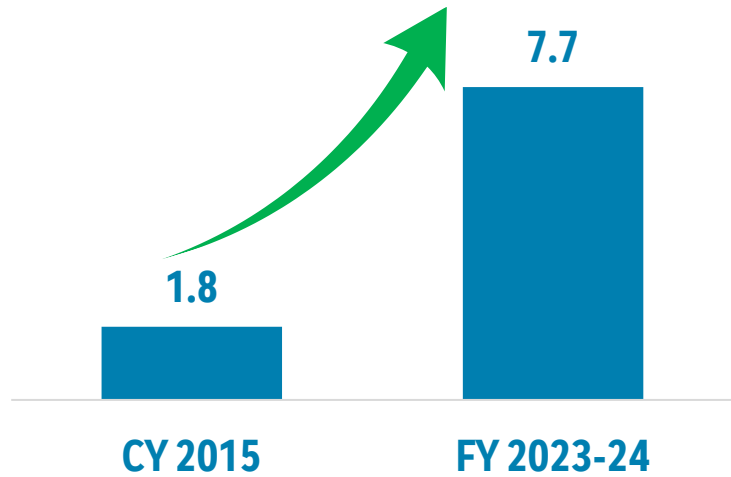
**280,000**  
Farmers



**9**  
Factories in India

# Significant investment in India - **10<sup>th</sup> factory in Odisha**

## Capital expenditure % to sales



Sanand now 3<sup>rd</sup> factory producing confectionery



Capacity expansion since 2020



Capacity for MAGGI, Coffee, Chocolate **35%↑**

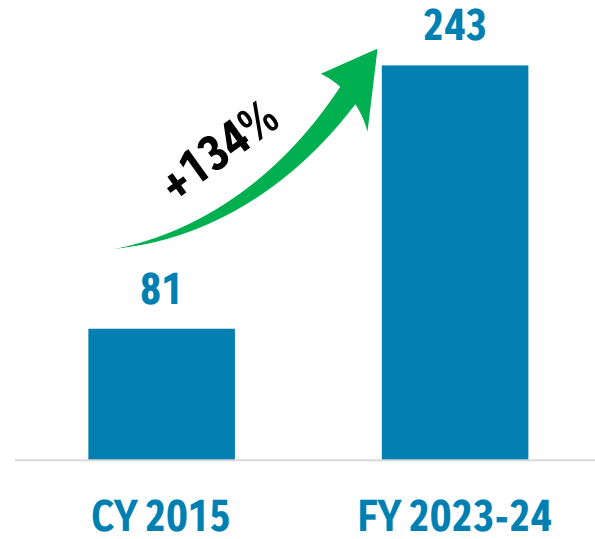


Spent till date **INR 5,500 + crore**



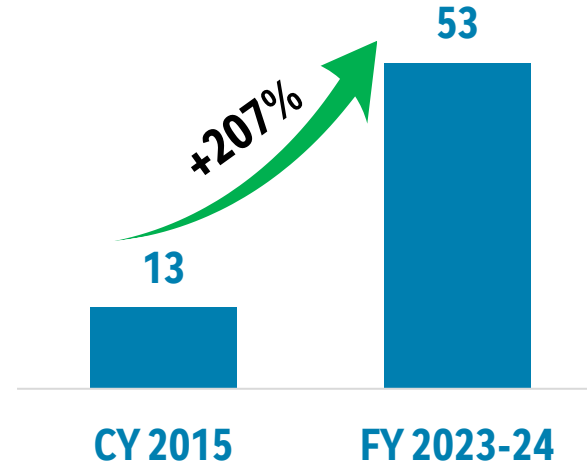
# Strong growth and financial performance

Growth numbers ex. market cap. for 2015- 23



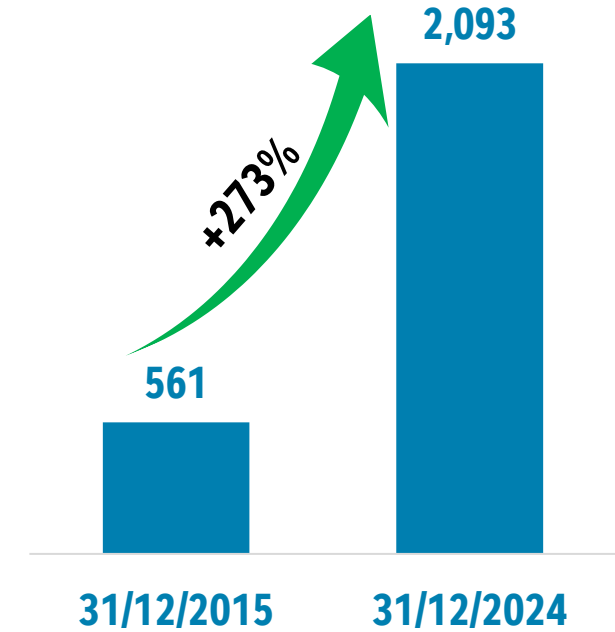
Sales (INR billion)

11.2%  
CAGR



Profit from operations (INR billion)

15.1%  
CAGR

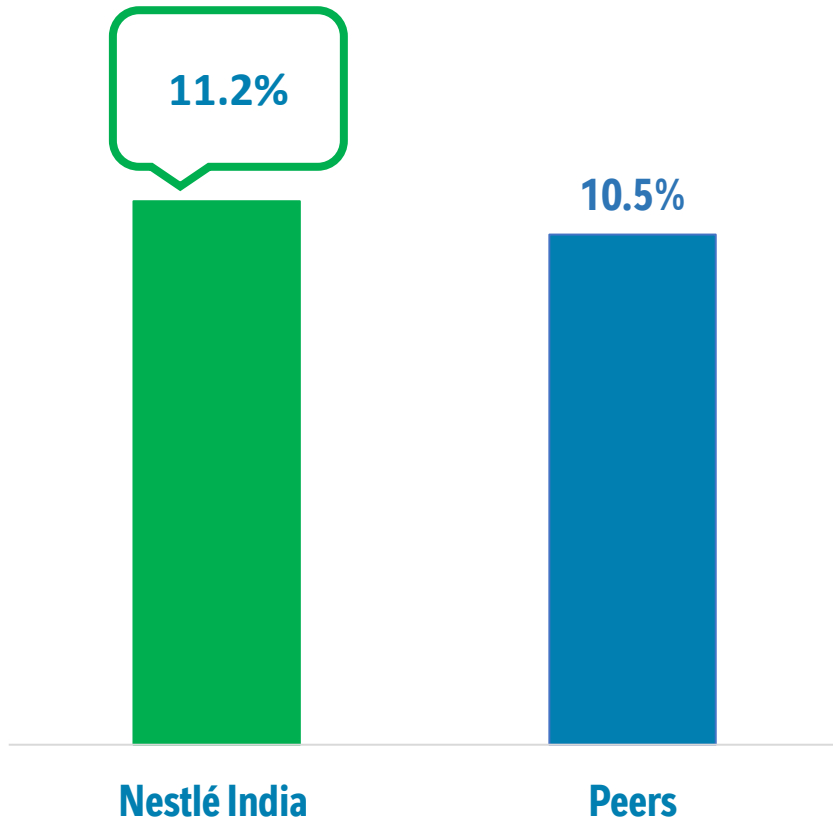


Market Cap. (INR billion)

15.7%  
CAGR

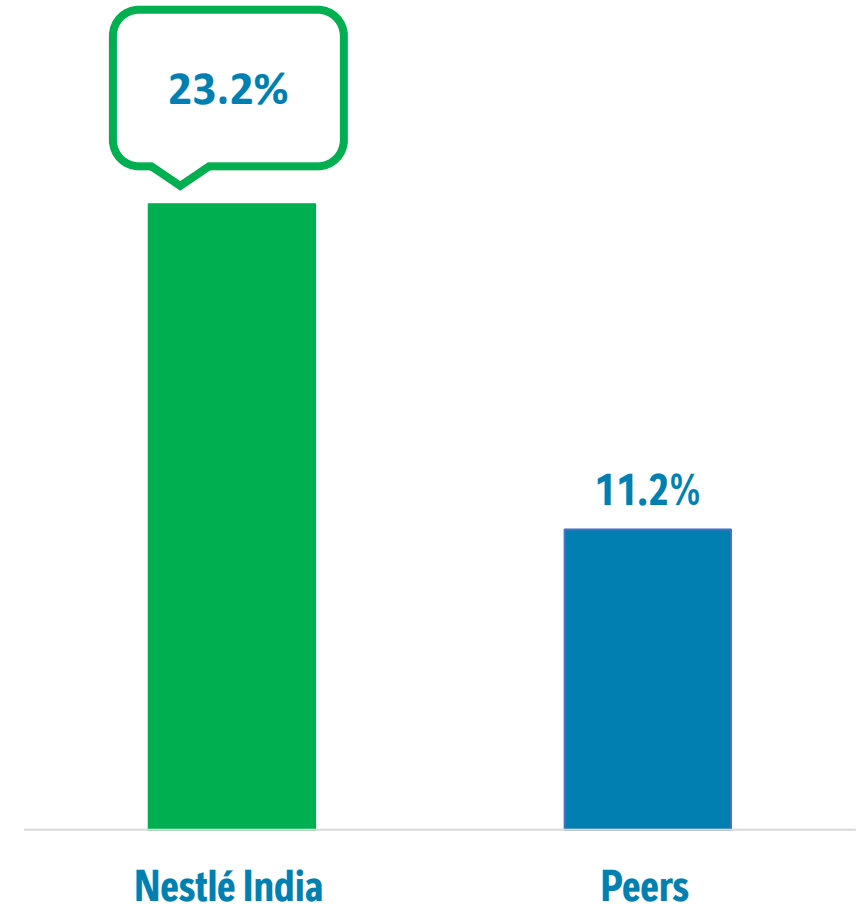
# Consistently **outperforming the peers**

Sales



**CAGR**  
Since 2015  
(8 years)

PAT



# Growth based on **balanced portfolio**

## Milk Products and Nutrition



**39%**  
Contribution

**6%**  
CAGR 2015-24

## Prepared Dishes and Cooking Aids



**31%**  
Contribution

**19%**  
CAGR 2015-24

## Out of Home



**10%**  
CAGR 2015-24

## Confectionery



**16%**  
Contribution

**14%**  
CAGR 2015-24

## Powdered and Liquid Beverages

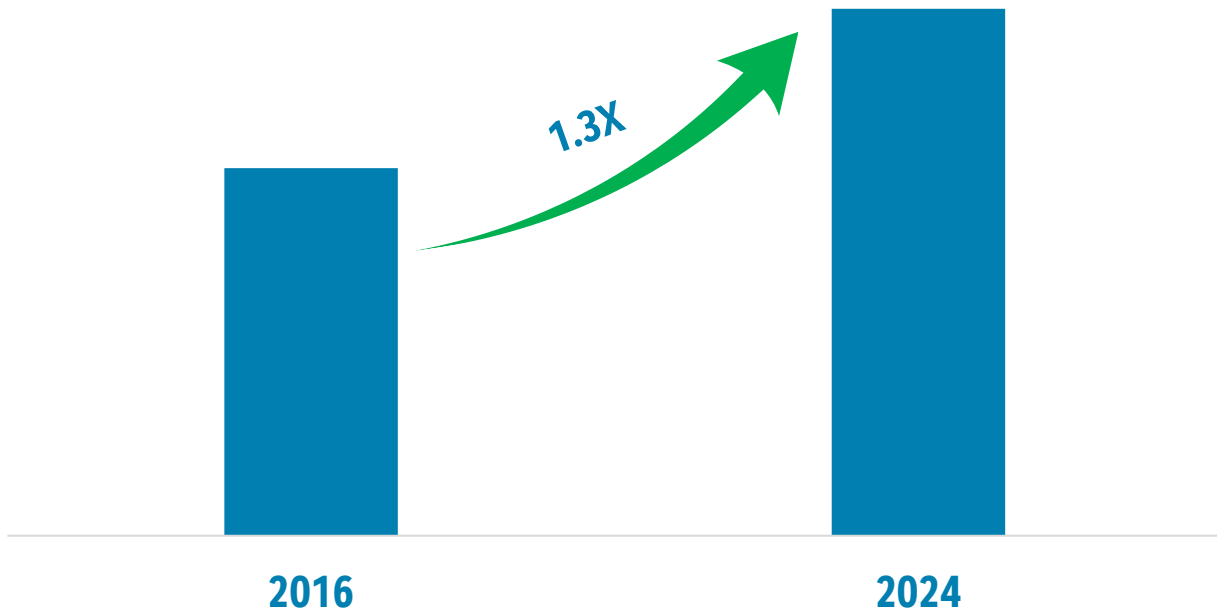


**14%**  
Contribution

**10%**  
CAGR 2015-24

# Driven by our **penetration led growth strategy**

**5.3 million retail outlets in 2024**  
**Highest gains amongst peers in 2024**



# Bolstered by **aggressive digital outreach**

## 51% media spend on digital in 2024

**1.1 billion** Mobile users

**25 million** grocery shoppers

**86%** socially influenced

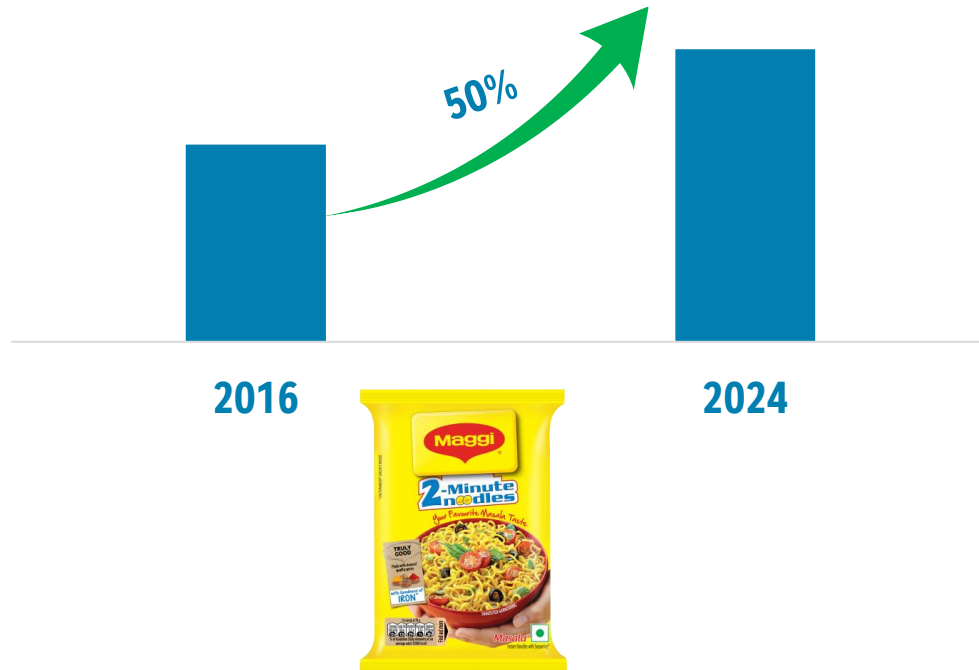


**126%** ↑

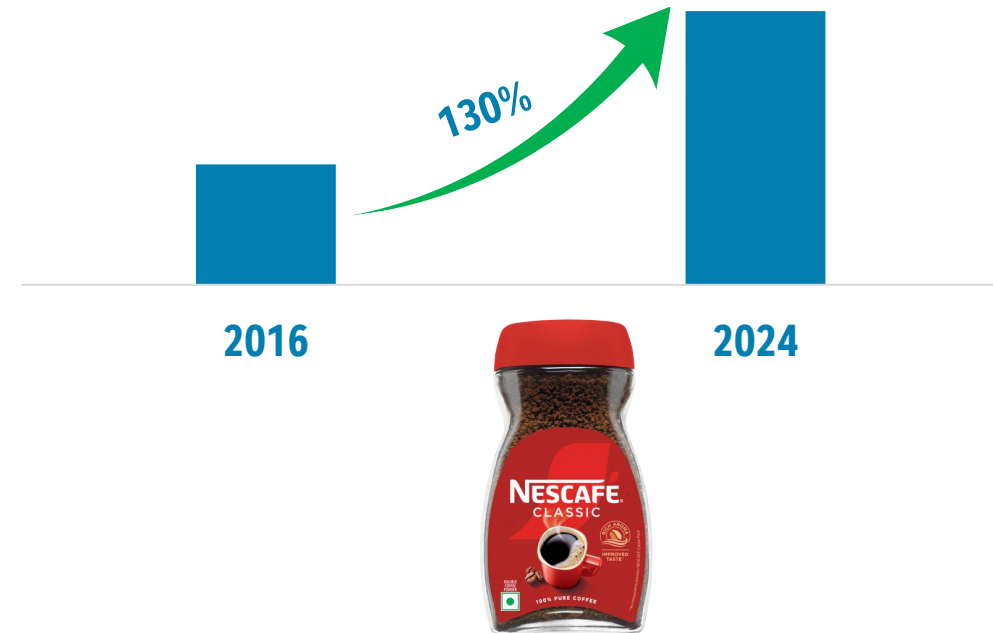
Total digital media spends since 2020

# Strengthening our household penetration

52% households

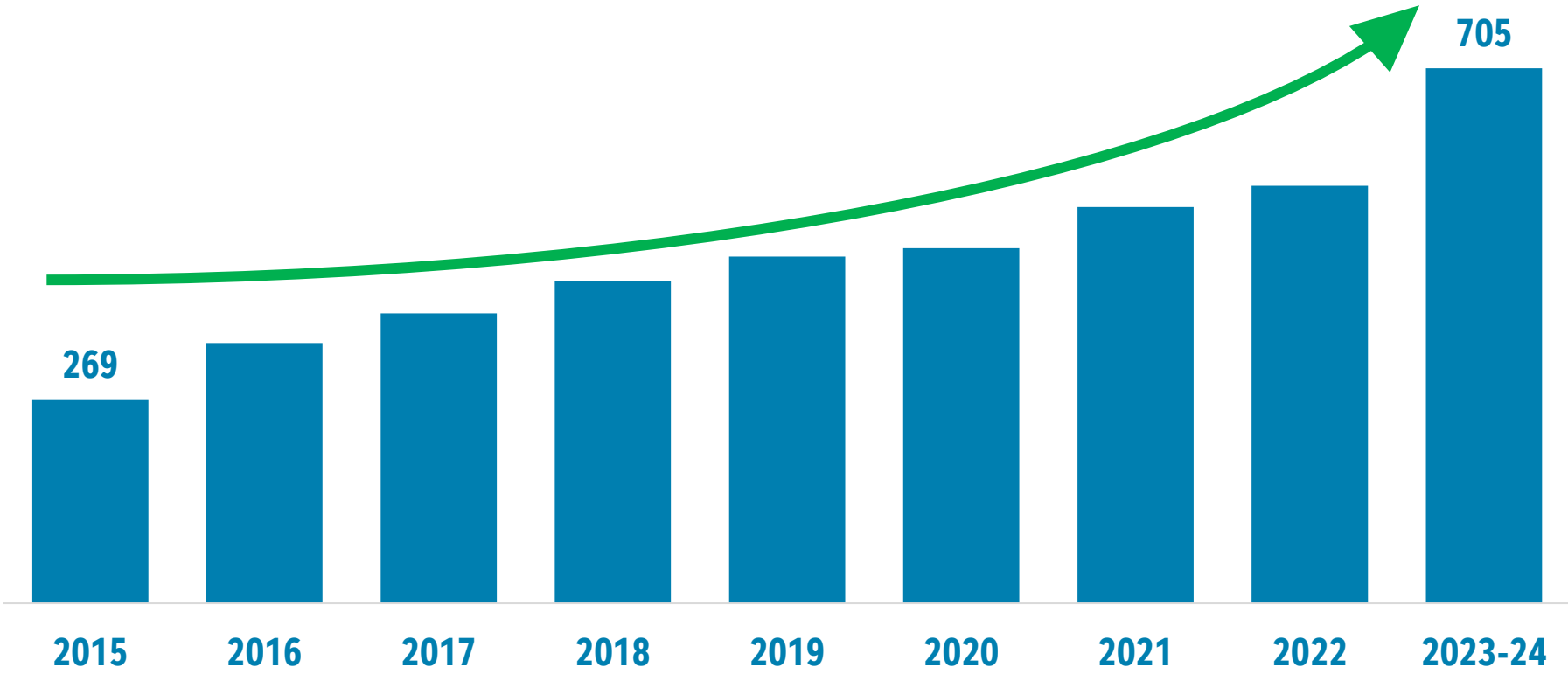


30% households



Urban + Rural

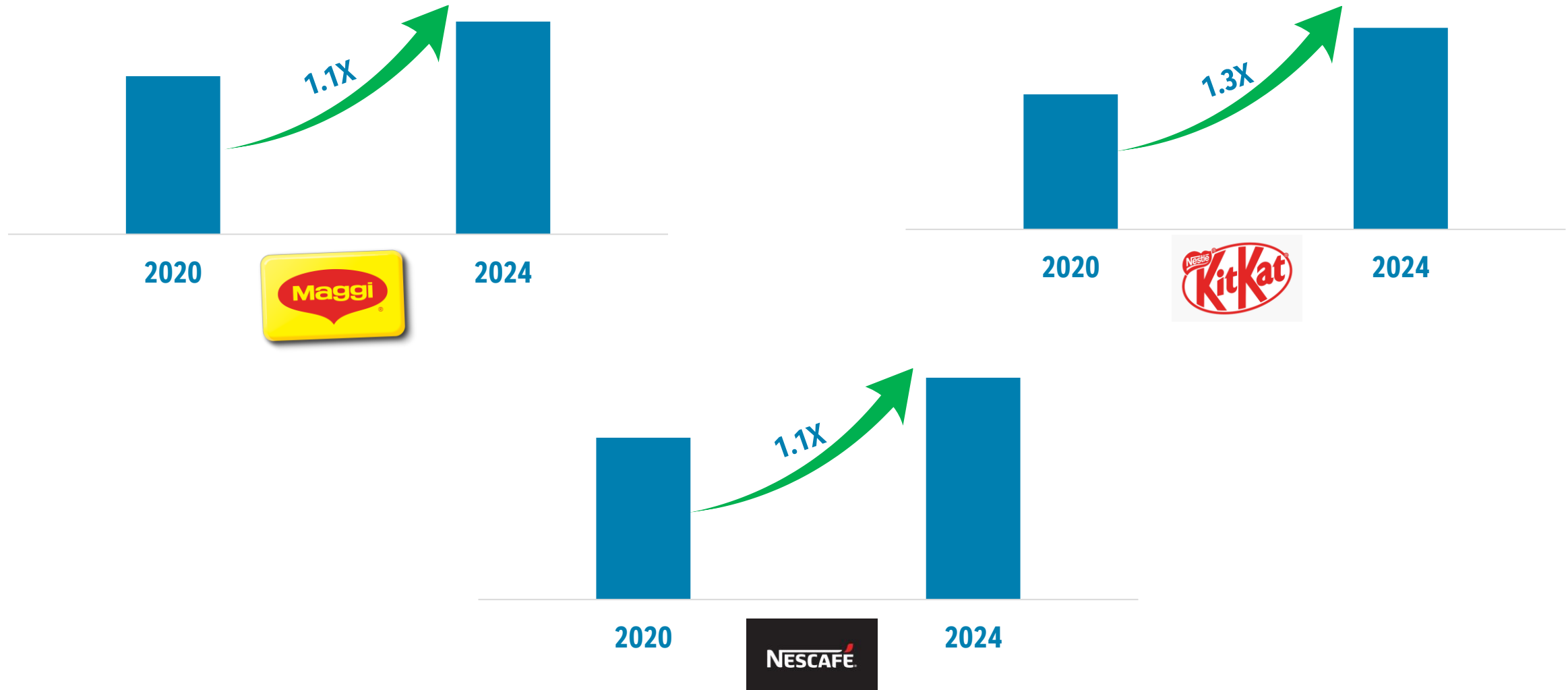
# Leading to **robust volume growth**



**9.5%**  
CAGR CY2015-23

**Domestic Volumes ('000 tonnes)**

# Amplifying further our **brand equity scores**





# Endorsed by **category leading brands**

**12.5 Billion** cups

**4.5 Billion** serves

**3,700 Million** fingers

**33 Million** tins

**940+** One Nestlé Kiosks  
**20 million +** footfall

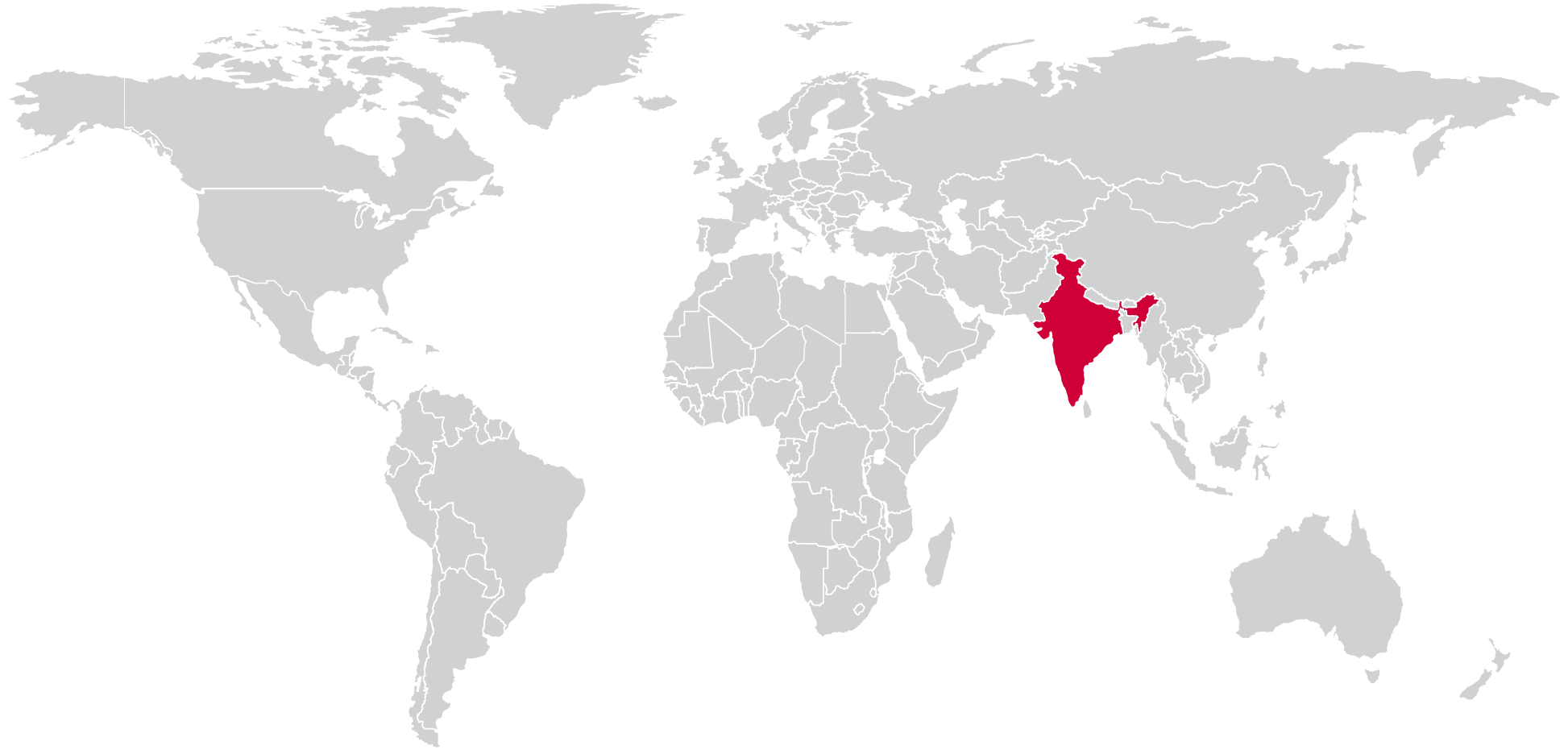


**2,100 Million** units



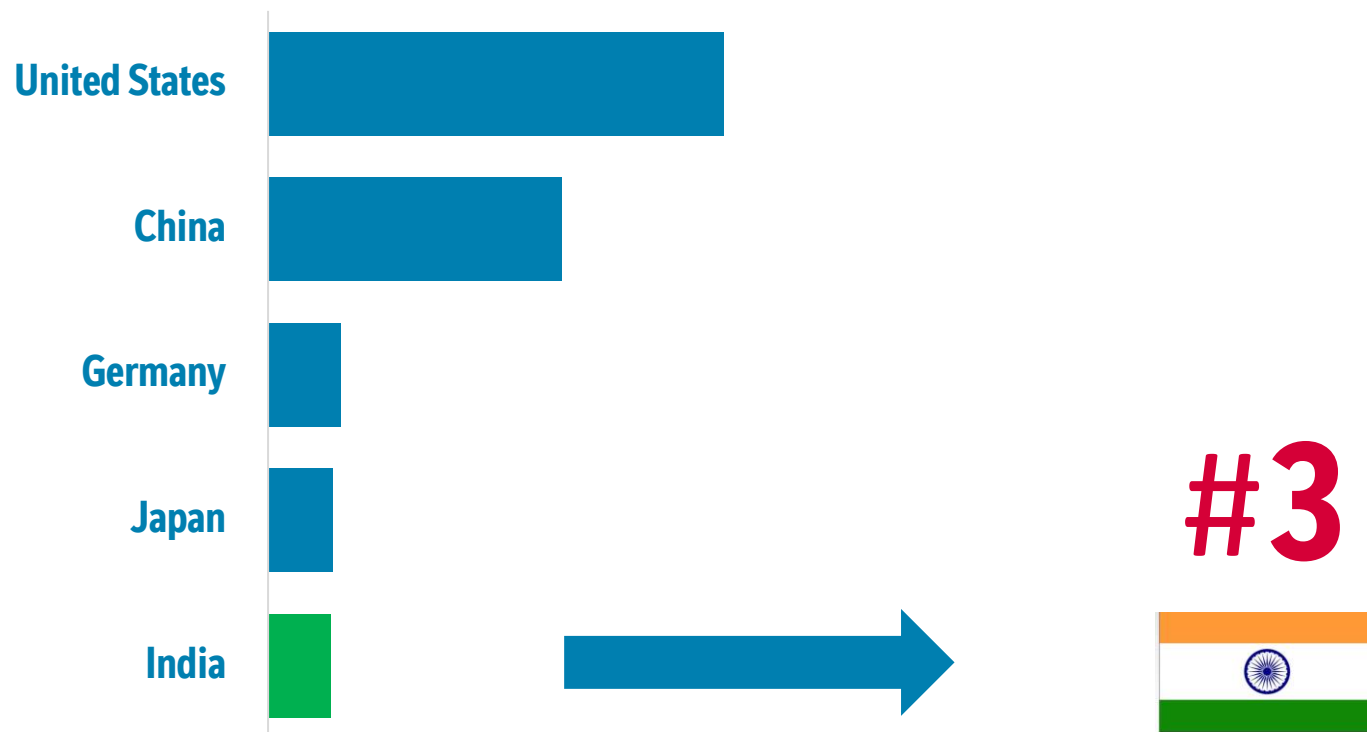
## A Nestlé product reaches 2 out of 3 households in India

# The rising India opportunity

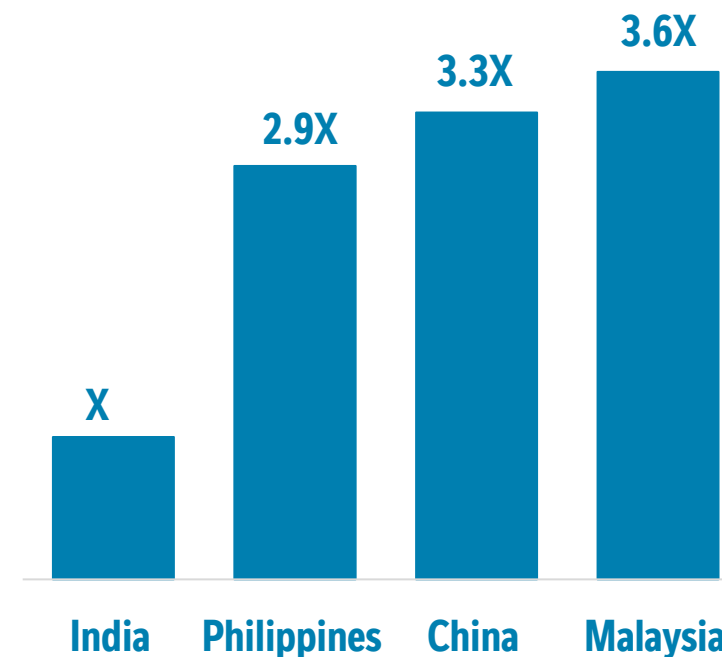


# Significant **headroom for growth**

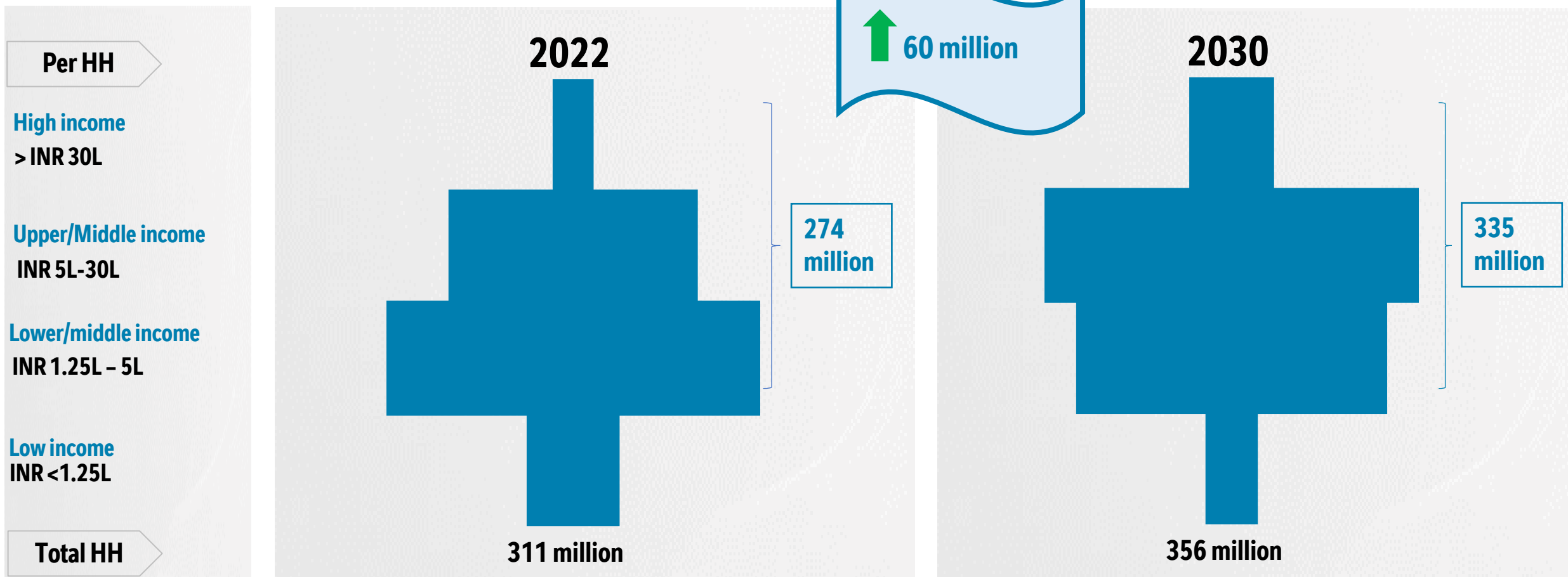
## India's GDP Ranking



## Per capita Packaged food consumption



# With consuming class **increasing significantly**



# Despite opportunities; **challenges remain**



## 1. Evolving consumer trends

- Premiumization & Consumer experience
- Rising health consciousness
- Out of Home



## 2. Slowdown in consumption growth

- Commodity inflation
- Urban – rural consumption



## 3. Geopolitics

# Our strategy

To build on opportunities and address challenges



## The Virtuous Circle

# 1. Evolving consumer trends

**#1 Premiumization & consumer experience**

**#2 Rising Health consciousness**

**#3 Out of home**



# Aggressive **premiumization** as a journey

..... for enhanced **consumer experience**

**INR 7,500 crore**

Size of prize

**16%**

Nestlé Premium portfolio CAGR  
since 2015

- Premium products outpacing category growth
- Nestlé has the brand portfolio to deliver



**Premiumization trend universal across urban and rural**



# Leveraging the premiumization trend



Prepared dishes and cooking aids



Milk products and Nutrition



Powdered and Liquid Beverages



Confectionery



Pet Care

# Leveraging the power of global trusted brands

**#2**

Global share <sup>1</sup>

**5<sup>th</sup> largest**

India's ranking in pet population globally <sup>2</sup>

### Competitive advantages

- Deep consumer insights
- Portfolio covers consumer landscape
- World class R&D



Power of 'Pets'



Power of Purina



Power of Nestlé



# Elevating the coffee experience with 'NESPRESSO', #1



Made in Switzerland

150,000 coffee farmers  
across 18 countries including India

NESPRESSO website now Live

Delivering Pan India across 16,000+ pin codes



Delighting consumers with original and professional range



NESPRESSO Boutique



Coming soon....

# Science to address rising health consciousness

**INR 3,400 crore**  
Size of prize

**INR 24,000 crore**  
Medical Nutrition & General Wellness



Joint Venture with Dr. Reddy's



Milk products and Nutrition

Largest global R&D infrastructure in foods and beverage industry



\$ 1.8 billion  
R&D cost CY2023

4,000 +  
Employees

23 sites



Prepared dishes and cooking aids

# Out of Home market **expected to double by 2030** #3

**FS market to get more organized in coming years**

**Cafés driving coffee culture**

**Gen Z & Millennials seeking new food experiences**

----- 'Nestlé prepared with' portfolio -----



# Promising exciting **Out of Home experiences**

Freshly brewed coffee & tea machine:  
**'Compatto':**



Expanding branded collab with marquee customers



Retail One : KitKat break zone



Out of Home coffee solutions: **NESPRESSO**

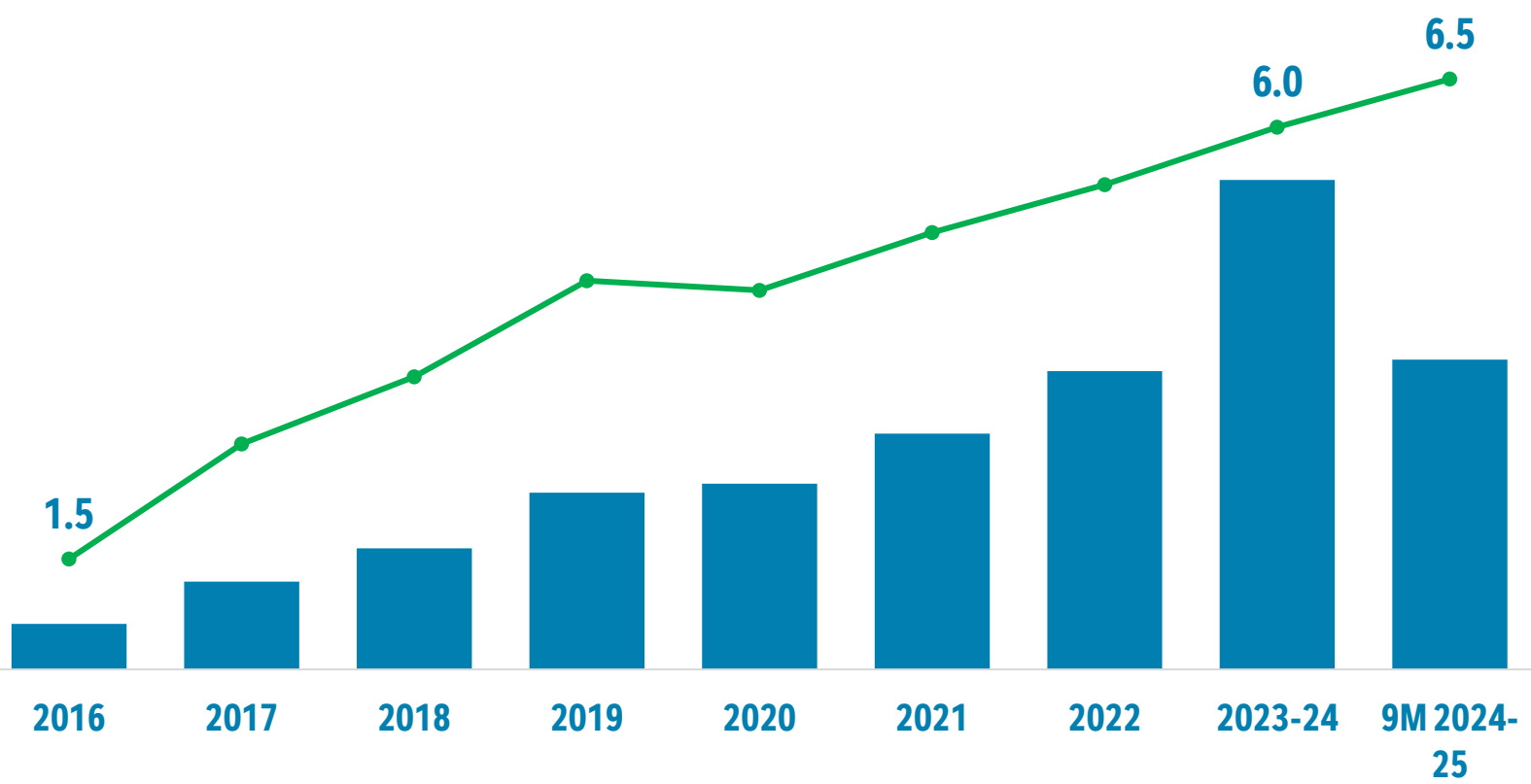


| KitKat Delights |  |
|-----------------|--|
|                 | KitKat Brownies..... ₹ 55  |
|                 | KitKat Cookies..... ₹ 55   |
|                 | KitKat Croissants..... ₹ 110   |
|                 | KitKat Doughnuts..... ₹ 110<br>(White Chocolate, Milk Chocolate, Dark Chocolate) |
|                 | KitKat Pancakes..... ₹ 120<br>(Honey, Nutella, Maple, Peanut Butter)             |
|                 | KitKat Waffles..... ₹ 120<br>(Honey, Nutella, Maple)                             |
|                 | KitKat Shakes..... ₹ 120   |

Have a **break**, have a **Kit Kat**®

Curated  
**'Made with KITKAT'**  
menu

# Innovation our **engine for growth**



 New products Sales  
 Contribution %

**Ambition 10%**  
Contribution to Sales in medium term

**~150**  
New products launched in last 9 years

**6.5%**  
Contribution to sales



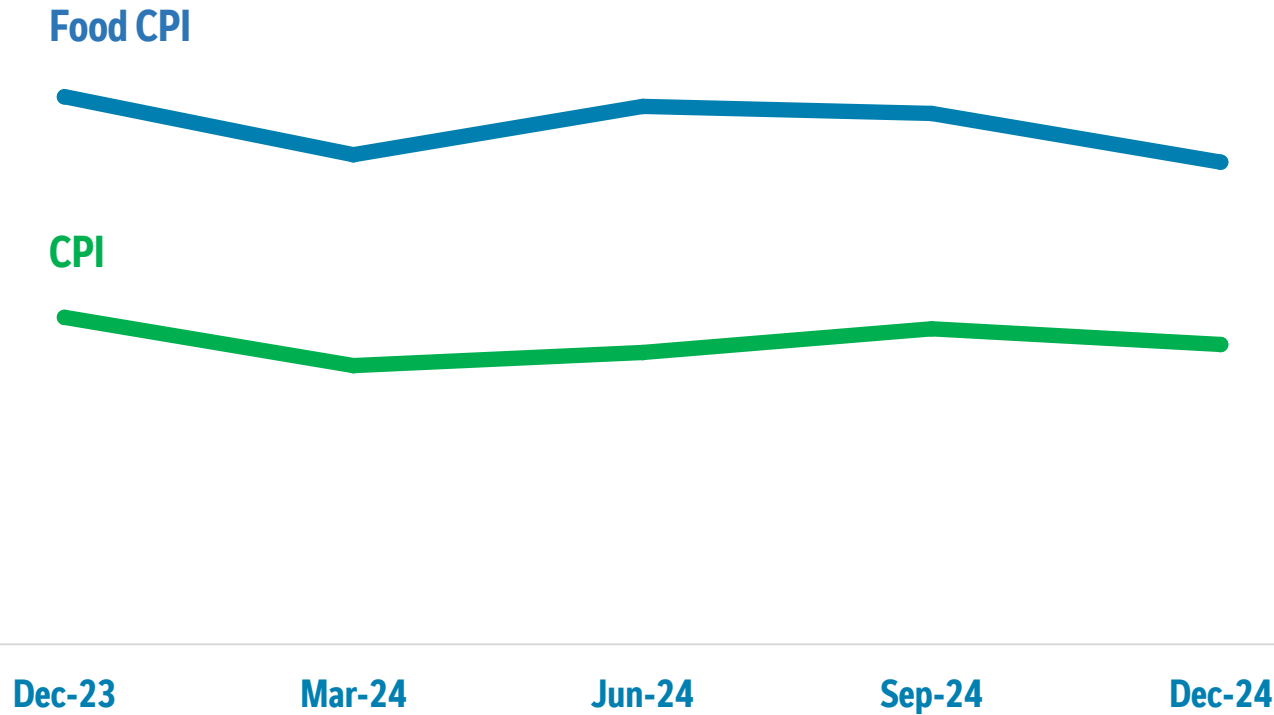
## 2. Slowdown in consumption growth

- #1 Commodity inflation
- #2 Urban-rural consumption



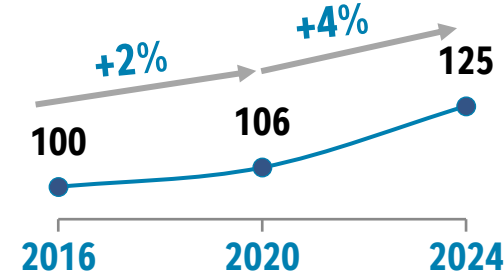
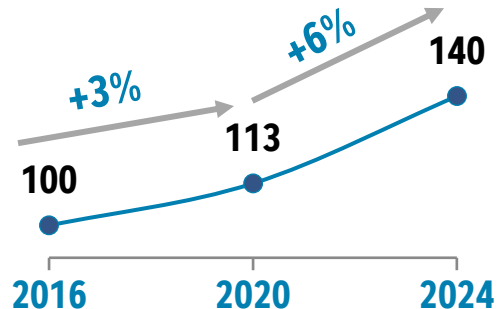
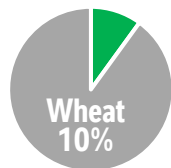
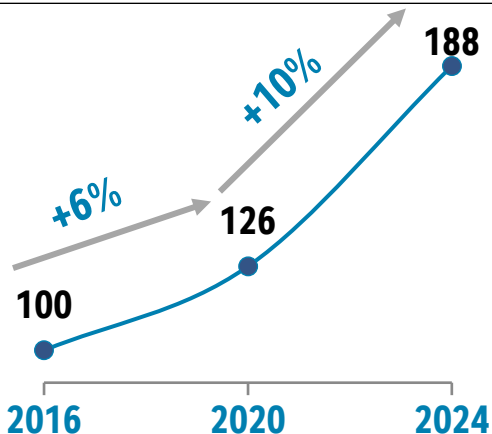
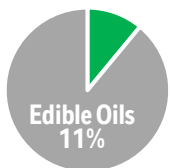
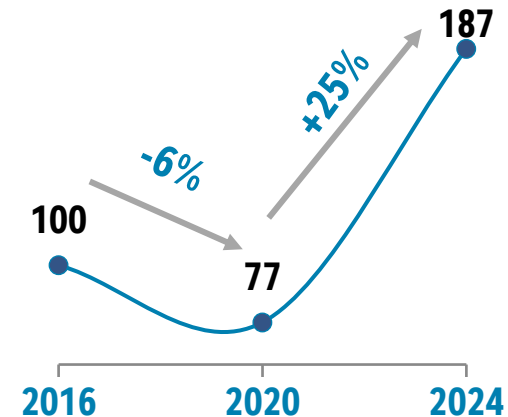
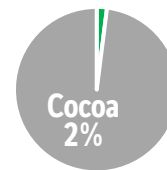
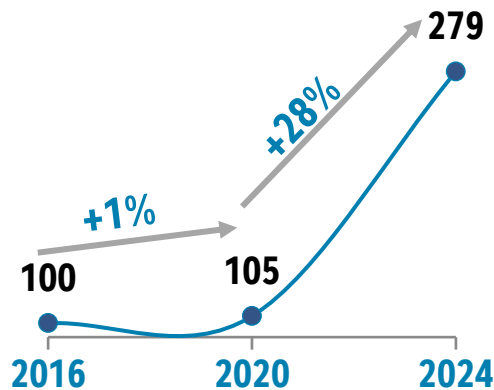
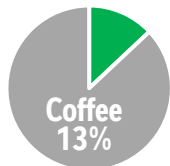
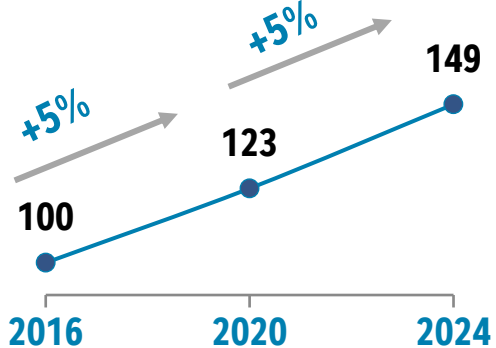
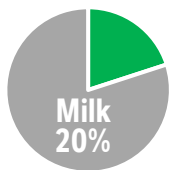


# Food inflation continues to hurt consumption



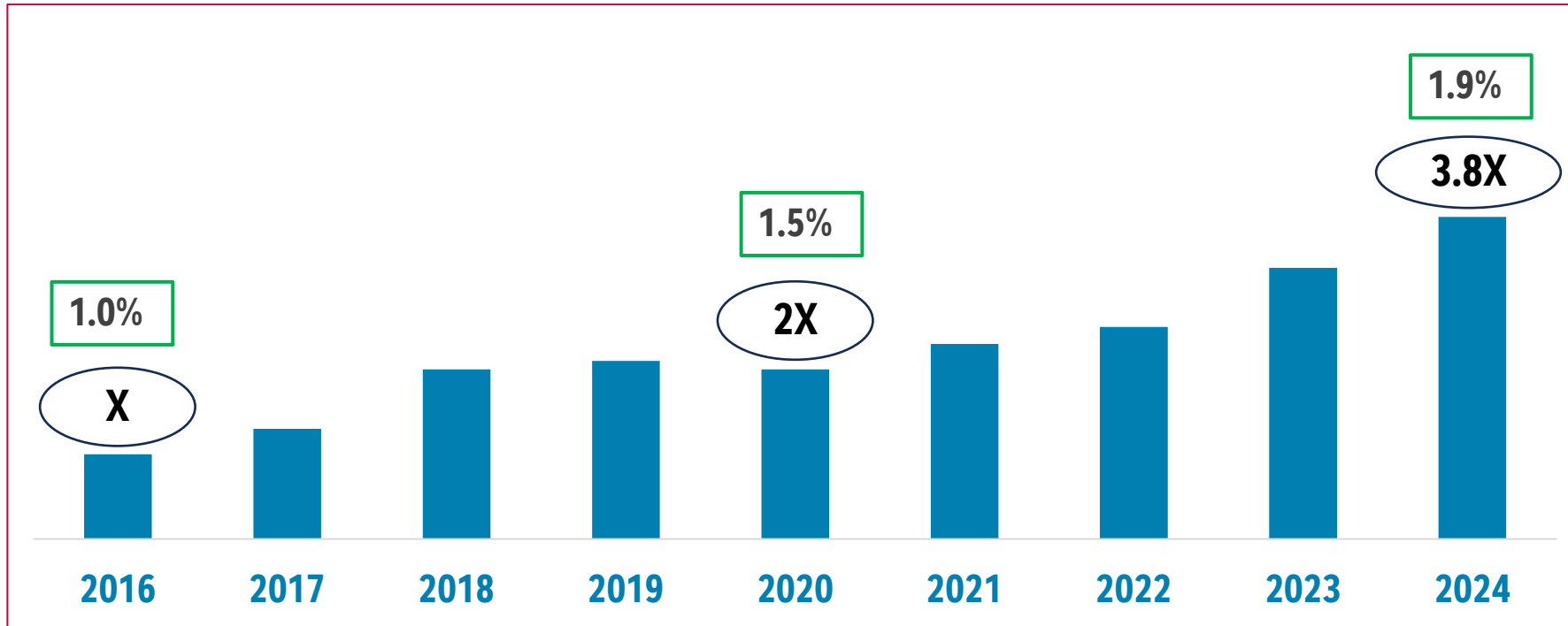
While headline inflation is moderating, high prices persist on select agri commodities

# Unprecedented commodity inflation



Note: Year values have been indexed taking 2016 as the base

# Pointed efficiencies across value chain



■ Savings (INR billion)  
□ Savings % to sales

Buying efficiencies

Manufacturing and conversion cost efficiencies

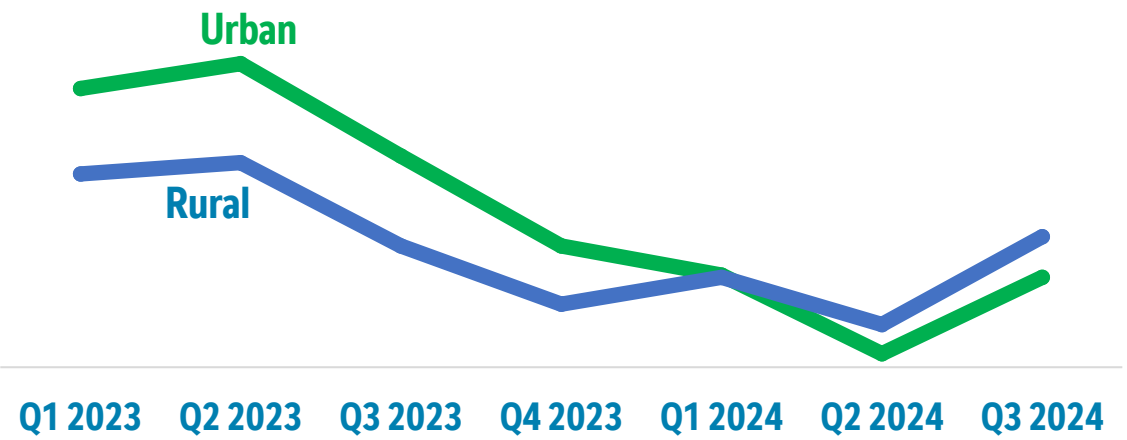
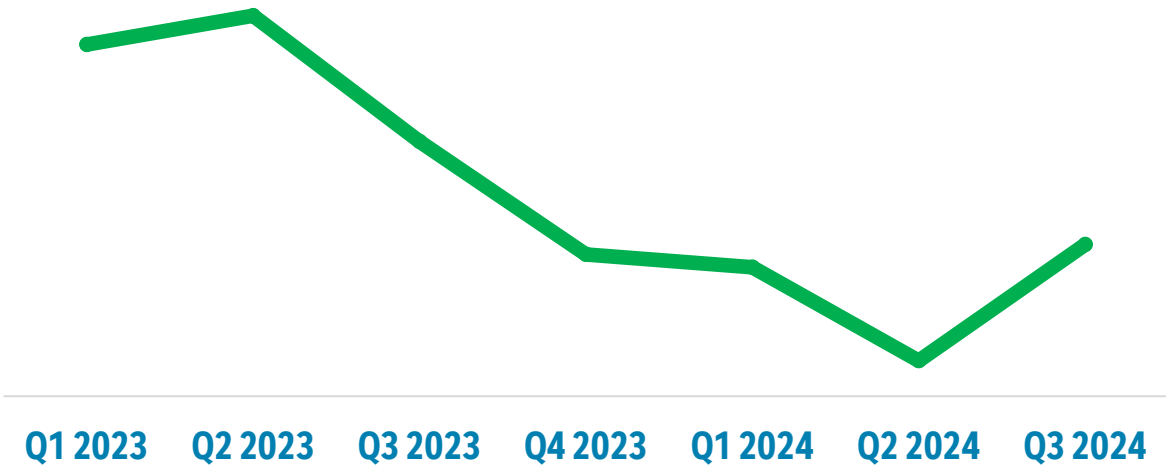
Distribution cost

Accelerated economies of scale and **sharp procurement strategies**

Calibrated consumer **insight-based pricing decisions** across all categories

**~7,700** projects since 2016 on cost reduction, enhanced efficiency and speed of making decision

# Slowdown in growth; **rural outpacing urban**



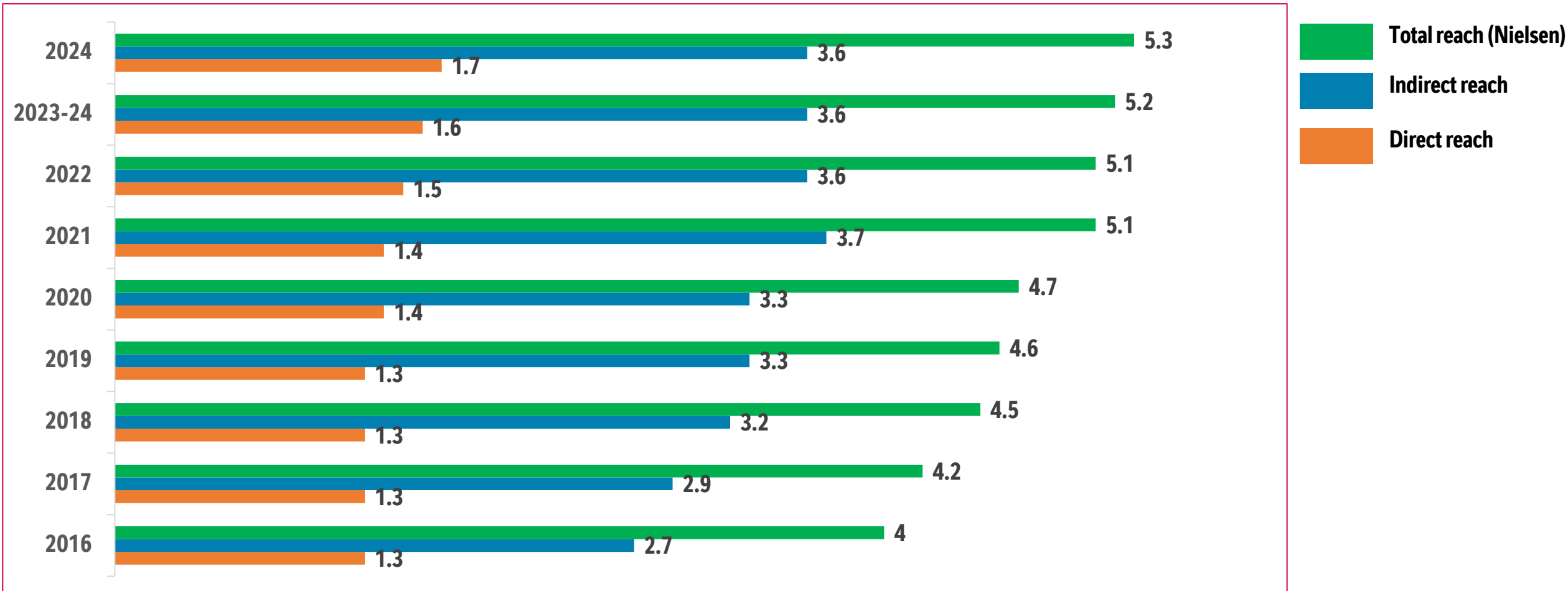
**F&B growth**

Urban unemployment  
Tepid real wage growth  
Post COVID moderation

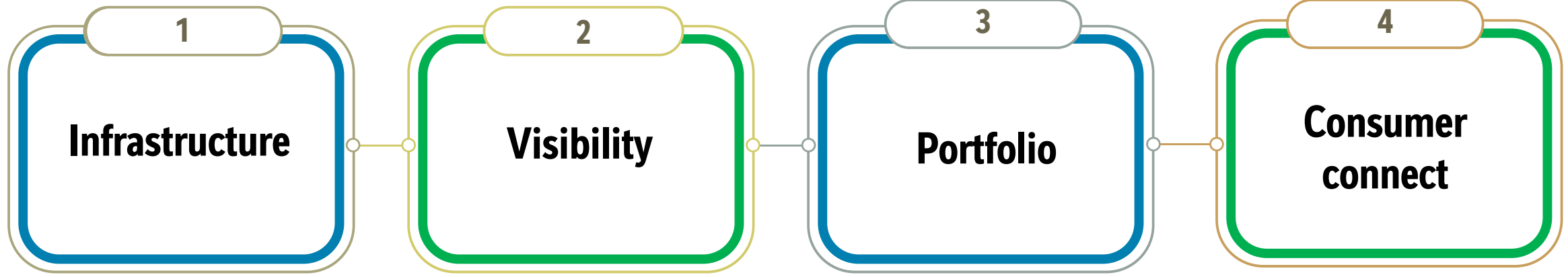
**F&B Urban-Rural growth**

# Continue to expand **outlet coverage**

## Highest gains amongst peers in 2024



# Our comprehensive **RUrban strategy**

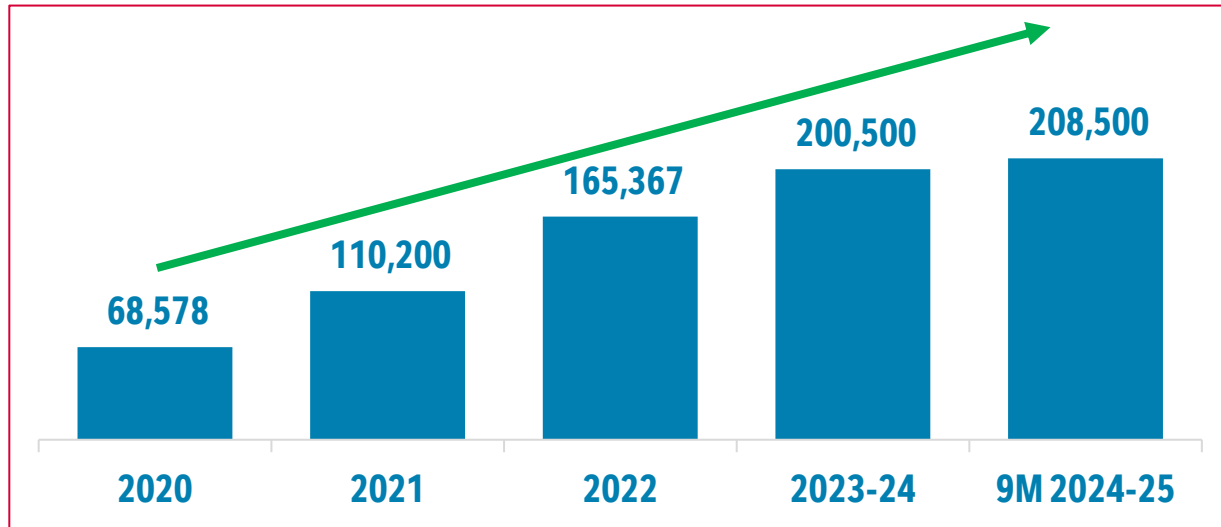


**Technology**

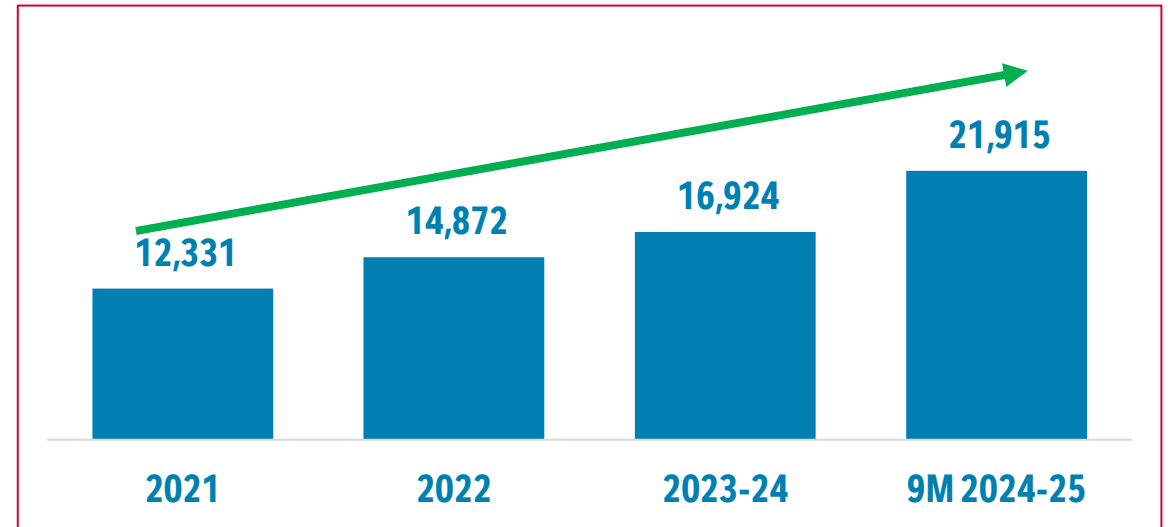


# Accelerating RUrban presence

Total village coverage



Distribution touchpoints



**7,405**

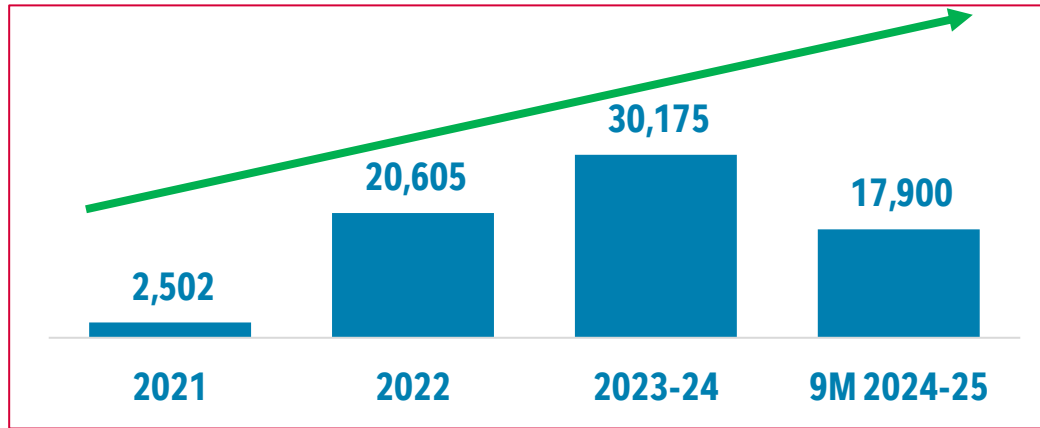
**Towns covered**

**3.6 million\***

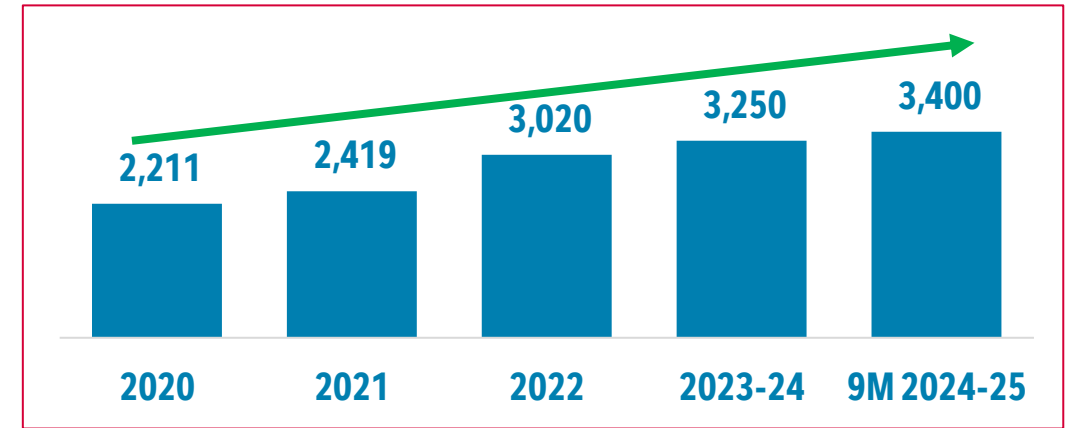
**Total outlet reach (RUrban)**

# Backed by **activation and feet on street**

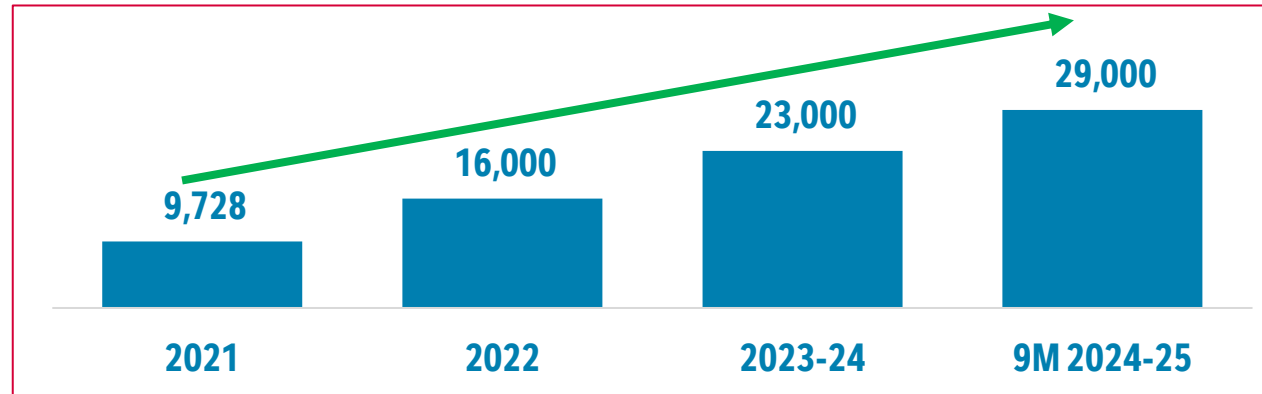
HAAT activation



Feet on the street



Rurban smart stores





# Managing **increasing competitive intensity** in RUrban



**Building awareness of taste and quality**



**Launched variety at INR 10**



**Offering value on INR 7**



**Ensuring visibility in stores**

# Rapidly accelerating our e-commerce footprint

## Portfolio tailored to shopper needs



Premium Coffee

Wet Cat Food

Chilled Dairy

UHT Milk

## Targeted media/communication intervention



Brand/ Co-create Thematic / Leading Platform Events

## Holistic supply chain approach for Q-Comm

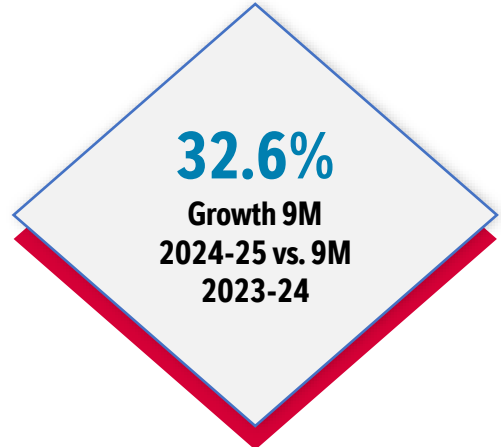
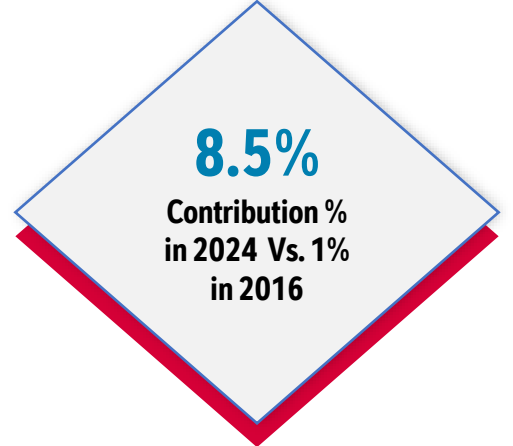


Region Level Planning Accuracy via Collaborative planning

Dynamic Fast Replenishment

Best Service Levels

## Outcome



# Bringing the **Virtuous Circle to life**



**Purpose:** Inspiring individuals towards greater trust and responsibility.



**People:** Empowering employees and instilling diversity and inclusion



**Planet:** Embracing sustainable practices to reduce environmental impact



**Partnerships:** Building strong relationships with stakeholders



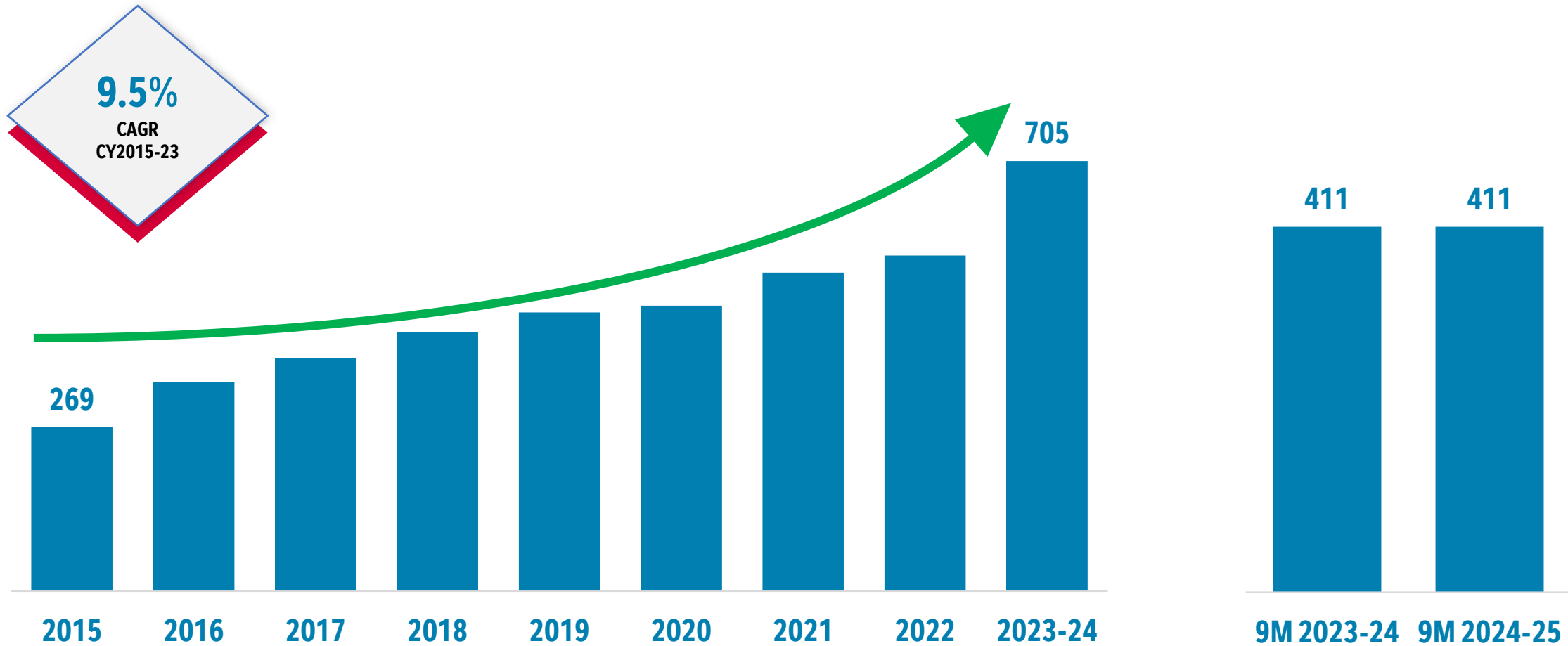
**Performance:** Strong performance is a natural outcome of a Company that prioritizes purpose, people, planet, and partnerships.

# Performance

## Creating value for all stakeholders



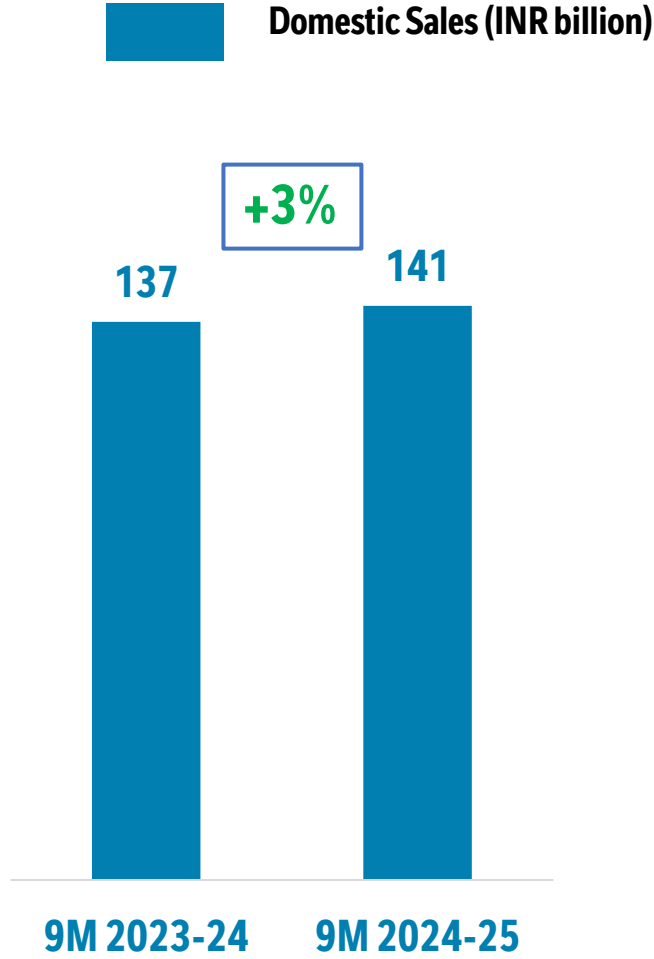
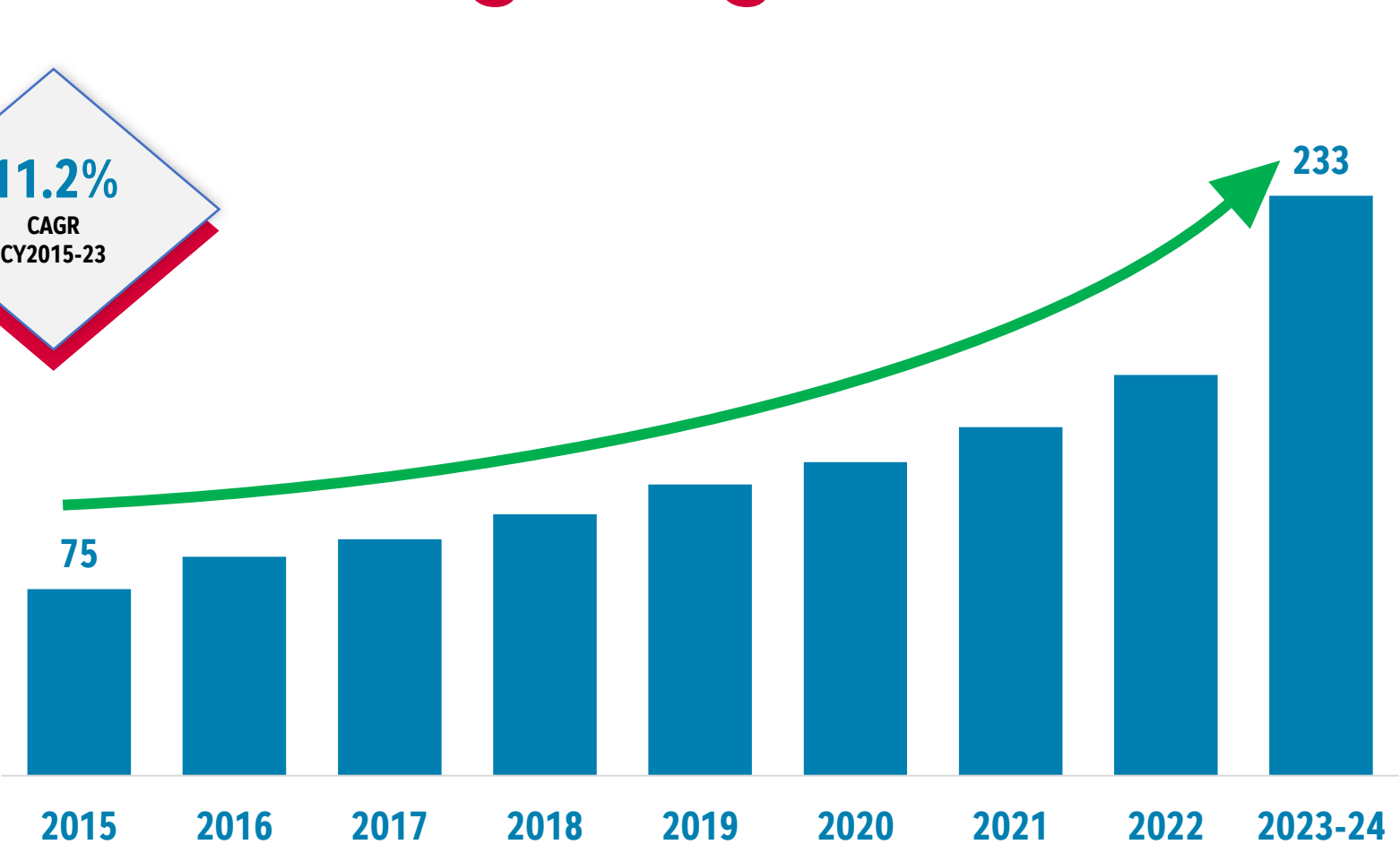
# Penetration led **volume growth**



■ Domestic Volumes ('000 tonnes)

# Consistent organic growth

11.2%  
CAGR  
CY2015-23

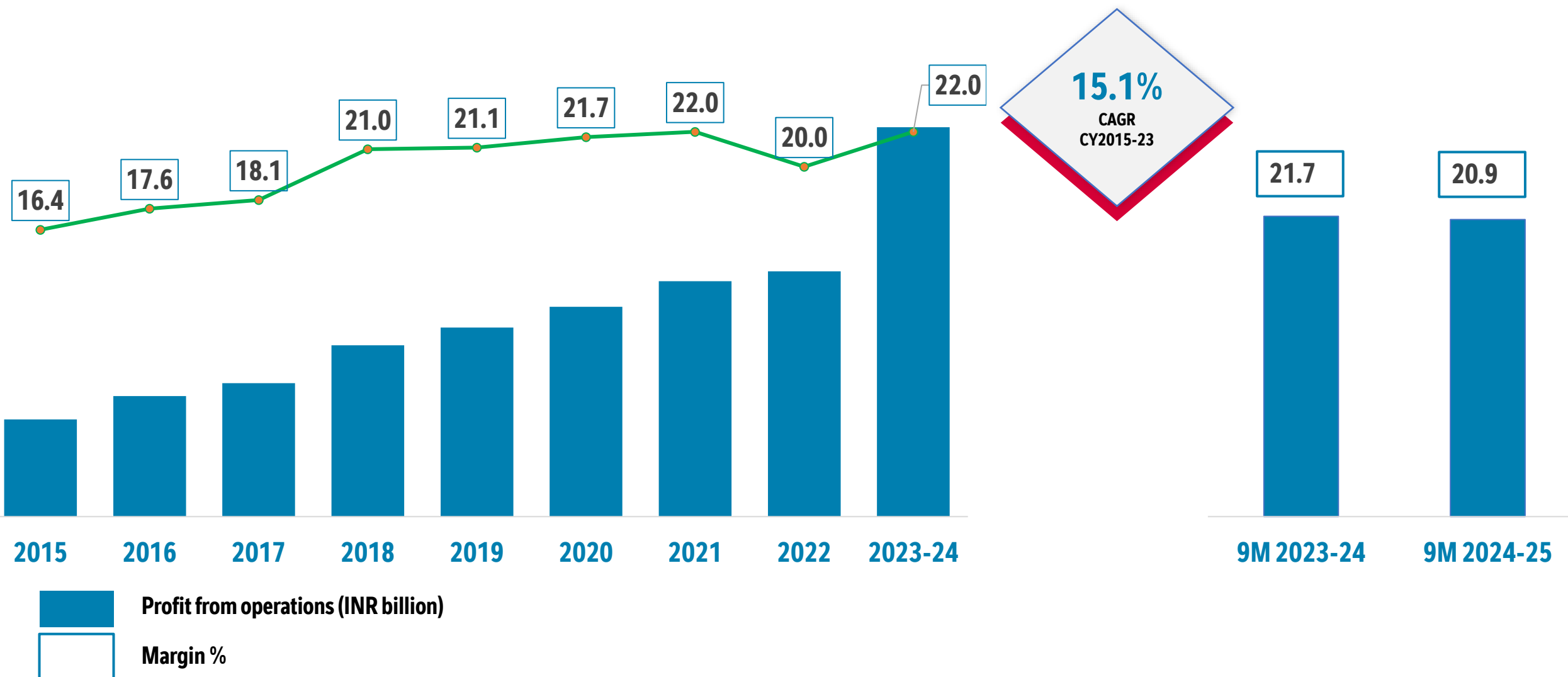


\*2016 growth is restated due to IND-AS implementation

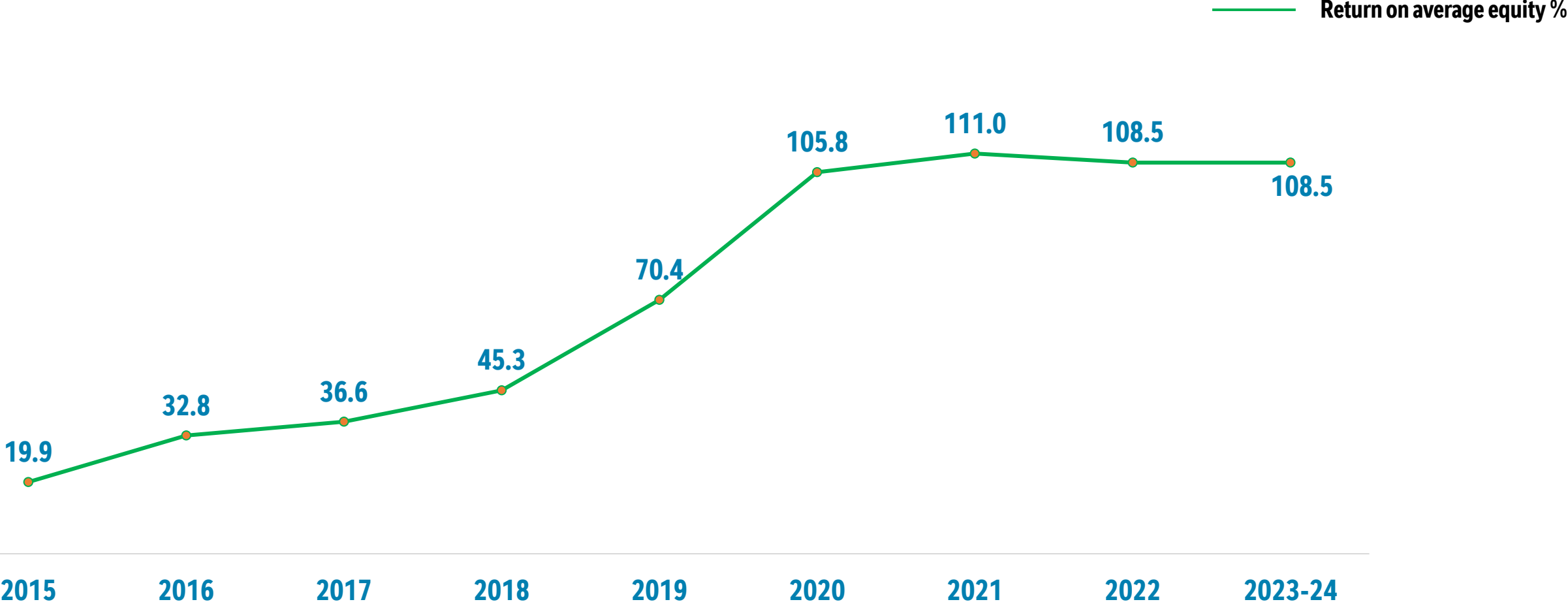
\*\*2015 Sales impacted due to MAGGI issue

2023-24 comprises of 15 months period from 01/01/2023 to 31/03/2024 and hence the figures are not comparable with the previous financial years which were for 12 months

# Accelerating profit from operations



# Best in class **return on equity**



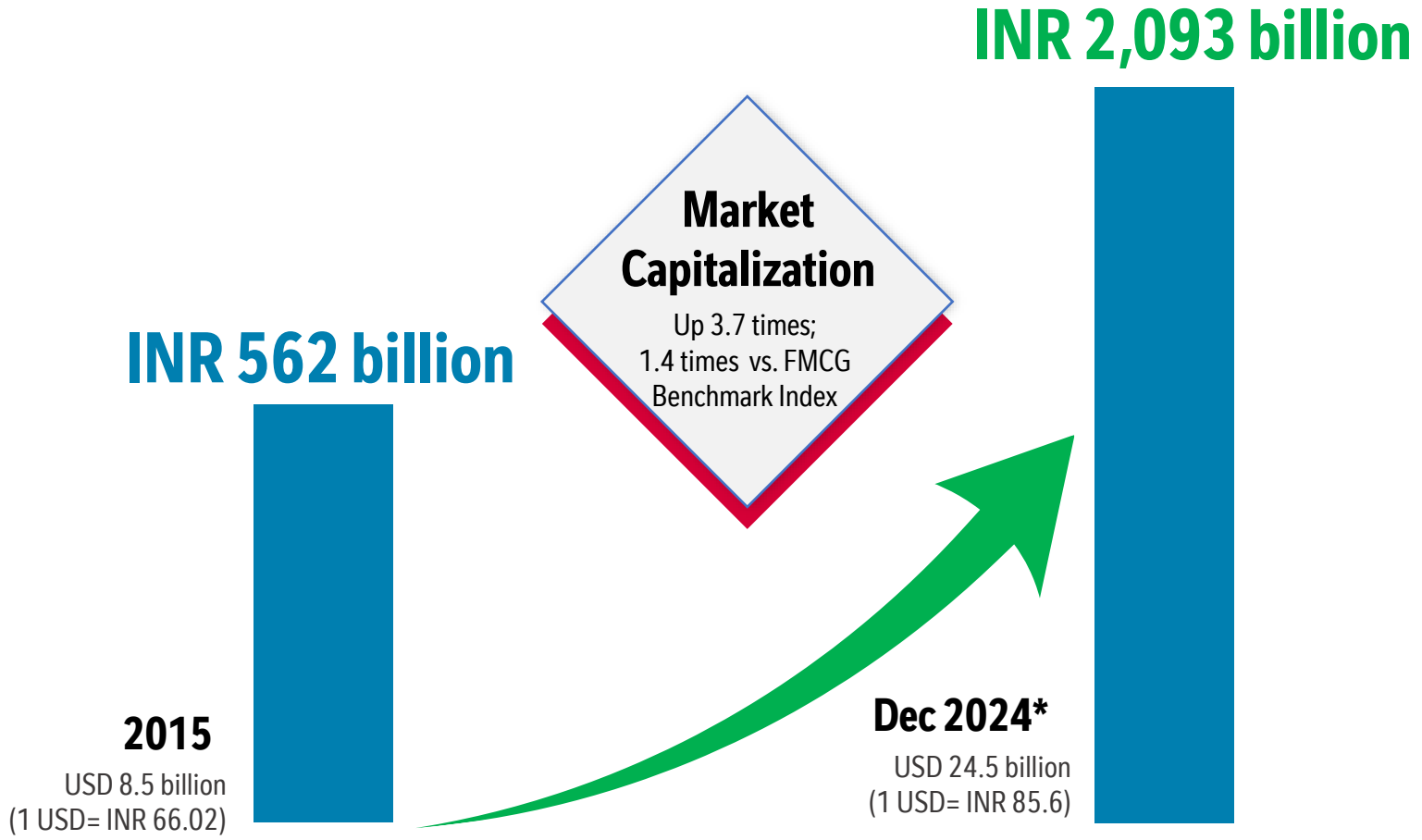


# Our value creation **journey continues**

Total Shareholders Return  
(2015-2023)  
**314%**

Annualized Return (incl  
dividends; 2015-2023)  
**17.1%**

Operating cashflow generated  
**3.1X**  
CY2023 Vs. CY2015



\*As at 31<sup>st</sup> December 2024; INR Billion is INR 100 crore.  
Source: Bombay Stock Exchange.

**Partnership**

**Growing together**



# Growing together **to go far**



**10,000+**  
Distributors and re-distributors



**~4,500**  
Suppliers



**280,000+**  
Farmers



**5.3 million**  
Retail outlets



**10+**  
Direct and indirect  
sustainability partners



**Joint venture**  
Nestlé India and Dr.  
Reddy's

# Joining hands to enrich **lives through Nutrition**

Combining synergies on **product portfolio** and **distribution reach**



Good food, Good life

49%



51%

Dr.Reddy's



Integration successfully completed

Double digit growth

New launches on the anvil

# Leveraging industry partnerships for **logistics excellence**

Strengthen Safety & Quality



Grow customer centricity and growth



State of the art racking, shuttle and automation



**13**

DCs transformed

**55%**

Sales covered

**1,500+**

Customers touched

**50+ vendors**  
**20+ authorities**  
**1,000+ manpower**

**Strong partnership**



**People**

**Where people make  
the difference**



# Nurturing an **inclusive and diverse work culture**



## **Building an inclusive future**

- Fostering Diversity, Equity and Inclusion
- 36 persons with disabilities
- Inclusive workplace for LGBT+

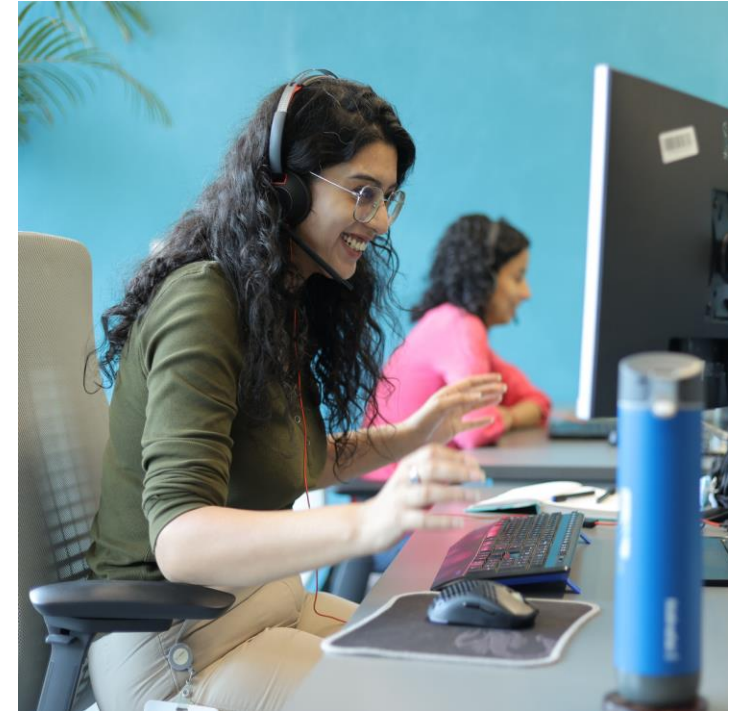
## **Revitalizing onboarding**

- Revamped onboarding experience
- 'People experience framework' provides seamless transition to their new role

## **Encouraging gender diversity**

- Board of Directors - 50% women
- Among the highest representation of women in FMCG field force at 21%
- 25% white-collar Gender diversity

# People centered Nestlé



## Nurturing young talent - Nesternship

- Exposure to 2,300 + interns since 2020
- Building a talent pipeline

## Investing in employee wellbeing

- Mental health sessions extended to blue-collar employees & families
- Interactive sessions for women with health experts

## Fostering valued relationships

- Attrition rate 10%
- Sustained industrial relations



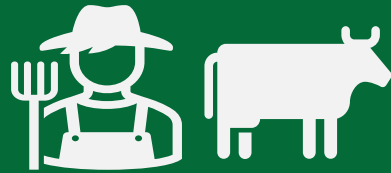
**Planet**

**Committed to caring  
for our planet**



# Sustainable **Nestlé**

*Climate Action*



Accelerating efforts

*Sustainable Packaging*



No plastic ends in the  
landfills

*Caring for Water*



Making every drop count

*Responsible Sourcing*



Sustainably sourced key  
ingredients

# Committed to **reducing Green House Gas Emissions**



GHG emissions **61%** ↓  
Energy usage **29%** ↓

Water usage **46%** ↓  
Generation of wastewater **60%** ↓

**Plastic neutral**  
since 2020

# Environment friendly manufacturing **boosts sustainability**



## Biomass Boiler

Reducing reliance on fossil fuels  
Promotion of circular economy

We procure **4%** of stubble in Moga district

Reduction in GHG emissions  
Creating additional income avenues  
for farmers

# Sustainable sourcing **Coffee**

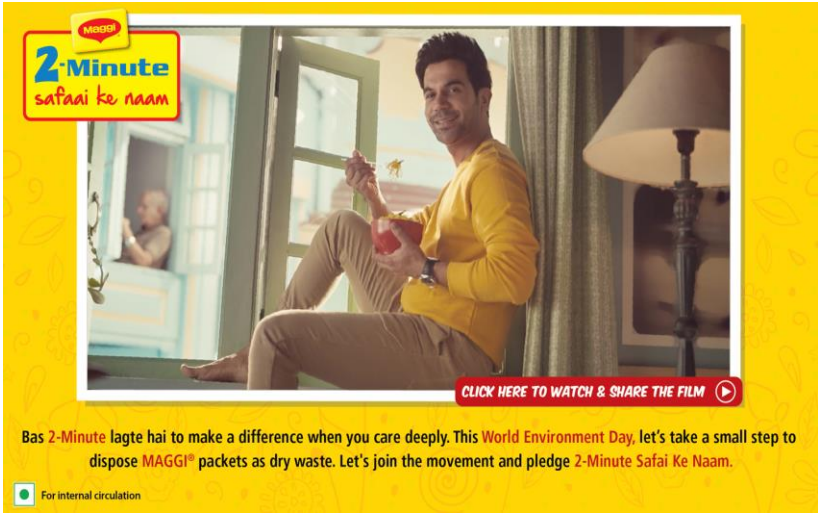


**5,000 +** coffee farmers engaged

**~55%** coffee procured sustainably

Regenerative agricultural practices to address **GHG emissions**

# Brand communication around **sustainability**



**2-minute Safaai ke naam**



**KITKAT Recyclable Wrapper**



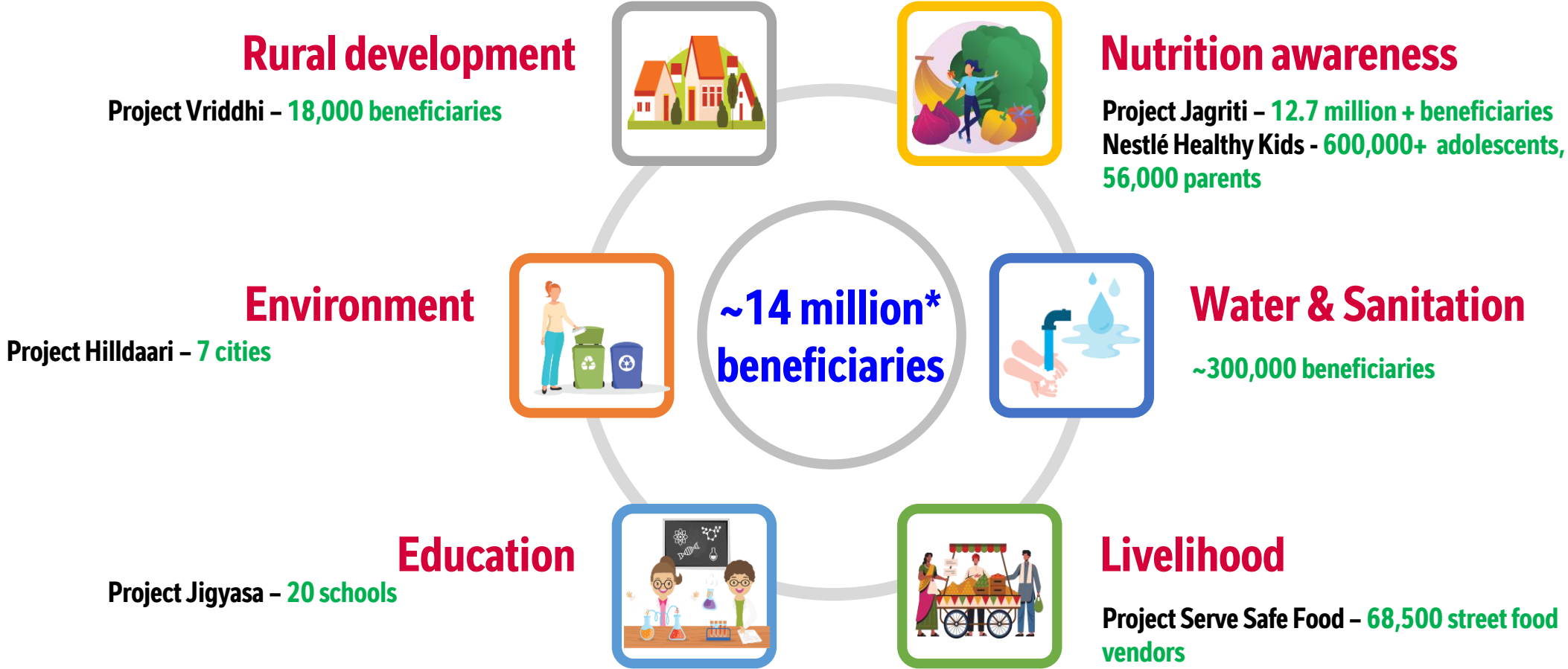
**NESCAFÉ film – Earth day**

# Purpose

Staying true to our  
purpose



# Being a **force for good**





# 15 years of **Nestlé Healthy Kids**



Aimed at **adolescents  
and parents**

Promotes **healthy  
lifestyles**

**600,000** adolescents  
**56,000** parents

# 5 years of **Project Vridddhi**



Strengthen community led  
**rural development**

Water and sanitation  
Raising nutrition awareness  
Setting up digital learning  
centres

~ **18,000** beneficiaries  
across **14 villages**

# Plastic waste management: **Project Hildaari**



Diverted **~15,700 MT** of waste from landfill

Professionalized **1,100+** waste workers

Present across **7 cities**

# Digital


# Our mantra for the future



# Our approach to digital transformation

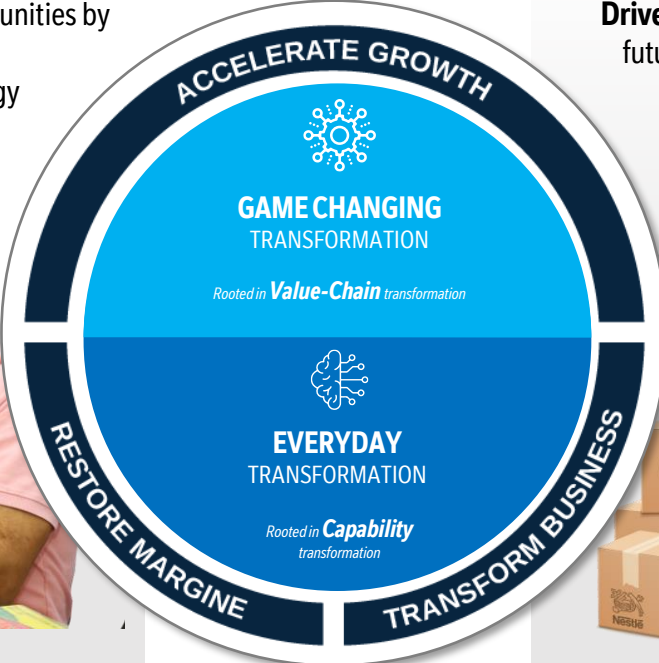
## CONSUMER

**Personalized experiences** at moment that matter using Gen-AI, PII & Tech



## CUSTOMER

**Go deeper** to capture opportunities by use of Next-Gen Technology

## VALUE CHAIN

**Drive efficiencies** at scale through future-ready digital connected operations



## EMPLOYEE

**"Everyday AI"** powering employees in decision-making through Insights at a prompt



Generate Demand

Secure Supply

Lean Out( Central Functions)

# Power of technology, analytics & interconnected data

**AI Powered Content Creation & Translation**

**AI powered eB2B personalized experience**

**Setting the foundation for Industry 4.0**

**Gen-AI for Everyday Transformation**

**Custom Bots for employees**

**Accelerated RUrban Engagement with RD-DMS**

**Vision Analytics @ core of people safety**

AI/ML based safety and security monitoring

**Personalised Command Centre for Nutrition Business**

**Conversation AI**

**Websites:** MyNestle, Maggi

**RACE: Insight Driven Activity Planning and Execution**

**New-Age DC**

**Powered by: Robotics, AR/VR, Smart Automation, AI/ML**

focused on Agility, Customer Centricity & Sustainability

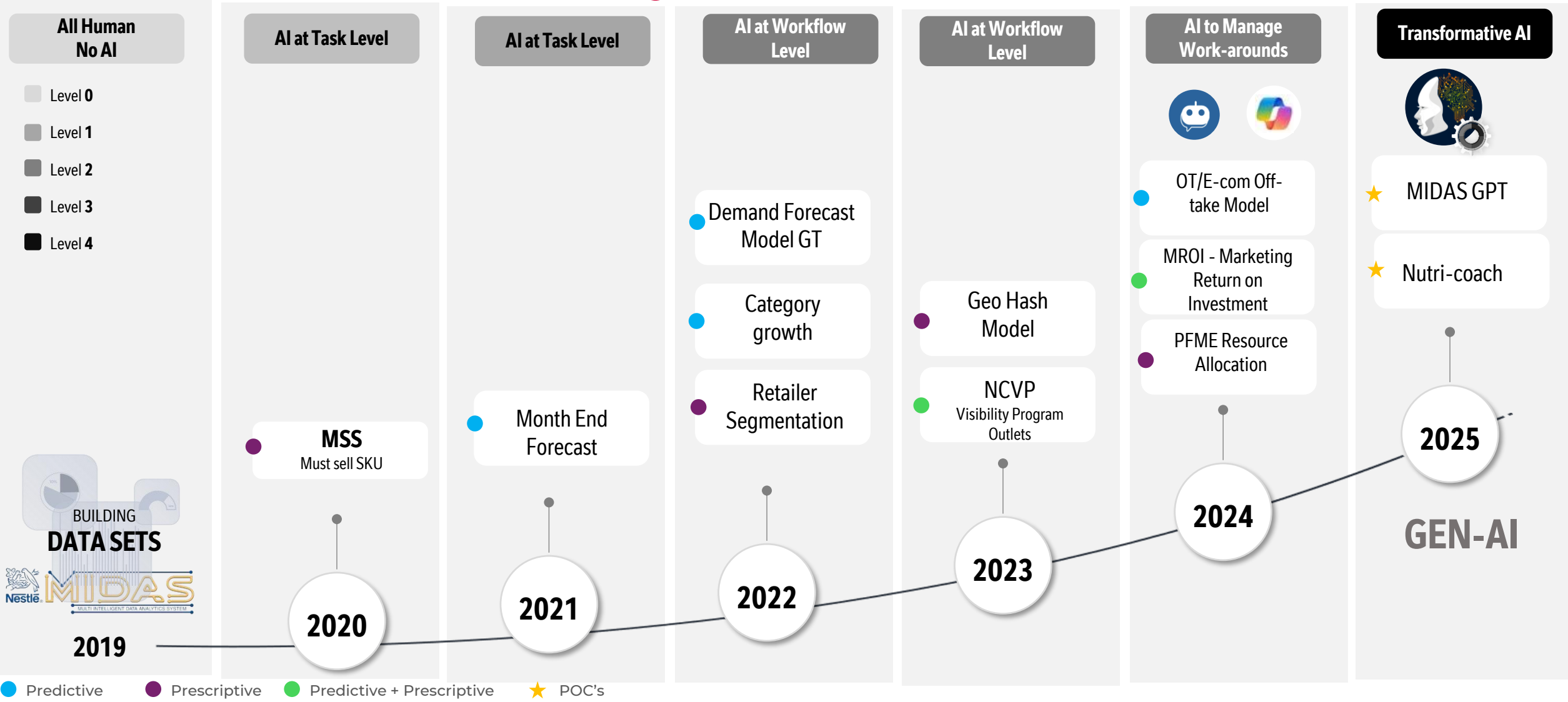
**CONSUMER**

**CUSTOMER**

**VALUE CHAIN**

**EMPLOYEE**

# Nestlé India AI journey



# Key **takeaways**

01

Core strategies and consistent results

02

Competence building in changing contexts

03

Technology plus – digital and more



# Key **takeaways**

04

Premiumization and growing the core as key strategies

05

Sustainable partnerships and sustainable environment

06

People bias and execution focus

**Consistency  
Collaboration  
Commitment  
...Our Promise.**

