

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



Good Food, Good Life

BM:PKR:29:21

28.07.2021

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai – 400 001

Scrip Code – 500790

- Subject :**
- I) Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") - Unaudited Financial Results for the quarter and half year ended 30th June 2021**
 - II) Regulation 30 of the Listing Regulations – Proposed Scheme of Arrangement for the transfer of balance of General Reserve to the Retained Earnings; and**
 - III) In-principle approval to disinvest minority stake of 19.98% in Sahyadri Agro and Dairy Private Limited (formerly Indocon Agro and Allied Activities Pvt Ltd.) ['Sahyadri']**

Dear Sir / Madam

I) Unaudited Financial Results for the quarter and half year ended 30th June 2021

Please find enclosed following:

- a) Unaudited Financial Results of the Company for the quarter and half year ended 30th June 2021 approved by the Board of Directors at their meeting held today alongwith the Limited Review Report of M/s. B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company;
- b) Unaudited Financial Results of the Company being published in the Newspapers; and
- c) Press Release relating to the Unaudited Financial Results for the quarter and half year ended 30th June 2021.

The Unaudited Financial Results shall be published in newspapers. The same is also being uploaded on the Company's website.

II) Scheme of Arrangement for the transfer of balance of General Reserve to the Retained Earnings

The Board of Directors, in its meeting held today, has considered and approved a Scheme of Arrangement between the Company and its Members under Section 230 of the Companies Act, 2013, as amended (the "Act") read with other applicable provisions of the Act and rules thereunder (the "Scheme"), which envisages the transfer of the entire balance of Rs. 8,374.3 Million standing to the credit of the General Reserves to Retained Earnings.

The Scheme, under the relevant Section(s) of the Act, is subject to the approval of the shareholders and such other class of persons as directed by the Hon'ble NCLT Delhi Bench, sanction of the Hon'ble NCLT Delhi Bench and such other approvals as are prescribed (including clearances/approval/comments from the BSE Limited ("BSE") (and comments from the Securities and Exchange Board of India (if any) via BSE). The approval by the Board of Directors is the first step to proceed with the requisite formalities. Immediately upon filing, the draft Scheme with all supporting documents filed with BSE Limited, shall be disclosed on the Company's website www.nestle.in in accordance with provisions of applicable law.

Upon the Scheme becoming effective and with effect from 1st January 2022 (the Appointed Date), the entire amount of Rs. 8,374.3 Million standing to the credit of the General Reserves of the Company shall be reclassified and credited to the 'Retained Earnings' of the Company, and constitute accumulated profits of the Company for the previous financial years, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other applicable laws. It is clarified that the amount so transferred shall be available for utilisation by the Company for payout to the Members in accordance with the terms of the Scheme.

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The Company has built up significant reserves over the years through the transfer of profits to the General Reserves pursuant to the provisions of the erstwhile Companies Act, 1956. Given Company's strong financial position and track record of cash generation, the funds represented by such accumulated General Reserves is seen to be in excess of the Company's current and anticipated needs. In view of this and to uphold good corporate governance, the Company has proposed the Scheme to give effect to the reclassification of 'General Reserves' as 'Retained Earnings' and available for utilisation by the Company for payout to the Members in accordance with the terms of the Scheme. Accordingly, the Board has approved the Scheme. The Scheme, besides being shareholder friendly, will also drive the efficiency of the Company's Balance Sheet.

III. In principle approval to disinvest its entire minority stake of 19.98% in Sahyadri

The Board of Directors, in its meeting held today has considered and accorded in-principle approval for disinvestment of its entire minority stake of 19.98% in Sahyadri Agro and Dairy Private Limited (formerly Indocon Agro and Allied Activities Pvt Ltd), a company engaged in milk collection business in western India, due to change in the business scenario.

The meeting of the Board of Directors commenced at 14:00 hours and above agenda items concluded at 15:50 hours.

Thanking you,

Yours very truly,

NESTLÉ INDIA LIMITED

B. MURLI

GENERAL COUNSEL & COMPANY SECRETARY

Encl.: As above