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

Nestlé
Good Food, Good Life

PKR:SG: 18:2026-27 **5th June 2026**

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street,
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 :
1. **Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"): Annual Report for the financial year ended 31st March 2026 containing the Notice of the 67th Annual General Meeting ("67th AGM")**
2. **Intimation of cut-off date of 26th June 2026 to determine the eligibility of the members to cast their vote through remote e-Voting and e-Voting during the 67th AGM**

Dear Madam/ Sir,

This is further to our letter no. PKR:SG: 6:2026-27 dated 21st April 2026 regarding convening of the 67th AGM of the Company on Friday, 3rd July 2026 through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM) facility.

Please find enclosed the electronic copy of the Annual Report for the financial year ended 31st March 2026, including the Notice convening the 67th AGM, which is being sent by e-mail to those members whose e-mail address is registered with the Company/ Depository Participant(s). The said Annual Report and Notice of the 67th AGM are also being uploaded on the website of the Company at www.nestle.in and National Securities Depository Limited at www.evoting.nsdl.com.

In terms of Regulation 36(1)(b) of the Listing Regulations, a communication with the web-link of the Company's website to access the said Annual Report, including the Notice convening the 67th AGM, is being dispatched to those members whose e-mail address is not registered with the Company/ Depository Participant(s).

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company has fixed Friday, 26th June 2026 as the cut-off date to determine the eligibility of the members to cast their vote through remote e-Voting and e-Voting during the 67th AGM.

Please take the same on record.

Thanking you,

Yours truly,

NESTLÉ INDIA LIMITED
PRAMOD KUMAR RAI
Digitally signed by PRAMOD KUMAR RAI
Date: 2026.06.05 15:27:14 +05'30'

PRAMOD KUMAR RAI
COMPANY SECRETARY AND COMPLIANCE OFFICER

Encl.: *as above*

Nestlé
Good food, Good life

Nestlé India Limited
Annual Report 2025-26

Consumer First. Brand Strong. Future Ready.

This image has been generated using AI

India maintained its position as the largest market for MAGGI® globally

India became the largest market for KITKAT® globally

Scaled the Ready-to-Drink Cold Coffee portfolio

Our Top Priorities

1. Consumer centricity
2. Penetration-led volume growth
3. Reinvestment behind brands and capacity
4. Accelerating tech enabled sales and operations

Mr. Manish Tiwary
Chairman and Managing Director

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Read the full report online at
https://www.nestle.in/investors/stockandfinancials/annualreports

Cautionary Statement

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing your Company's objectives, 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.

Board of Directors

Mr. Manish Tiwary
Chairman and Managing Director

Mr. PR Ramesh
Independent Non-Executive Director

Ms. Anjali Bansal
Independent Non-Executive Director

Ms. Alpana Parida
Independent Non-Executive Director

Ms. Suneeta Reddy
Independent Non-Executive Director

Mr. Sidharth Kumar Birla
Independent Non-Executive Director

Mr. Satish Srinivasan
Executive Director - Technical

Mr. Mandeep Singh Chhatwal
Non-Executive Director

Mr. Edouard Mac Nab
Executive Director – Finance & Control and CFO

Mr. Pramod Kumar Rai
Company Secretary and Compliance Officer

Consumer First. Brand Strong. Future Ready.

Nestlé is a Good Food, Good Life company.

We strive to unlock the power of food and beverages to enhance the quality of life for everyone, today and for generations to come.

It begins in the everyday... steam rising from a cup, a lunchbox packed in a hurry, a family table set for one more story.

With a data-driven approach as our compass, we pick up the faint signals early, learn fast, and keep the consumer at the centre.

From insight, we draw a map... and then we move.

We strengthen our brands by leaning into promising opportunities, placing smart bets, and scaling with discipline... so growth feels intentional, not accidental.

For us, delighting consumers is hospitality at scale: doors open, homes open and kitchens open... needs are anticipated, and the smallest details feel effortlessly right-quality you trust, choices you love, experiences you are glad to return to.

And when the world shifts... new habits, new expectations, new pace... we stay future ready like a crew navigating together: eyes on the horizon, hands steady on the wheel. We work better, smarter and faster, with flexibility in every move, to deliver value... for people, for partners, and for the future we share.

KITKAT® took over the Bandra-Worli Sea Link, Mumbai, with a simple yet contextual message urging the city to have a well-deserved break.

Chairman's Message

"Over the course of the year, we focused on the fundamentals, delivering double-digit, volume-led growth with strong market share gains."

Mr. Manish Tiwary
Chairman and Managing Director

Dear Members,

As I look back on my first few quarters as Chairman and Managing Director of Nestlé India, I feel a deep sense of responsibility and confidence in the momentum we are building. In my first annual letter to you in this role, I am honoured to share what we have delivered so far and the priorities that will help us serve consumers better, strengthen our partnerships with customers, create shared value in the communities we touch, and drive long-term value for our shareholders.

I grew up with Nestlé products, so stepping into this role feels especially close to home. I fondly remember my mother sending me to Raju ki dukaan (Raju's shop), our neighbourhood kiraanawala, to pick up a tin of my favourite MILKMAID® condensed milk. Those simple, everyday moments have stayed with me. From its iconic white tin to a modern re-sealable pouch, MILKMAID® has evolved with the times while remaining a trusted part of Indian homes across generations. Formats may change, but trust stands the test of time.

Consistent performance rarely comes from doing many things at once. It comes from a few sound choices, disciplined execution and a culture of continuous improvement.

In a consumer business, these may seem like ordinary ways of working in any given quarter. Over time, they are anything but ordinary. They compound.

Over the course of the year, we focused on the fundamentals, delivering double-digit, volume-led growth with strong market share gains. Your Company's total sales stood at ₹23,071.5 crore.

We achieved these results in an environment that demanded constant adjustment by spotting shifts early. Our response was to move swiftly where needed, and stay rooted in what mattered most.

Operating context

Indian consumption in 2025-26 was shaped by a push-pull of improving macro stability and uneven household sentiment. Food inflation and affordability continued to influence every day choices. Urban demand remained relatively resilient, while premium segments stayed comparatively stable. Rural recovery was shaped by monsoon outcomes, farm income and government support. Globally, geopolitical developments continued to affect energy, freight and key input costs.

Across India, aspirations are rising and, with them, expectations. Consumer preferences are shaped by region, culture, habit, life stage and occasion. That creates complexity, but also headroom for growth. From the bustling streets of urban India to emerging semi-urban markets to rural India, taste preferences are embracing a repertoire of foods and flavours that are simultaneously traditional, local, fusion and international. It is our ambition to serve that diversity with creativity, consistency and quality that is uncompromising.

The environment will remain dynamic, but our priorities are clear. In financial year 2025–26, we remained anchored in four priorities:

Our top Priorities

1. Consumer centricity
2. Penetration-led volume growth
3. Reinvestment behind brands and capacity
4. Accelerating tech enabled sales and operations

These priorities help us decide where to focus, where to invest, and where to simplify. Let me now briefly outline how each of these priorities translated into action on the ground.

1 Consumer centricity – placing the consumer at the heart of every decision

Consumer-first thinking must permeate the value chain, from manufacturing, supply chain to sales and marketing. We listen closely - market by market, city by city, town by town, village by village and turn insight into action. Consumer truth must always outweigh internal opinions.

Too often, companies begin with financial planning and then try to shape the consumer proposition around it. I believe it should work the other way around.

When I think about consumer centricity, I am reminded of my college days as a computer engineering student. Morning classes, long hours in the lab, and the simple joy of spending time with friends. After a tough assignment, we would head for a quick coffee. In those days, colleges mostly had canteens, so out-of-home choices were rare. Yet those small breaks sipping coffee and slurping MAGGI® noodles with friends stayed with me. Brands that are present in these everyday occasions earn trust over time.

That insight continues to guide us today. As people spend more time outside the home, the need for convenient, high-quality food and beverage choices continues to grow. Through Nestlé Professional, your Company's Out-of-Home business, we are expanding our presence in these occasions through Retail ONE formats such as NESCAFÉ® Corners, MAGGI® Hotspots and KITKAT® Break Zones across educational institutions, healthcare facilities and airports. There are 1,000 Retail ONE kiosks now operational across India. We support them with branding architecture, menu development and operating guidance. This business is widening our reach and making our brands more present in everyday consumption occasions.

2 Penetration-led volume growth – driving deeper engagement across categories

A central pillar of your Company's strategy is penetration-led volume growth, strengthened by the number of consumers we reach and the frequency with which they choose our brands. Through a **fast, focused, flexible** operating mindset we are expanding our distribution footprint and deepening our presence across geographies.

Alongside our core brands, MAGGI® noodles, KITKAT®, NESCAFÉ® instant coffee, NAN® and CERELAC®, we are also building newer growth engines. Pet food is one such emerging business.

During a recent visit to Bangalore, a young couple with a Labrador asked me, "We feed him what we eat... is that enough?" It was a simple question, but it reflected a larger shift. Pet parents want nutrition grounded in science that promises quality and safety. Through Purina PetCare, we are bringing science-led innovation, global expertise, and stronger availability to the dog and cat food category. Over time, this will help build the category and create long-term value for stakeholders.

A decade ago, your Company was predominantly urban-weighted. In 2019, we commenced our RUrban journey, deepening our presence in smaller towns that connect urban and rural India. From 2025, we extended our presence further into rural markets. Rural India remains one of our most significant growth opportunities, given both the pace of demand expansion and the headroom we still have to deepen our presence.

Rural India is highly heterogeneous. Consumption patterns in rural Bihar can differ materially from those in rural Karnataka in tastes, price points, formats and occasions. Operational flexibility is essential because demand can change from one side of the street to the other. It allows us to calibrate assortment, pack–price architecture, activation and route-to-market execution to local needs, thereby strengthening category relevance and accelerating penetration.

3

Reinvestment behind brands and capacity

In financial year 2025–26, we advanced our structural cost-efficiency agenda and delivered our highest-ever operational cost savings. Technology was leveraged to eliminate costs that did not add value to consumers and customers. These structural cost savings created headroom to channel them back into brand investment, higher advertising and digital spends, sharper communication, stronger activation, deeper penetration and distribution. These investments strengthened brand equity and built demand.

Our primary focus is on core brands. We believe our existing portfolio offers immense depth and significant headroom for growth. We also strengthened the innovation and renovation pipeline so that our brands stay contemporary, distinctive, trusted and relevant in consumers' lives. We will do fewer things but do them bigger, bolder and better.

We remained disciplined on profitability and cash generation, while continuing to upgrade and expand capacity prudently to meet growing consumer demand. This included commissioning new production lines in our factories to support future growth.

4

Accelerating tech enabled sales and operations

We use technology to improve decisions, never to replace judgement.

The power of technology resides in how a Company serves its consumers. Technology is a capability amplifier. By automating routine 'keep-the-lights-on' tasks, we free up time for higher-value work. Even with higher levels of automation, our factories and commercial teams continue to rely on human touch points.

Your Company stepped up investments in digital and technology to strengthen execution and improve the speed and quality of decision-making. Our objective is to embed data-led discipline across supply chain operations, sales and distribution functions so that our people can serve consumers with greater precision, consistency, agility and scale.

During my visit to Notun Jabari, a tiny village in Assam, with a population of around 2,000 people, I met Firubi, our first woman area sales manager in the East, and Dhrubojyoti, who runs a wholesale hub in rural Assam. Our hubs in semi-urban and rural markets use NesMitra, Nestlé's retailer self-ordering mobile application, to place orders conveniently, streamlining our route-to-market. With tech adoption on the rise, our brands are accessible in deep interior villages and challenging terrains. When used as a human ally, AI can free people from the shackles of 'busy work' so they can focus on what matters most to consumers and delivers the best products and experiences

Building for the long term

Your Company's legacy has been built by 'adapting to change' without losing sight of 'what must never change', which is an uncompromising commitment to quality, safety and responsibility.

Across your Company, our teams continue to advance the 'Good for Planet' roadmap with discipline and care, through more responsible sourcing, more sustainable packaging, more resource-efficient factories and stronger water stewardship. These choices reflect a larger responsibility to build a business trusted in the present and worthy of the future, one that builds lasting value for stakeholders while leaving the next generation a world more secure and more hopeful than the one we inherited.

Your Company has remained focused on enhancing shareholder value through the NSE listing of its equity shares in 2023, its first-ever 1:10 stock split in 2024, and a 1:1 bonus issue in 2025. Together, these steps improved liquidity, widened affordability, and reinforced shareholder confidence.

I would like to thank Nestlé India's esteemed Board members for their support through a smooth transition; my colleagues in India for their incredible hard work and passion; and Nestlé S.A. for its collaboration and for welcoming me into the Nestlé family.

I would like to acknowledge with gratitude the exceptional contribution of Mr. Suresh Narayanan, who led your Company for over a decade as Chairman and Managing Director before I took over in August 2025. His leadership has left your Company stronger, more resilient, and well prepared for the future.

I also extend my heartfelt thanks to our consumers, suppliers, distributors and retailers for their continued partnership. Above all, I thank you, our shareholders for your trust and continued support.

Much like in a marathon, the early kilometres can be crowded and noisy. You do not chase the noise; you focus on your stride, you trust your training and you run long. That is precisely how we will move forward - with clarity in the choices we make, discipline in how we execute them, and the determination to leave your Company stronger, sharper, better positioned for the years ahead.

Mr. Manish Tiwary
Chairman and Managing Director

Nestlé's India Story

A legacy of
114 years

500,000+
Shareholders

5.3 million
Retail Outlets

75.2%
Return on Net Worth

10,000+
Distributors and Re-distributors

Brand Footprint in India

Serving families. Touching lives.

5.7+ billion
serves

13.2+ billion
cups

5+ billion
fingers

2.2+ billion
units

34.2+ million
tins

1,000+
One Nestlé Kiosks

A Nestlé product reaches 2 out of 3 households in India

10 - Year Financial Highlights

(All amounts in ₹ million, unless otherwise stated)

Particulars	2025-26	2024-25	2023-24 ^	2022	2021	2020	2019	2018	2017	2016
Results										
Sales	230,715	200,775	242,755	167,895	146,649	132,902	122,953	112,162	101,351	94,096
EBITDA#	53,061	47,696	58,498	37,420	35,676	32,015	28,643	26,287	21,337	18,617
As % of Sales	23.0	23.8	24.1	22.3	24.3	24.1	23.3	23.4	21.1	19.8
Profit after Tax	35,446	33,145	39,328	23,905	21,184	20,824	19,684	16,069	12,252	10,014
As % of Sales	15.4	16.5	16.2	14.2	14.4	15.7	16.0	14.3	12.1	10.6
Balance Sheet and Cash Flow Statement										
Shareholders Fund	53,092	41,172	33,409	24,592	19,464	20,193	19,189	36,737	34,206	32,823
Return on Average Equity (%)	75.2	88.9	108.5	108.5	111.0	105.8	70.4	45.3	36.6	32.8
Operating Cash Flow	50,476	29,345	41,748	27,374	22,360	24,545	22,953	20,525	18,178	14,659
As % of Sales	21.9	14.6	17.2	16.3	15.2	18.5	18.7	18.3	17.9	15.6
Capital Expenditure-Outflows	8,262	20,044	18,783	5,407	7,308	4,741	1,522	1,628	1,959	1,133
As % of Sales	3.6	10.0	7.7	3.2	5.0	3.6	1.2	1.5	1.9	1.2
Data per Share @										
Earnings per Share (₹)	18.38	17.19	20.40	12.40	10.99	10.80	10.21	8.33	6.35	5.19
Dividend per Share (₹)	12.00	13.50	16.10	11.00	10.00	10.00	17.10*	5.75	4.30	3.15
Others										
Market Capitalisation	2,265,384	2,170,077	2,528,358	1,890,327	1,899,925	1,773,312	1,425,983	1,070,913	756,381	581,367
Number of Employees	8,680	8,629	8,912	8,069	7,910	7,747	7,649	7,604	7,527	7,588

Note :

^Financial year 2023-24 was for a period of 15 months from 1st January 2023 to 31st March 2024.

@The earnings per share and dividend per share for the prior periods have been restated (refer Note 16 of financial statement on equity share capital)

#EBITDA - refer Note 2 (f) of financial statement on earnings before interest, tax, depreciation and amortisation

* Includes special dividend paid out of accumulated profits of previous years.

Key Financial Ratios

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the key financial ratios are given below:

Particulars	2025-26	2024-25
Operating Profit Margin (%) (EBIT / Sale of products)	20.0	21.1
Net Profit Margin (%) (Profit after tax / Sale of products)	15.4	16.5
Return on Net Worth (%) (Profit after tax / Average equity)	75.2	88.9
Current Ratio (Current assets / Current liabilities)	1.0	0.8
Inventory Turnover Ratio (Sale of products / Average inventories)	8.5	8.1
Debtors Turnover Ratio (Sale of products / Average trade receivables)	66.6	60.5
Debt Equity ratio (Debt / Equity)	0.1	0.3
Interest Coverage Ratio (Interest cost / Earnings available for interest service)*	91.3	95.0

* Interest cost includes interest on finance lease and interest on short term bank borrowings.

- Earnings available for interest service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.

- There is no significant change except Debt Equity ratio which has decreased due to repayment of the short-term borrowing from banks, outstanding at the end of the previous financial year.

NESPRESSO

Expanded NESPRESSO's footprint with a new boutique at Ambience Mall, Gurugram

Sales

In Sales, your Company remains focused on making its products available, visible and accessible to consumers wherever, whenever and however they choose to shop.

Rural

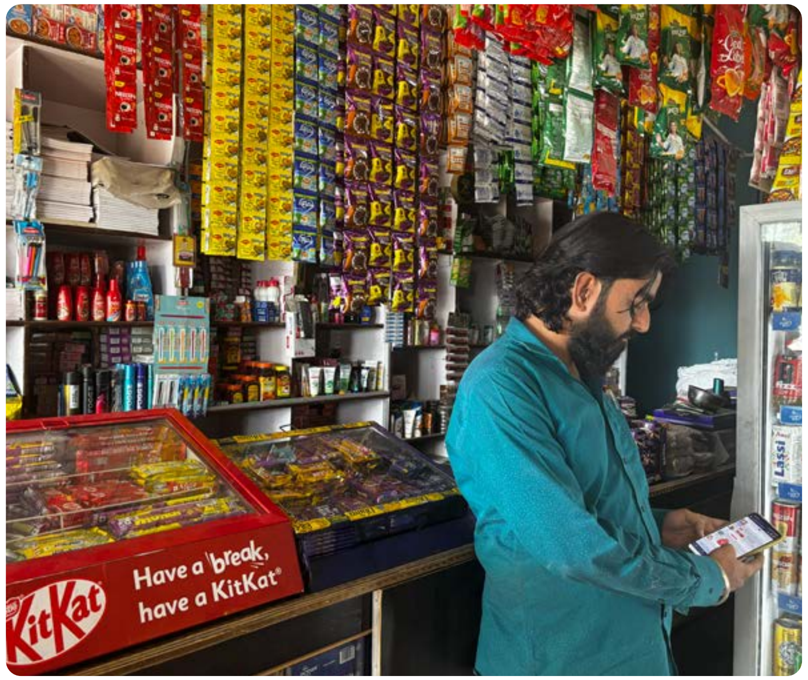
Your Company accelerated its growth momentum and further strengthened its route to market through a well-defined rural strategy built on key foundational pillars-Infrastructure, Product Portfolio, Technology, Visibility, Consumer Communication and People. This integrated approach enabled a strong scale-up in total reach across geographies, with your Company achieving the highest reach among industry peers, driven primarily in rural markets. This enabled your Company to establish a presence across approximately 216,000 villages.

The focus has now evolved beyond just expanding coverage to enhance the quality of coverage, driving more effective execution.

Your Company leveraged technology as a key enabler to accelerate business and strengthen rural execution. The industry's first RD DMS (Re Distributor 'Distributor Management Solution') enabled automation of sub-distributors, supporting channel partners and the secondary sales force across rural markets. This, in turn, facilitated acceleration of commercial investments and deeper engagement with retailers in rural markets.

"We have significantly accelerated reach expansion, especially in rural markets, by scaling up distribution touchpoints through technology-led interventions, strengthening both reach and quality of coverage. Our omnichannel strategy is driving consistent availability and sustained consumer engagement aligned to evolving needs."

Mr. Sushrut Nallulwar
Head - Sales



Omnichannel

India's omnichannel ecosystem is evolving rapidly, driven by changing consumer expectations around speed, convenience, and choice. A key shift within this landscape is the rapid growth of quick commerce, particularly in urban markets, where consumers increasingly seek instant fulfilment for top-up, impulse, and convenience-led purchases.

Your Company's omnichannel strategy focuses on orchestrating channels, not substituting them, leveraging e-commerce, quick commerce, modern trade, and chain pharmacy where they are most effective, while continuing to anchor growth in general trade across semi-urban and rural markets.

Technology

Technology continues to be one of the key enablers for your Company, with the year focused on driving adoption and upscaling. These efforts have helped improve the efficiency and effectiveness of the sales force and channel partners, thereby strengthening execution across geographies.

NesMitra

Your Company continued to focus on the adoption and scale up of the retailer self order application NesMitra, in line with its strategy of building it as a complementary route to market solution. NesMitra has achieved strong adoption across Wholesale hubs & Re distributors.

NesMitra has now been rolled out to general trade retailers as well to address salesman absenteeism and to enable better engagement with programme outlets. The platform offers multiple retailer friendly features that facilitate seamless ordering and strengthen digital interaction with the Nestlé Sales ecosystem.

Powdered and Liquid Beverages

Brewing India's Coffee Culture

The Powdered and Liquid Beverages product group delivered another year of high double-digit growth, driven by sustained focus on expanding coffee penetration and strengthening the relevance of the coffee category across consumer cohorts.

"NESCAFÉ® is shaping the future of coffee in India by expanding access, elevating experiences and redefining how consumers connect with coffee. Anchored in sustainability, farmer partnerships and disciplined value creation, we are building a resilient and future-ready category."

Mr. Sunayan Mitra
Head - Coffee and Beverages

Please scan the QR to enjoy the Ad-Film

In-Home Portfolio

The NESCAFÉ® in-home portfolio, which includes NESCAFÉ® CLASSIC, NESCAFÉ® Sunrise, and NESCAFÉ® GOLD, delivered strong double-digit growth. This performance was underpinned by focused execution, continued investments and portfolio strength. During the financial year, NESCAFÉ® in-home made deliberate efforts of expanding usage occasions and improving accessibility through affordable pack formats and targeted distribution expansion. Your Company achieved significant milestones, recording its highest household penetration for NESCAFÉ® in-home to date, reinforcing its category leadership.

NESCAFÉ® Classic continued to drive category recruitment by embedding coffee deeply into youth routines. The "Make Your World" campaign reinforced NESCAFÉ®'s relevance among young consumers by positioning NESCAFÉ® as an ally in their everyday journeys.

In South India, your Company delivered exceptional performance in the highly competitive landscape of coffee with NESCAFÉ® Sunrise. The launch of the "Semma Strong" campaign reinforced NESCAFÉ® Sunrise's proposition as a superior coffee, accelerating recruitment for the brand and strengthening brand momentum in the region.

Premium and Specialty Coffee

Your Company's premium and specialty coffee offerings gained further traction, reflecting rising consumer aspirations and a growing appetite for café-style experiences at home. NESCAFÉ® Roastery strengthened its role in shaping premium coffee culture through the launch of "Masters of Roastery", a digital content series that showcased the craft of great coffee through expert-led conversations on roasting, brewing and tasting.

Your Company's ready-to-drink and modern beverage formats also delivered strong growth, solidifying their position as strategic priorities while the business prepares for the next phase of category evolution.

Innovation

With the growing relevance of cold beverages among younger consumers, the NESCAFÉ® ready-to-drink cold coffee portfolio was strengthened with the launch of Vietnamese Latte and Iced Cappuccino variants, offering differentiated and contemporary choices and reinforcing NESCAFÉ's leadership in cold coffee.

Sustainability

Your Company is proud that NESCAFÉ® now sources 100% of its coffee responsibly, reaffirming its commitment to ethical, transparent and deforestation-free supply chains.

Through the NESCAFÉ® Plan, your Company continues to actively support farmers in adopting regenerative agriculture practices that restore soil health, enhance biodiversity and reduce the environmental footprint of coffee farming.

Prepared Dishes and Cooking Aids

Five Decades of Taste, Trust and Togetherness

The product group delivered strong volume-driven growth, by engaging urban consumers and expanding rural reach, leading to gains in both market share and penetration.

Please scan the QR to enjoy the Ad-Film

"We focused on celebrating brand love through new campaigns, digital-led engagement and exciting innovations. It was the year we celebrated 50 years for brand MAGGI® with a momentous Indian postal stamp launch. We look forward to delighting our consumers for years to come."

Ms. Rupali Rattan
Head - Foods

50 years of Togetherness

Over the past five decades, MAGGI® has found its way into Indian homes in many delicious forms – from noodles and masalas to sauces, soups and ready-to-cook favourites. From quick solo fixes to meals that bring the family together, and from hostel kitchens to big get-togethers, MAGGI® has been part of countless food moments across the country. Your Company, in partnership with India Post, launched the commemorative stamps celebrating these moments of togetherness.

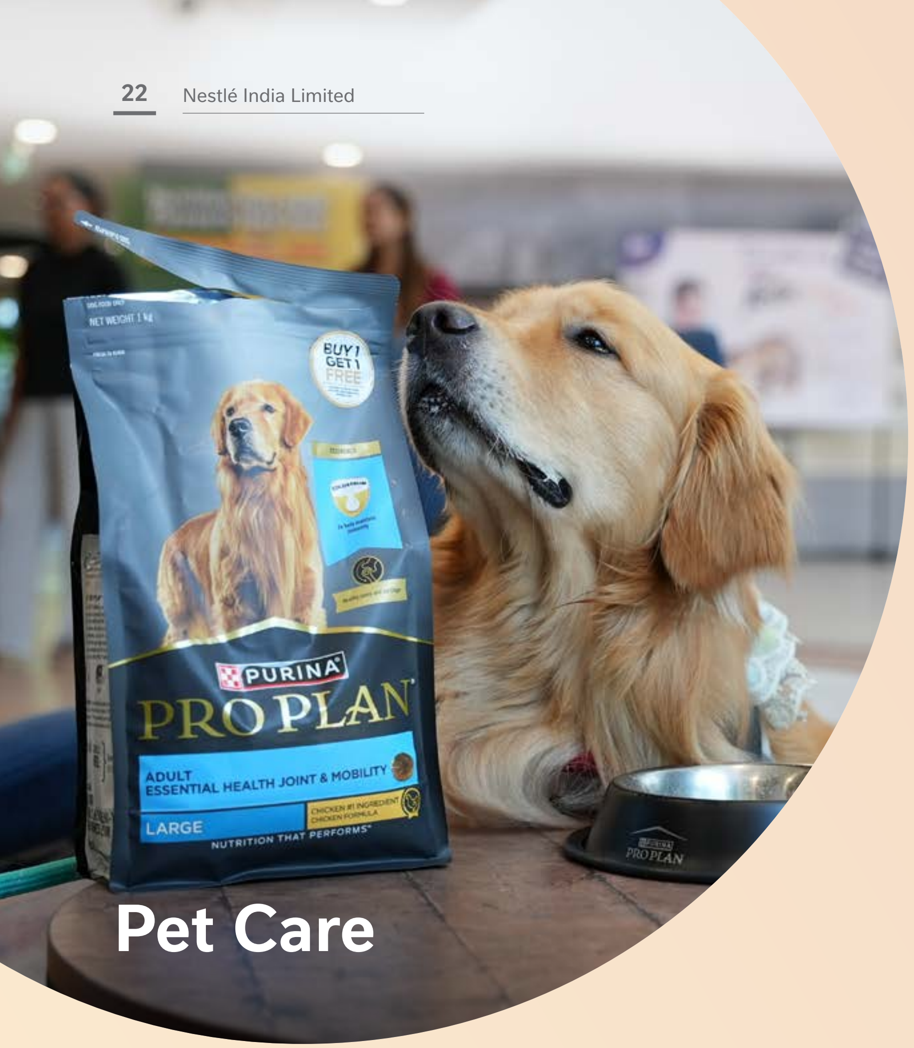
The stamp was unveiled by Mr. Manish Tiwary, Chairman and Managing Director, Nestlé India, alongside Mr. Chirag Paswan, Minister of Food Processing Industries, Government of India.

Innovations

The business built stronger brand love with the 'Me & MAGGI, So Good Together' campaign, encouraging people to spend meaningful time away from screens. For younger consumers, the business launched a new spicy range – Spicy Cheesy, Garlic, and Manchurian – supported by the "Mujhe mirch nahin lagti" campaign.

The business also introduced MAGGI® Double Masala at ₹20 for consumers seeking a stronger flavour experience and it promoted these innovations across key platforms and events.

Our cooking solutions business scaled up recipe digitization and sampling to drive penetration. In rural markets, we expanded access through the right price packs, supported by the 'Humari MAGGI Apno ko apna banayein' campaign.

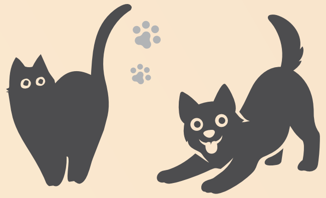


Pet Care

Building Deeper Bonds - Better Together

The Pet Care business, which is a part of Prepared Dishes and Cooking Aids business recorded high double-digit growth driven by innovation, distribution expansion, and a sharper focus on building deeper bonds between pets and pet parents.

Please scan the QR to enjoy the Ad-Film



"India is a strategic growth engine for Purina, and we are firmly doubling down with a stronger portfolio, as well as scaling access with a sharper route to market.

Our priority is building trust and creating long-term value with pet parents and trusted influencers such as veterinarians and breeders."

Ms. Pallavi Anand
Head - Pet Food

Innovation

In the period under review, we accelerated our innovation pipeline to unlock penetration and drive trials, with the launch of the FRISKIES® Meaty cat food range catering to a cat's need for variety and taste, and PRO PLAN® Dog 1 kg packs to lower entry barriers into advanced nutrition.

We also launched FELIX® Gravy, tapping into the fast-growing wet cat food segment and meeting the evolving consumer preferences for superior taste, variety and hydration needs.

The scientifically designed, advanced nutrition range of PRO PLAN® Cat was launched with specialized solutions such as Urinary Care, Hairball Control and Sterilized Cats nutrition, addressing some of the most common and growing feline health needs. PRO PLAN®'s strong performance was supported by robust veterinarian advocacy and, driving scientific credentials via educational programmes.

Distribution Expansion

E-commerce remained an important growth driver, with accelerated adoption across digital and quick commerce platforms. Online channels continued to expand reach beyond metro markets, improving accessibility of premium products, growing at 97% and contributing meaningfully to overall business growth.

Strengthening Pet–Parent Bonds

We tied up with popular actress and animal activist Samantha Prabhu, for its digital campaign for FELIX® Gravy that celebrates the simple joy of bonding with a pet and reflects how deeply pets are woven into the modern lives.

We our focus on culture and purpose through initiatives like Pets@Work, fostering wellbeing and inclusion. Your Company introduced the Employee Pet Feeding Scheme to support early-stage pet nutrition. **'Purina Cares'** saw employees actively volunteering to drive meaningful animal welfare impact.

Breakfast Cereals

Creating New Breakfast Moments

Your Company's Breakfast Cereals portfolio which is a part of Prepared Dishes and Cooking Aids business, continued to accelerate and achieve robust growth in the period under review.

Please scan the QR to enjoy the Ad-Film

"We see strong growth potential in breakfast cereals. MUNCH® cereals marked our solid entry, offering consumers familiar flavours and new experiences for a satisfying, convenient breakfast. Our expanded portfolio gives customers more tasty choices, and we remain committed to delighting them and driving sustained growth."

Mr. Gopichander Jagatheesan
Head - Confectionery and Cereals

Your Company now offers a diverse range of breakfast cereals that meet different consumer preferences, from quick and satisfying options to more indulgent choices.

MUNCH® breakfast cereals maintained strong momentum, driving accelerated growth within the category. This sustained performance, driven by wider retail availability and strong demand for convenient, tasty breakfasts, solidified your Company's position as the biggest challenger brand in the single-serve segment. The performance reflects both consumer enthusiasm and your Company's strategic focus on offering convenient, flavourful breakfast options that cater to evolving preferences.

The 'Toofani Fills' media campaign, focused on a chocolaty, indulgent morning experience, has also boosted growth by appealing to consumers seeking indulgence and convenience.

Your Company expanded its breakfast cereals with MUNCH® CHOCO LOOPS, a chocolate-flavoured cereal with a playful loop shape. Offering greater value and variety, it reflects your Company's focus on innovation and evolving consumer preferences.

Milk Products and Nutrition

Nourishment with Science, Care and Trust

In FY 2025-26, your Company's Milk Products and Nutrition product group showed resilience delivering steady growth and leading category performance in the latter part of the year.

Please scan the QR to enjoy the Ad-Film

"Your company's unrelenting commitment to quality and hygiene ensures that the milk products and nutrition portfolio meets the highest standards, allowing brands to maintain their position as a trusted choice for consumers. Through science-based innovation, advanced product formulation and propositions that consumers value, your Company continues to contribute to enhancing quality of lives and creating moments of joy for families across the country."

Mr. Vineet Singh
Head - Milk Products and Nutrition

Nutrition

Your Company believes that breast milk provides the best nutrition for babies, and every child should be exclusively breastfed for six months. In the absence of breastfeeding, mothers must be able to choose a nutritionally appropriate solution under the guidance of their healthcare professional. Based on extensive research, latest science and clinical evidence, your company offers the advanced Nestlé NAN® ExcellaPro with 5 Human Milk Oligosaccharides (HMOs) and Probiotics. Nestlé products for infants continue to be scientifically the most advanced in their price segments, including LACTOGEN® with Probiotics and Prebiotics.

Your Company's milk products for toddlers – NANGROW® and LACTOGROW® – continued to offer advanced products and reassured parents on how their child's growth continues unabated, through activity, moments of discovery and even mischief.

Your Company has always strived to upgrade products in keeping with the latest in paediatric science and consumer demands. The CERELAC® No Refined Sugar range, launched in 2024 and 2025, continued to gain good acceptance. It is widely available in all leading chemist stores and e-commerce platforms. Your Company now offers a comprehensive portfolio of products across the milk and cereal formats for infants as well as toddlers that contain no refined sugar.

There has been continued impetus on driving stronger differentiation for the toddler portfolio through impactful communication across platforms. The new brand film for CEREGROW®, highlights the importance of nutrient-dense meals for children — 'Baccho ka pet chota hota hai isliye unka pet bharna toh aasan hai but poshan bharke khilaana mushkil hai' (Kids have small tummies; It's easy to fill them up but filling them with nutrition is the key difference). The campaign highlights how nutrient-dense foods can help during early childhood, when growth and development are at their peak. This initiative aims to educate parents about the nutritional value of our products, fostering better understanding and healthier eating habits.

Milk Products

Your Company's range of milk products Nestlé® a+ and EVERYDAY® Dairy Whitener continue to be well-loved by consumers.

Nestlé EVERYDAY® Dairy Whitener is tea's perfect partner and elevates those heartfelt, meaningful moments shared over a cup of well-made tea.

The Nestlé® a+ range of UHT® milks and yoghurts are trusted by families for their quality and unique offerings like a+ Slim Milk, a+ Probiotic and Greek yoghurts.

Confectionery

Sweetening Everyday Moments

The Confectionery product group grew at a high double-digit pace in both value and volume, driven by strong consumer demand, accelerated Premiumisation and increasing relevance across evolving consumption occasions. The category continued to benefit from rising consumer aspirations, valuing up trends and the growing influence of e-commerce and modern trade channels.

Please scan the QR to enjoy the Ad-Film

"Confectionery enjoyed a period of exceptional growth driven by strong underlying transaction growth across our powerhouse brands like KITKAT®, MUNCH® and MILKYBAR®. The push on increased numeric distribution, enhanced freshness through our visicooler programme and exciting innovations has propelled the business to robust growth. Despite significant challenges on commodity price increases, we have been able to drive profitable growth, and the welcome reduction of GST rates has further propelled consumer sentiment."

Mr. Gopichander Jagatheesan
Head - Confectionery and Cereals

Strong brands

Your Company continued to strengthen its position in the confectionery category, increasing market share during the year, reaching its highest levels in recent years. The Confectionery product group grew at a high double-digit pace in both value and volume. during the period under review, led by strong performances across its flagship brands. KITKAT® continued to strengthen its leadership momentum with robust growth while the MUNCH® and MILKYBAR® portfolios delivered strong double-digit growth.

KITKAT® also remained a key growth driver, accelerating category recruitment and reinforcing brand relevance among younger consumers through culturally resonant engagement platforms and differentiated experiences.

The "Break the Loop" campaign, developed in collaboration with Spotify, leveraged interactive digital experiences to deepen consumer engagement and strengthen the brand's association with meaningful breaks in everyday life.

Focus on Innovation

Innovation remained a strong growth driver for the business during the year. The launch of KITKAT® Pops, MILKYBAR® Butterscotch tablets and MUNCH MAX® Crunchies expanded the portfolio across formats and occasions, while premium offerings such as KITKAT® Delights Salted Caramel and Hazelnut catered to evolving consumer preferences and growing demand for indulgent experiences.

Investing behind the brands

Focused investments in market execution and distribution expansion continued to enhance accessibility and freshness across channels. It was supported by the rapid scale up of the visicooler programme, with over 60,000 visicoolers active in the market by March 2026.

Out-of-Home

Expanding Consumption Occasions

The Out-of-Home business continued to embody your Company's mantra of 'penetration-led volume growth' and sustained its position as one of the fastest-growing businesses of Nestlé India during the period under review. The business delivered robust volume-led growth, supported by strong customer acquisition and deeper penetration across key channels.

"At Nestlé Professional, we are committed to fueling customer growth through strong partnerships and purposeful innovations. By staying ahead of evolving consumer needs and leveraging our iconic brands with culinary expertise, we enable differentiated out-of-home experiences."

Mr. Saurabh Makhija
Head - Nestlé Professional

India remained the second largest market for Nestle Out-of-Home business in the Asia, Oceania and Africa zone, after China. Growth was further propelled by relevant innovations and premiumisation across categories, expanding presence in mega and metro cities while strategically deepening reach in tier-1 towns.

Growth Backed by Innovation and Premiumisation

The ambition to become a 'total solution provider' drove key innovations. The business expanded its beverage portfolio with NESCAFÉ® Duo Gusto, a machine capable of offering both hot and cold options. Low- and zero-sugar variants catered to evolving, mindful consumers, while UPI enablement improved convenience and enabled opportunities in unmanned dispensing setups.

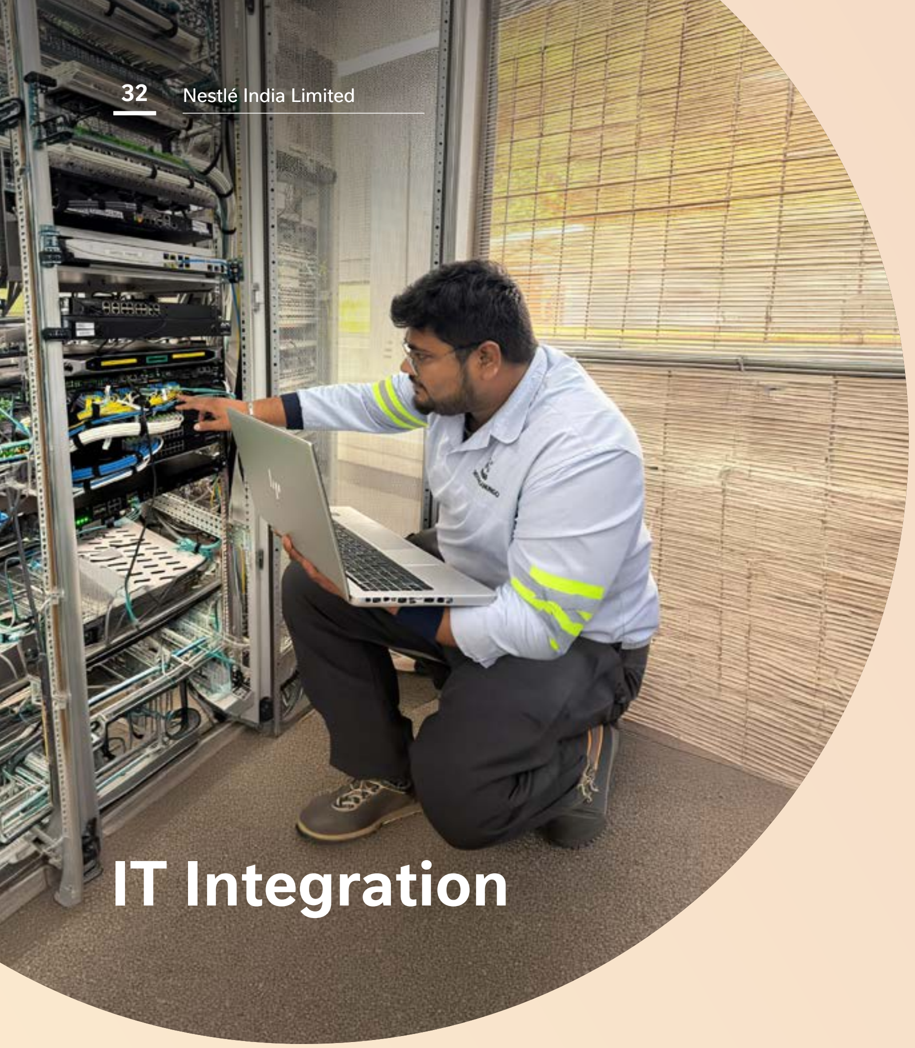
The business also drove continuous recipe innovation aligned with emerging trends. KITKAT® Spread was piloted to enable chefs to incorporate the signature taste and texture of KITKAT® into innovative dessert offerings. MILKMAID® expanded beyond the traditional Irani chai into Vietnamese coffee, bakery and dessert applications, while MAGGI® Coconut Milk Powder delivered strong double-digit growth, driven by wider use in coastal cuisines.

Collaborations that Count

The business strengthened partnerships to deliver distinctive culinary experiences. Burger King® India launched the BK Fusion KITKAT® Shake and Sundae across 500+ outlets, while collaborations with Bakingo, Gianni's Ice Cream, and SOCIAL® drove dessert innovation. During Durga Puja, a partnership with Balaram Mullick and Radharaman Mullick reimagined traditional sweets using KITKAT® Spread.

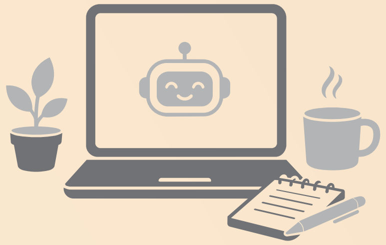
Expanding Footprints of Retail ONE

The operator-funded kiosks, 'Retail ONE' initiative crossed the 1,000 kiosk mark and continued to create employment opportunities for over 1,700 people, including nearly 300 women and six specially-abled individuals across NESCAFÉ® Corners, MAGGI® Hotspots, and KITKAT® Break Zones – across educational institutes, hospitals, malls, and airports.



IT Integration

The period under review witnessed a decisive and mindful acceleration in Nestlé India's digital transformation – shifting from digital enablement to clear, end to end value creation across value chains. Digital is now embedded as a common operating fabric connecting Sales, Supply Chain, Manufacturing, and Enterprise functions-driving speed, predictability, productivity, and scale.



Sales: sharper execution, stronger rural growth engines

In Sales, digital transformation focused on achieving excellence in execution and instilling confidence in the team in decision-making while continuing to expand rural growth capabilities. Project RACE consolidated activity planning, outlet prioritisation, and execution guidance into a single real time platform, creating one 'source of truth' for frontline teams and improving execution consistency at the point of sale. Alongside this, the expansion of Re-Distributor 'Distributor Management Solution' (RDDMS) and NesMitra strengthened rural reach by improving visibility of rural outlets, enabling more structured coverage, and supporting faster, data led decisions in hard to serve markets – powering growth with better discipline, availability, and engagement. In parallel, Projects SCAN (Supply Chain Analytics) and SMART embedded advanced analytics and Artificial Intelligence/ Machine Learning (AI/ML) into daily workflows – shifting "bad goods" and risk management from reactive correction to predictive, scenario led action and protecting outcomes.

Supply Chain Management: touchless planning as the scaling engine

In Supply Chain, the centrepiece was 'Touchless Planning' – using Artificial Intelligence/ Machine Learning AI/ML to improve accuracy in demand prediction, reduce volatility, and release manual "busy work" so teams can focus on exceptions and decisions. Touchless Replenishment scaled to over 70% automated order lines, with the potential to reach 80% through better planning, dynamic norms, and automated allocation. In emerging channels, Tejas contributed positively to the reduction in cycle time and lower rework, supporting service improvements without adding operational complexity. The successful transition to GST 2.0 reinforced the strength of the digital backbone and cross functional readiness.

Manufacturing Technology & Processes: Improving execution

In Manufacturing, digital capabilities were embedded into daily operations across all nine factories – automated data capture, standardized workflows, and real time performance visibility. This reduced manual processes, strengthened compliance and quality assurance, enabled earlier deviation detection, and shortened decision cycles – improving execution, reducing losses, and strengthening supply reliability.

Finance technologies were further strengthened to streamline core processes, including automation of financial reporting.

Enterprise foundation: S/4HANA as a key shift enabling end to end digitalization

Financial Year 2025–26 marked a foundational shift with SAP S/4HANA – simplifying the core, enabling real time integration, and powering scalable, end to end digital execution.

GenAI for employees: step change in productivity and decision speed

Our focus to drive responsible GenAI at scale continued through secure platforms, strong governance, employee training, and ethics – eliminating shadow AI risks and enabling adoption.

GenAI has shifted work from effort heavy tasks to higher value thinking and collaboration – turning digital transformation into a personal productivity multiplier at scale.

A powerful accelerator across all functions has been Generative AI. With Microsoft 365 Copilot embedded into everyday work, more than 3,500 employees are using AI to draft, summarize, analyse, and make decisions faster, unlocking approximately 18,000 productive hours per month, with almost 18% month on month growth in usage intensity.

Corporate Social Responsibility

At Nestlé India, CSR is integral to its Creating Shared Value (CSV) philosophy. Your Company's initiatives span nutrition awareness, waste management awareness, science education, school libraries, creating access to clean drinking water and sanitation, livelihood support for street vendors, feeding programmes, and village development. Building on this, your Company partnered with NGOs and authorities to deliver relief support across communities in multiple states.

"Some of the most meaningful moments this year came from seeing small changes create real impact – a mother feeling more confident about nutrition, a child rediscovering the joy of going to school, or a street vendor proudly serving safer food. At Nestlé India, our CSR efforts are ultimately about people, dignity and opportunity. Through CSR, we remain committed to building stronger, and more resilient communities, together."

Kunwar Himmat Singh
Head - Corporate Affairs, Sustainability and CSR

1

Nutrition Awareness

Nestlé Healthy Kids Programme

Guided by the purpose of "Good Food, Good Life," this flagship initiative focuses on nutrition education and promoting healthy lifestyle among adolescents in government schools and communities.

In FY 2025-26, Nestlé Healthy Kids Programme reached approximately 191,950 adolescents and parents across 22 states.

Project Jagriti

Project Jagriti advances community health by educating women, young couples, and adolescents on hygiene, lifelong nutrition, prenatal and postnatal care, exclusive breastfeeding, and family planning.

During the period under review, Project Jagriti reached approximately 6,38,000 people across 8 states and 1 Union Territory.

Feeding Support Programme

The Feeding support initiative is designed to deliver cooked meals to the students in Government schools, promoting their overall wellbeing.

This initiative is supporting PM Poshan Scheme (mid-day meal) and has served about 5 million meals across 4 states benefiting almost 50,000 students in the period under review.

6,38,000

People reached through 'Project Jagriti' during period under review

5 million meals

Served through Feeding Support Programme during period under review

2

Rural Development

Nestlé India's Integrated Village Development initiative focuses on community led transformation of rural areas through a comprehensive approach. The programme addresses key development pillars such as nutrition, education, water and sanitation, waste management, environment, livelihood enhancement, agriculture, and village infrastructure, ensuring interventions are integrated for multiplier effect. Implemented in partnership with credible NGOs and Community based organizations (CBOs) and aligned with national priorities and CSR regulations, the initiative aims to build self reliant villages by empowering communities, strengthening local systems, and creating positive impact over time.

Project Vriddhi

Project Vriddhi goes beyond isolated efforts, driving integrated rural development. In partnership with implementation agencies, it enables holistic village transformation – improving access to education, health and nutrition, water and sanitation, strengthening farm livelihoods, and building local institutions for sustainable, community-led progress. Under Project Vriddhi, your Company has successfully transformed 31 villages across 4 states this year, impacting over 49,500 beneficiaries.

Project Jigyasa

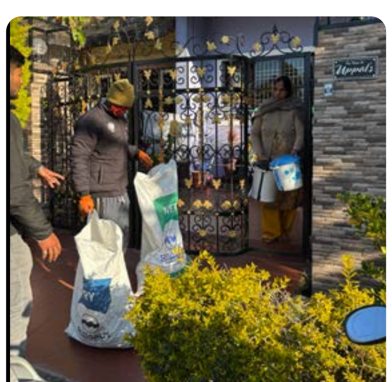
Project Jigyasa was launched with the objective of spreading hands-on science education with a focus on experiential learning, and ensuring that no child misses out on the joy of learning through this programme.

As part of this initiative, science labs and libraries have been set up in 46 schools of Goa, Haryana, Himachal Pradesh, Uttarakhand and Gujarat during the period under review benefiting approximately 19,500 students.

3

Environment, Water & Sanitation

Environment:
Project Hilldaari takes a collaborative approach to waste management in tourist and hilly urban areas. It supports governments and citizens by improving waste collection and segregation, while driving lasting behavioural change. The Project streamlined systems across 10 locations, during the period under review.



Through Project Hilldaari, your Company has reached 146,000 residents, successfully diverting approximately 14,000 MT of plastic waste and improving the livelihoods of 1,500 Safai Saathis through training sessions focusing on skill development and operational safety and social inclusion.

Recognizing water as a critical shared resource, your Company implements community-level water interventions and creates access to drinking water and sanitation in schools.

Through our community water projects, your Company provided access to clean drinking water to 12 new schools benefiting about 7,300 students in addition to existing schools that were maintained for regular water quality checks and installed sanitation facilities in 300 schools benefiting more than 68,000 girl students during financial year 2025-26.

4

Enhancing Livelihood: Project Serve Safe Food

Project Serve Safe Food is your Company's flagship initiative aimed at strengthening food safety and hygiene practices among street food vendors – a fundamental part of India's informal food ecosystem. Launched in 2016, the project is implemented in partnership with the National Association of Street Vendors of India (NASVI) and state and local food safety authorities, bringing together stakeholders at the grassroots level. The initiative focuses on building the capacity of street food vendors through structured training on food safety and hygiene, safe food handling across the value chain, waste disposal, and responsible business practices. Post-training, vendors are certified and supported with hygiene kits, enabling them to voluntarily adopt hygiene practices and enhance consumer confidence.

Disaster management

Your Company supported vulnerable communities during natural disasters, delivering relief across 10 states. In the period under review more than 55,000 ration kits were distributed to flood and cyclone-affected areas, providing critical support when it was needed most.

People

Empowering Growth Through Learning and Diversity

Your Company is dedicated to fostering a culture of continuous learning and promoting diversity and inclusion. It believes that investing in the employees' development and creating an inclusive environment are essential for driving innovation and achieving the business objectives.

"We believe growth is most powerful when it is shared. From building future-ready leaders and strengthening shopfloor capabilities to creating more inclusive pathways for diverse talent, our focus is simple – help people learn with confidence, lead with courage, and thrive with purpose."

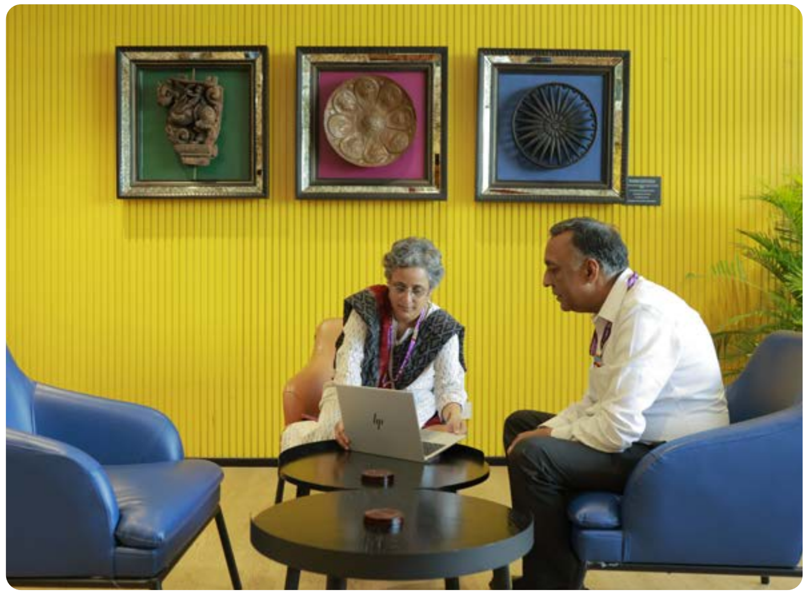
Ms. Nitu Bhushan
Head - Human Resources

Nestlé Impact Leaders Programme

Your Company is committed to enhancing the skills and capabilities of the workforce through various structured programmes. Initiatives such as the Nestlé Impact Leaders Programme continues to focus on developing future-ready leaders by fostering psychological safety, innovation, and coachability. In the period under review your Company combined individual and cohort-based learning for 23 leaders across functions

Women in Leadership

Your Company's Women in Leadership Programme is a three-phase intervention for high-potential women employees, anchored in self-awareness, strategic business thinking, and courageous leadership. In its second edition, 30 participants experienced immersive bootcamps, digital immersion with IBM, and high-impact projects with senior leaders.



Skill Development Initiatives:

In line with your Company's operator Centric philosophy, the business has established structured capability development centres and skilling programmes to build category specific functional and technical competencies.

Naipunya and **Chocolate University** are skilling programmes to deepen MAGGI and Chocolate category expertise in manufacturing factories. They combine classroom based learning with hands on application.

Your Company continued to invest in digital learning tools, including Virtual and Augmented Reality, providing employees with opportunities to practice complex tasks in a safe environment before applying their skills on the shop floor.

Diversity and Inclusion

Your Company's commitment to Diversity, Equity, and Inclusion (DEI) is reflected in its initiatives, aimed at creating a supportive workplace for all employees. Your Company's new Assistive Aids framework enables employees with disabilities to access customized workplace support, ensuring that everyone can thrive in their roles.

"The employee-friendly policies and professional work environment are complemented by a strong learning culture. Working at the diverse and youthful Sanand factory gives me insights from different walks of life while helping me tackle new challenges every day."

Ms. Stanzin Yountan
Senior Production Executive, Sanand factory

"Completing 31 years with Nestlé across diverse functions has been a journey of pride, purpose, and continuous learning. I feel privileged to be part of an organization whose values are deeply embedded in everything we do – enhancing the quality of life of consumers, creating a positive impact on society, and inspiring its people to grow every day. Even after 31 years, Nestlé continues to motivate me, challenge me, and make every day a meaningful learning experience. Proud to be Nestlé."

Mr. Sankaranarayanan Subramanian
Head - CDT Team, South Branch

"My journey at Nestlé has spanned the full business value chain—from operations and commercial finance to procurement, sustainability, and regional business leadership. Each experience has strengthened my ability to drive impact through strategic thinking, financial insight, and cross-functional collaboration."

Ms. Mitali Gupta
Finance Business Partner, Breakfast Cereals (CPW)

Honouring Women of Impact

Partnerships

A True Integrator Driving Cost Transformation

Your Company's Supply Chain is no longer just about execution. It is on its way to become a true integrator, connecting sourcing, manufacturing, warehousing, distribution and global reach into one seamless system. By embedding digital tools, sustainability practices, and partnerships rooted in purpose, it is now the leading driver of cost transformation, customer excellence, and responsible growth.

"We celebrate excellence today while building a new mindset – learn fast, decide boldly and lead with curiosity, ownership and courage. By transforming while performing, we are creating agile, customer-focused networks and a future-ready ecosystem where growth is not chased but unlocked."

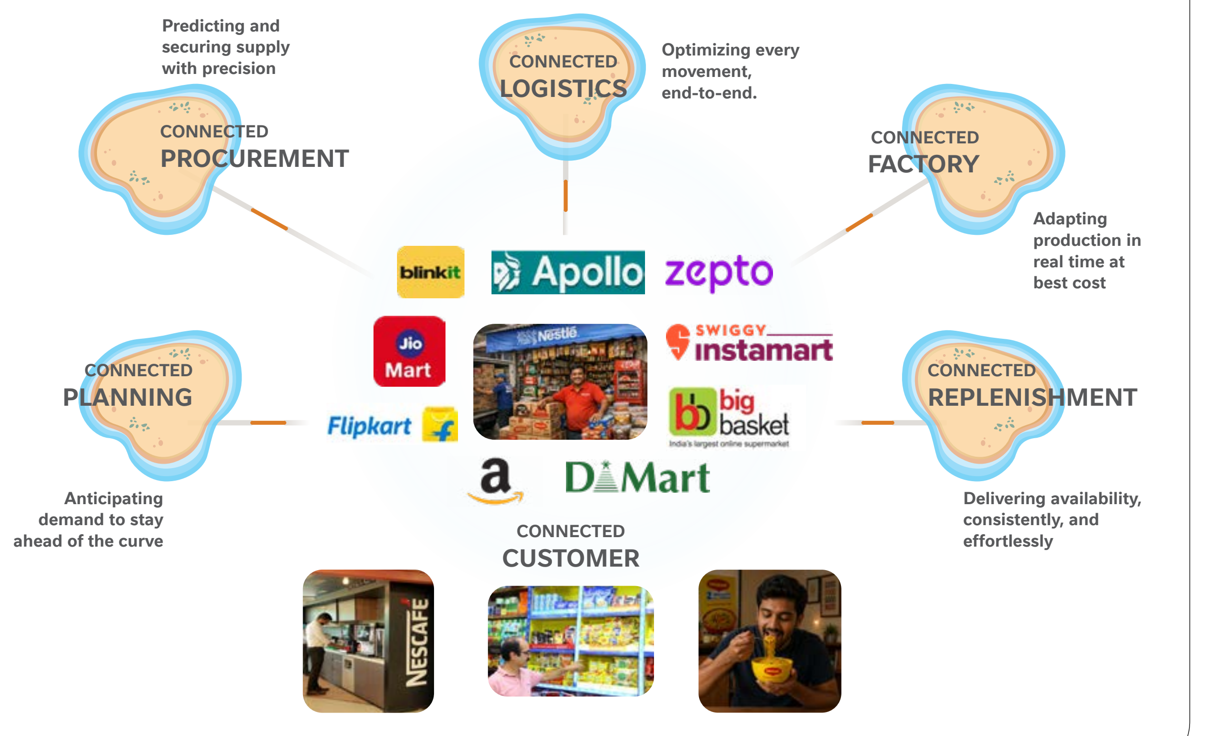
Mr. Varun Gupta
Head - Supply Chain

Proactive, Cost Smart Execution

The Supply Chain has shifted from reactive operations to **proactive, low cost delivery**.

1. **Touchless order to execution** reduces manual work and cycle times, freeing planners to focus on exceptions.
2. **AI and ML adoption;** including agentic AI and Tejas, the AI enabled order validation bot - improves purchase order hygiene and accelerates operational excellence.
3. **Smart warehouses and distribution centers** use digital dashboards, hygiene and safety checklists, and process controls to improve turnaround times and inventory accuracy.

A Supply Chain Ecosystem built to Delight Customers & Consumers, Every Day



Unified Data Layer

This orchestration ensures tighter synchronisation between demand planning, manufacturing, warehousing and distribution — making the supply chain more reliable, cost efficient and responsive.

Local Sourcing and Procurement: Anchored in India

Your Company sources **92% of its raw materials locally,** strengthening resilience, empowering communities and aligning with the **Make in India vision.** By working closely with farmers and suppliers, your company is embedding regenerative practices across rice, wheat, sugarcane and dairy value chains.

Supplier development programmes help small and medium enterprises meet Nestlé's global standards.

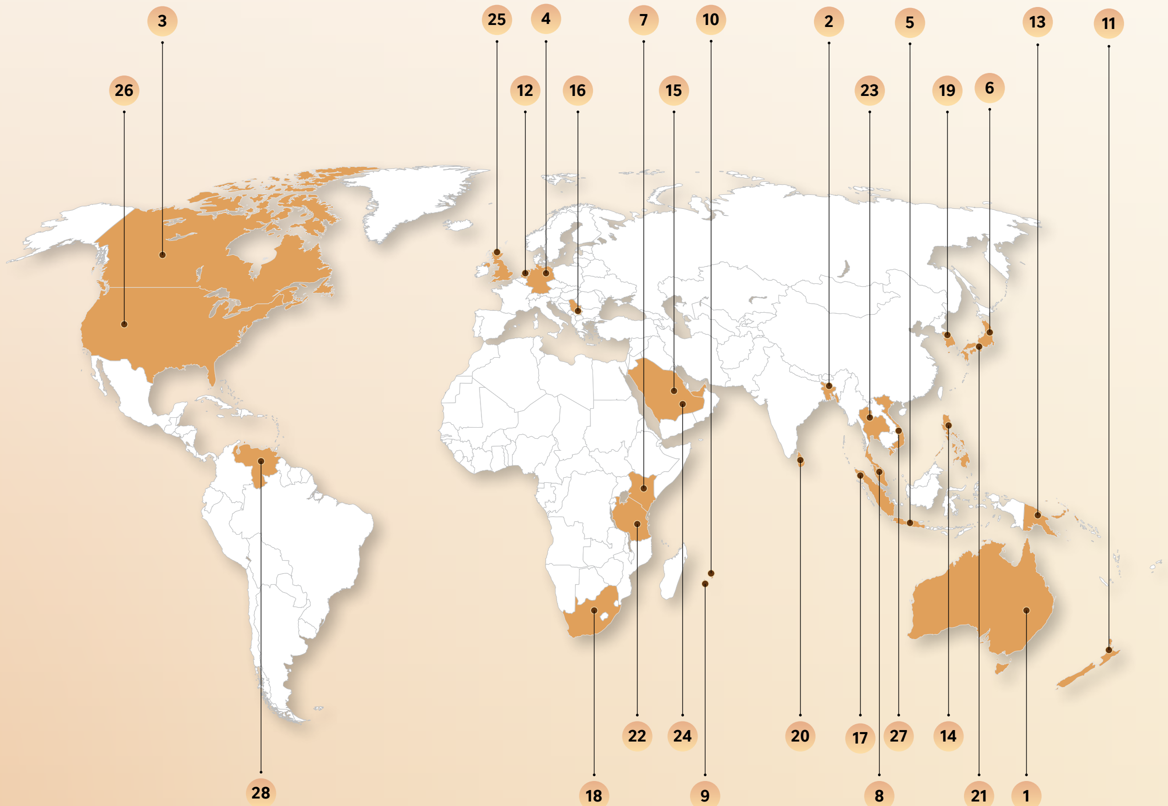
Digital procurement platforms streamline supplier onboarding, contract management and compliance monitoring.

Responsible sourcing ensures sustainability criteria are embedded into procurement decisions, reinforcing long term value creation.

Exports: India as a Growth Hub

When local strength meets global reach, every shipment becomes a statement of quality and purpose.

Your Company's Supply Chain is evolving **into an integral part of Nestlé's Global Value Chain**, serving consumers across India **28 countries worldwide**. Serving authentic Indian tastes to the Indian diaspora across global markets. Leveraging India's competitive manufacturing base to meet diverse consumer needs globally. Your Company continues to strengthen its export capabilities while ensuring that products consistently meet regulatory standards across geographies through robust compliance assurance.



1	Australia	11	New Zealand	21	Taiwan
2	Bangladesh	12	Netherlands	22	Tanzania
3	Canada	13	Papua New Guinea	23	Thailand
4	Germany	14	Philippines	24	UAE
5	Indonesia	15	Saudi Arabia	25	United Kingdom
6	Japan	16	Serbia	26	USA
7	Kenya	17	Singapore	27	Vietnam
8	Malaysia	18	South Africa	28	Venezuela
9	Maldives	19	South Korea		
10	Mauritius	20	Srilanka		

The representation on the map is for illustrative and informational purposes only.

Multimodal Logistics: Syncing with India's Evolution

Your Company is leveraging multimodal logistics, including rail and sea transport, to align with the country's evolving supply chain infrastructure. The expansion of rail freight is reducing dependence on road transport, lowering emissions, and improving reliability. At the same time, greater adoption of sea freight is optimising long-haul movements, particularly for global shipments. Route optimisation, backhauling and the use of high-capacity vehicles are further reducing empty kilometres and improving payload efficiency. Together, this multimodal approach is strengthening resilience, lowering costs and supporting India's national logistics modernisation agenda.

Road Safety: Saving Lives Together

Your Company is committed to being part of the country's plan to save lives on the road. Road safety is being elevated from a compliance requirement to a national ESG priority. AI-enabled fleet monitoring, driver training and behavior-based interventions help reduce incidents while protecting both people and goods. Through its Net Road Safety approach, Your Company is embedding safety into its culture, making it a shared responsibility across the value chain and aligning with India's broader mission to reduce road fatalities.

Sustainability and Partnerships Rooted in Purpose

Sustainability is embedded across the value chain — regenerative agriculture, fuel transition to LNG/CNG, and solar at distribution centers support our GHG targets.

Your Company partners with suppliers, transporters, and communities - aligning incentives, sharing data, and co investing in capability and technology. These partnerships lower total cost of ownership and create long term, shared value.

Business-First Championship

Perhaps the most important transformation is cultural. Your Company's Supply Chain is evolving beyond execution to become a true integrator — simplifying complexity, driving cost transformation and building partnerships that win for business and society. With a business-first mindset, every decision and innovation is focused on delivering more to more consumers, faster, safer, and at lower cost. The result is a supply chain that not only supports growth, but actively creates it — reliably, responsibly, and efficiently.

Planet

Your Company's approach to sustainability is anchored in creating long-term value for the business and the planet. In response to the evolving climate and environmental challenges, sustainability is being systematically integrated across operations and value chains. Guided by the ***'Good for Planet'*** roadmap, efforts this year, focused on advancing climate action, regenerative sourcing, circular resource use and water stewardship—strengthening both environmental performance and business resilience.

"Sustainability at Nestlé India is an embedded business imperative, directly linked to the people and ecosystems that sustain us. Facing growing climate challenges, we are transforming food systems by building a more resilient, inclusive and regenerative network across our value chains."

Kunwar Himmat Singh
Head - Corporate Affairs, Sustainability and CSR

1 Planet – Ensuring a Sustainable Mindset

Sustainability is a core value at your Company and is embedded within your Company's Creating Shared Value (CSV) philosophy. Environmental stewardship shapes how products are designed, operations are managed and engagement is undertaken with farmers, suppliers and consumers. During FY 2025–26, your Company continued to strengthen its focus on climate action and circularity, ensuring that environmental considerations were systematically integrated into business decisions across functions and the value chain.

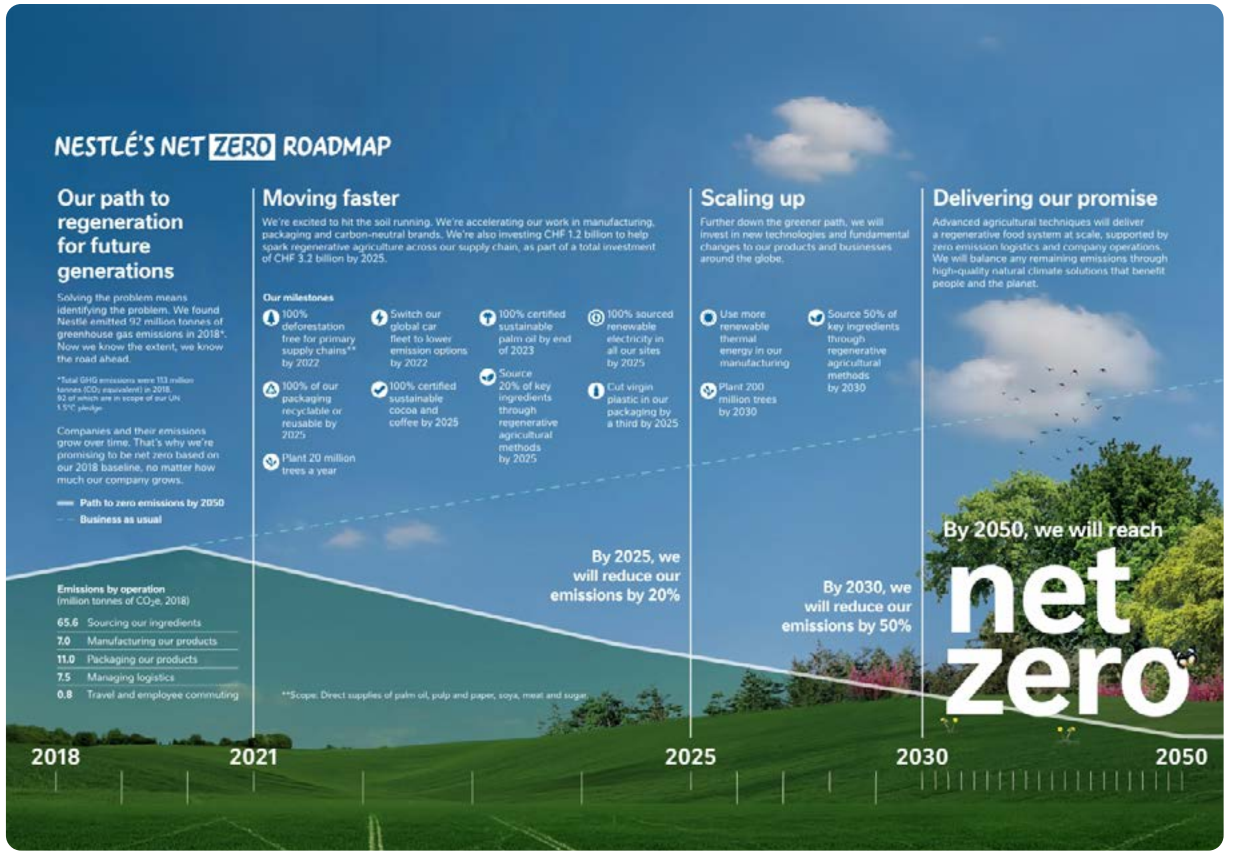
2 The Good for Planet Roadmap

The ***Good for Planet*** roadmap translates your Company's sustainability ambitions, including its Net Zero commitment, into locally relevant and actionable priorities. It integrates climate action, regenerative agriculture, responsible sourcing and circularity in usage of resources to reduce environmental impact. Aligned with Nestlé's global goal of achieving Net Zero emissions by 2050, it outlines decarbonization strategies in sourcing, manufacturing, and logistics, while promoting regenerative practices and resource efficiency to mitigate climate risks and support long-term business continuity locally.

3 Governance

Sustainability at your Company is guided by a robust governance framework that ensures strategic oversight, clear accountability and effective implementation. The Board of Directors provides overall oversight of sustainability related matters, including climate action, environmental stewardship, responsible sourcing and social impact, with sustainability integrated into business strategy and risk management processes.

Senior management supports this oversight through structured governance mechanisms, including cross-functional councils and thematic task forces that translate global and national commitments into actionable plans, monitor progress, address risks and enable coordination across functions.



4

Sustainable Sourcing and Regenerative Agriculture

Sustainable sourcing is central to your Company's climate agenda, addressing the environmental and social impacts of agricultural value chains. Your Company collaborates with farmers and key, strategic suppliers to promote sustainable practices, protect ecosystems and enhance livelihoods, aligned with Nestlé Responsible Sourcing Core Requirements through targeted interventions and monitoring.

Through the **Sustainable Dairy Programme** anchored in the Nestlé Milk District Model, your Company has built a locally embedded dairy ecosystem spanning ~2,000 villages and engaging over 70,000 farmers across Moga (Punjab) and Samalkha (Haryana).

The Programme is driven by four enablers – Farm Transformation and Expansion, Manure Management, Regenerative Agriculture and Afforestation

SUSTAINABLE DAIRY PROGRAMME

- Increased productivity
- Lower emissions
- Circularity
- Enhanced farmer livelihood

1 FARM TRANSFORMATION & EXPANSION

~1,400 farms on the transformation journey

~40% contribution to fresh milk supply

Increased focus on animal health management and nutrition optimization.

Enhancing productivity, improving genetics and upgrading infrastructure through a shared financing model.

2 MANURE MANAGEMENT

6,000+ biodigesters installed

Reduced reliance on traditional fuels

~2,000 tonnes urea avoided by utilizing the slurry from biodigesters

Enhancing circularity and reducing emissions through biodigesters, avoiding urea use and meeting up to **30%** of energy needs at large farms.

3 REGENERATIVE AGRICULTURE

Minimum Tillage: Awareness and capacity building on minimum tillage in maize and wheat

Integrated Nutrient Management (INM): Reduction in Urea & DAP basis soil testing based recommendations, biodigester slurry usage and leaf colour chart (LCC)

Integrated Pest Management (IPM): Timely advisory on crop-specific pest monitoring and management

Regenerative initiatives scaled to **3,500+ acres**, to enhance soil health, water efficiency, and climate resilience via soil testing (macro/micronutrients, pH, SOC) based targeted agronomic recommendations.

4 AFFORESTATION

1 million native, climate resilient saplings planted

15,000+ farmers' premises covered

~1 million tCO_2e potential to sequester over 20 years

Enhancing biodiversity and building a climate-resilient future through a Gold Standard registered large-scale plantation project within our Dairy Value Chain, facilitated by geo-tagged monitoring and third-party reviews

This image has been generated using AI

Collectively, these interventions delivered reductions in fresh milk emissions intensity in 2025 versus 2018, increase in farmer incomes and a 10% improvement in milk productivity, strengthening long term dairy value chain resilience.

Your Company continues to strengthen responsible sourcing across key agricultural commodities, recognizing that agricultural raw materials account for a significant share of environmental footprint and livelihood dependency. Your Company's approach focuses on promoting climate smart and resource efficient farming practices, enhancing farmer livelihoods, and improving traceability and transparency across priority supply chains.

During the year, your Company advanced targeted interventions across rice, wheat, sugar, spices and milk derivatives, building on initiatives disclosed in the previous year's Annual Report and scaling them through partnerships, capacity building and digital tools.

Rice and Wheat – Climate Smart and Resource Efficient Farming

RESPONSIBLE SOURCING INITIATIVES FOR RICE AND WHEAT

Progressed across Telangana and Punjab, focusing on emissions reduction, water and fertiliser efficiency, soil health and elimination of residue burning.

- Higher productivity
- Lower emissions
- Circularity
- Enhanced farmer livelihoods

RICE - TELANGANA

~800 farmers adopted low emission practices

~35-40%	**~40%**	**20-25%**	**~5%**
lower emissions than conventional practices	reduction in water intensity per tonne	reduction in synthetic fertiliser use	improvement in yields

Supported by digital advisories and traceability tools, farmers adopted alternate wetting and drying, optimised fertiliser application and zero burn residue management.

WHEAT PUNJAB

~2,000 farmers achieved an estimated **30-40%** reduction in emissions

Water stewardship	**25-30%**	**Crop Residue Management**	**Interventions**
through irrigation optimisation	reduction in synthetic fertiliser use through bio and nano inputs	Reduction in residue burning	Included minimum tillage, biochar application, mechanised straw management and digital nutrient tracking.

Supported by digital advisories and traceability tools, farmers adopted alternate wetting and drying. optimised fertiliser application and zero burn residue management.

This image has been generated using AI

Sugarcane – Certified Low Emission Production

Your Company advanced responsible sugarcane sourcing in Karnataka and Tamil Nadu through Bonsucro certified supply chains, supported by independent third party audits.

MAGGI Spice Plan & NESCAFÉ Plan

SUSTAINABLE SOURCING. RESILIENT FARMERS. THRIVING COMMUNITIES.

Your Company's programmes driving regenerative agriculture, climate action and shared value across agricultural value chains.

MAGGI SPICE PLAN

Sustainable, traceable spice sourcing with a focus on regenerative agriculture and farmer resilience.

- **4,500+** farmers
- **128** villages
- **7** states
- **10** key spices

DRIVING BETTER FARMS

Traceability
- Farmers registered and geo mapped
- Crop practices digitally recorded
- Harvest tracked through lot level documentation.

Regenerative Agriculture
- Soil health, biodiversity, and water stewardship.
- Reduced dependency on synthetic inputs.
- Continuous improvement through data & demonstrations.

Farmer & Community Resilience
- Skills, income stability. health, and inclusion.
- Built knowledge and capacity beyond one cropping system.

STRENGTHENING COMMUNITIES

Safe drinking water | Healthcare access | Support access to education | Biodiversity enhancement | Women-led livelihoods

Improved soil health, reduced pesticide use, better post-harvest outcomes and stronger livelihoods.

NESCAFÉ PLAN

Climate resilient coffee farming for a sustainable and resilient supply chain.

- **37,000+** hectares under responsible sourcing
- **5,000** coffee farmers in India
- Tamil Nadu, Kerala & Karnataka
- **100%** sustainably sourced coffee

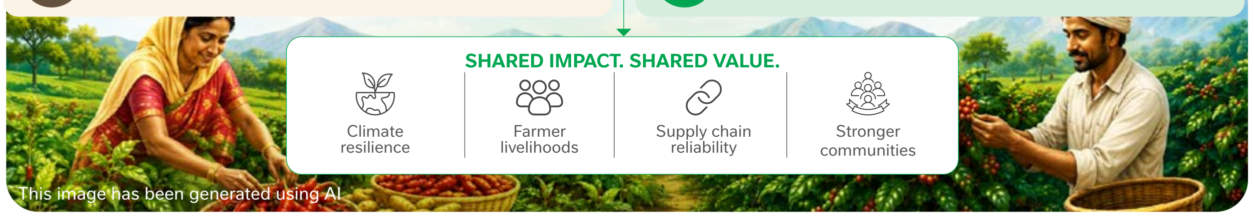
REGENERATIVE AGRICULTURE IN ACTION

Stronger soil health | Improved water Stewardship | Agroforestry for biodiversity | Training & support via Demo Farm (Kodagu) | Enhanced productivity & climate resilience

CLIMATE ACTION & IMPACT

Reduction in on-farm emissions | A network of trained agronomists | Contributing to Nestle's Net Zero Roadmap | Reduced pressure on natural resources and stronger livelihoods

Building a sustainable, resilient coffee supply chain for farmers, communities and the planet.



SHARED IMPACT. SHARED VALUE.

Climate resilience | Farmer livelihoods | Supply chain reliability | Stronger communities

This image has been generated using AI

Milk Derivatives – Value Chain Emissions Assessment and Reduction

Apart from fresh milk sourcing, your Company undertook focused initiatives on the milk derivatives value chain across Maharashtra, Uttar Pradesh and Rajasthan, covering key, strategic suppliers and farms linked to dairy derivative processing. Advancements in cattle genetics, feed quality, animal health management, manure handling practices and logistics efficiency contributed to improved emissions. Insights from this assessment are being used to strengthen data which would support emissions reduction planning across your Company's dairy derivative value chain.

5

Sustainable Packaging and Circularity

Your Company remains committed to collecting and processing plastic waste as per Plastic Waste Management Regulations (PWMR) and accelerating the transition towards a circular economy across its packaging value chain. During the period under review, focused efforts were directed towards redesigning packaging to reduce dependency on virgin plastic, increasing the use of recycled content where feasible and strengthening waste recovery systems through the Extended Producer Responsibility (EPR) mechanism.

Packaging optimisation initiatives were complemented by consumer awareness programmes aimed at promoting responsible disposal and recycling behaviours.

6

Sustainable Manufacturing, Water Stewardship and Logistics

Reducing the operational footprint remains a priority through energy-efficient manufacturing, water stewardship and low-emission logistics. Energy optimisation initiatives, including waste heat recovery and process improvements, delivered over 40,000 Giga Joules (GJ) of annualised energy savings, while fuel transitions and the use of biomass avoided approximately 1,200 tonnes of CO_2 emissions annually.

Water stewardship initiatives resulted in savings of over 135,000 m^3 of water through reuse, recycling and advanced treatment systems. Seven factories operated under Zero Liquid Discharge, with stringent conservation measures at all locations.

Logistics decarbonisation progressed through the adoption of LNG, CNG, Bio-CNG and rail, accounted for up to 5% of total movement. By year-end, over 90% of the fleet was BS-VI compliant, while higher-capacity vehicles, solar-powered distribution centres and route optimisation supporting long-term emissions reduction.

Awards and Recognitions

Nestlé India won the Effie for **Client of the Year** a first in its history.

Nestlé India was recognized at International Purple Fest, Goa 2025 for Disability Inclusion

Nestlé India was conferred the **Gender Equality Champion Award** at the Bombay Chamber DEI Forum and Awards 2025

Nestlé India was **recognized for its societal efforts in Uttarakhand** by Government of Uttarakhand

Nestlé India won Triple Honours at Unstop Talent Awards – Your Company was ranked second most desirable company in the FMCG and FMCD categories, in top 25 across all industries and in top 10 in campus engagement.

Nestlé India was honoured as **Valued Taxpayer** by GST Authorities

Nestlé India was awarded **2nd position for Excellence in Cost Management** at the 19th National Awards organised by Institute of Cost Accountants of India

Nestlé India was **recognised as Bronze Employer** at India Workplace Equality Index for 2025

Nestlé India won **first place in FICCI Sustainable Agriculture Award** 2025 for 'Farm level sustainability initiatives while sourcing'

Nestlé India was recognised for **Excellence in CSR** by BeVokal in collaboration with the Ministry of Micro, Small and Medium Enterprises (MSME) and National Thermal Power Corporation (NTPC)

Ponda factory won first prize in **Gomant Suraksha Puraskar Safety Award 2025 for achieving Excellent Performance in Safety organized by "Green Triangle Society" under aegis of "Inspectorate of factories and boilers", Goa government Nestlé India won first place in FICCI Sustainable Agriculture Award 2025 for 'Farm level sustainability initiatives while sourcing'**

Brand Recognition

MAGGI's "Why Save the Best for the Last?" campaign **won the Grand Effie at Effie India 2025**

KITKAT's iconic 'Break Pe Sirf Break' Campaign **won a Gold Effie**. NESCAFÉ® Classic, also secured a **Gold and NESCAFÉ Sunrise was rewarded with a silver Effie**

Economic Times Nutrition & Wellness Awards 2025 saw 2 Wins – Nestlé CERELAC® and CEREGROW® won the Maternal & Child Nutrition Product of the Year and Nestlé CEREGROW's Tiny Tummy Tales campaign won the Influencer outreach campaign of the year

CEREGROW's Farm to Bowl Journey won **Best FMCG Content Marketing Campaign, Best Video Content and Best Vlog Series at the Exchange4Media Indian Content Marketing Awards 2025**

Nestlé CEREGROW's Pujo Promise campaign won Best Content Marketing Campaign – East, Topical Content Campaign of the Year, Best Use of Regional Language Content at the Exchange4Media Indian Content Marketing Awards 2025.

Nestlé KITKAT® won **India's Most Desired Chocolate Bar Brand for 4th Year in a row in TRA's** Brand Trust Report

Nestlé India emerged victorious with **5 Media Metals at ET Digiplus Awards.**

The NANGROW® Dhunuchi Junior Campaign won **2 Bronze at the Economic Times Awards** for Design & Creativity for Best Cultural Design and Best Emotionally Resonant Design

Individual Excellence

Varun Gupta, Head, Supply Chain, was recognised as a **Champion of Supply Chain at the ET Edge Supply Chain Management Fest 2025**

Svetlana Boldina was adjudged the **Best CFO** by Business World in the Large Enterprise category

Reema Vaigankar from Bicholim safety team and Suyash Tanawade from Ponda safety team received "Best Safety Professional in Goa" awards Green Triangle Society" under aegis of "Inspectorate of factories and boilers

Chirag Punyani, Head, Taxes and Arshdeep Kaur, Finance Controller – Infant Nutrition & HCN won the **prestigious Business World Finance 40 Under 40 Award 2025**

Vagisha Sharma, Sahil Bhatla and Swati Singh from the Liquid and Powdered Beverages team, Sumiran Bhatia from the Nutrition team and Gino Dcruz from the Confectionery team were recognised in the 2025 Pitch Marketing 30 Under 30 Awards by exchange4media

Satyam Divyesh from the CSR team was recognised as an **Emerging CSR Leader' by BeVokal.**

Aditya Birla Group, in association with People Konnect, organised two editions of a national summit to honour women who have broken barriers and demonstrated exceptional excellence in Sales and Manufacturing. Stanzin Yountan, won the **Rising Star Award**. Latika Sharma won the **Emerging Leader Award** and Suravi Chakraborty won the **Women in Sales Rising Star Award**.

Corporate Information

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Manish Tiwary (DIN: 02572830)	-	Chairman and Managing Director
PR Ramesh (DIN: 01915274)	-	Independent Non - Executive Director
Anjali Bansal (DIN: 00207746)	-	Independent Non - Executive Director
Alpana Parida (DIN: 06796621)	-	Independent Non - Executive Director
Satish Srinivasan (DIN: 10173407)	-	Executive Director - Technical
Edouard Mac Nab (DIN: 11511070)	-	Executive Director - Finance & Control and CFO
Suneeta Reddy (DIN: 00001873)	-	Independent Non - Executive Director
Sidharth Kumar Birla (DIN: 00004213)	-	Independent Non - Executive Director
Mandeep Singh Chhatwal (DIN: 11387157)	-	Non-Executive Director
Pramod Kumar Rai (PAN: ABVPR5131P)	-	Company Secretary and Compliance Officer

BOARD COMMITTEES:

AUDIT COMMITTEE

PR Ramesh	-	Chairman
Anjali Bansal	-	Member
Alpana Parida	-	Member
Sidharth Kumar Birla	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Alpana Parida	-	Chairperson
Manish Tiwary	-	Member
Sidharth Kumar Birla	-	Member
Edouard Mac Nab	-	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Suneeta Reddy	-	Chairperson
Manish Tiwary	-	Member
Anjali Bansal	-	Member
Edouard Mac Nab	-	Member

NOMINATION AND REMUNERATION COMMITTEE

Anjali Bansal	-	Chairperson
PR Ramesh	-	Member
Alpana Parida	-	Member
Sidharth Kumar Birla	-	Member

RISK MANAGEMENT AND SUSTAINABILITY INITIATIVES COMMITTEE

Sidharth Kumar Birla	-	Chairman
Manish Tiwary	-	Member
PR Ramesh	-	Member
Anjali Bansal	-	Member
Suneeta Reddy	-	Member

STATUTORY AUDITORS

S.R. Batliboi & Co. LLP, Chartered Accountants, (FRN: 301003E/E300005) 67, Institutional Area, Sector 44, Gurugram - 122003, Haryana, India

SECRETARIAL AUDITORS

S. N. Ananthasubramanian & Co., Company Secretaries, (ICSI Unique Code: P1991MH040400) 10/25-26, 2nd Floor, Brindaban, Thane (W) – 400601, Maharashtra, India

COST AUDITORS

Ramanath Iyer and Co., Cost Accountants (FRN: 000019)
808, Pearls Business Park, Netaji Subhash Place, Pitampura,
New Delhi - 110034, Delhi, India

BANKERS

Axis Bank Limited, Bank of America, Citibank N.A. Deutsche Bank AG, HDFC Bank Limited, HSBC Limited, ICICI Bank Limited, State Bank of India, Standard Chartered Bank, BNP Paribas, Australia and New Zealand Banking Group Limited, Development Bank of Singapore, Mitsubishi UFJ Financial Group, JP Morgan Chase Bank

WEBSITE

www.nestle.in

INVESTOR EMAIL ID

investor@in.nestle.com

Corporate Information updated up to 21st April, 2026

MANAGEMENT COMMITTEE

Manish Tiwary	-	Chairman and Managing Director
Satish Srinivasan	-	Technical
Edouard Mac Nab	-	Finance & Control and CFO
Dhwani Rao	-	Legal
Gopichandar Jagatheesan	-	Confectionery & Cereals
Himmat Singh	-	Corporate Affairs, Sustainability and CSR
Nitu Bhushan	-	Human Resources
Prateek Tripathi	-	IS/IT and Nestlé Business Excellence
Pallavi Anand	-	Pet Food
Rupali Rattan	-	Foods
Saurabh Makhija	-	Nestlé Professional
Sunayan Mitra	-	Coffee & Beverages
Sushrut Nallulwar	-	Sales
Varun Gupta	-	Supply Chain and Exports & Imports
Varun Sethuraman	-	Marketing Communication
Vineet Singh	-	Milk Products and Nutrition

CORPORATE IDENTITY NUMBER

L15202DL1959PLC003786

REGISTERED OFFICE

- 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110001

HEAD OFFICE AND NORTHERN SALES BRANCH

- "Nestlé House" Jacaranda Marg, 'M' Block, DLF City, Phase II, Gurugram - 122002 (Haryana)

SOUTHERN SALES BRANCH

- KRM Plaza, 1st Floor, North Tower No. 2, Harrington Road, Chetpet, Chennai – 600031 (Tamil Nadu)

EASTERN SALES BRANCH

- Tower A, 9th Floor, 08, Major Arterial Road, New Town, Rajarhat, Kolkata - 700156 (West Bengal)

WESTERN SALES BRANCH

- 1st Floor, ICC Chambers, Near Saki Vihar Telephone Exchange, Saki Vihar Road, Powai, Mumbai - 400072 (Maharashtra)

FACTORIES

- Village Maulinguem (North), Bicholim Taluka - 403504 (Goa)
- Plot No. 294, 297, Usgao Industrial Area, Ponda - 403406 (Goa)
- Unit I & II - Patti Kalyana, Kiwana Road, Samalkha - 132101 Dist. Panipat (Haryana)
- Industrial Area, Village Nangal Kalan, Tehsil Haroli, Tahliwal, Dist. Una – 174507 (Himachal Pradesh)
- Industrial Area, Nanjangud - 571301 Dist. Mysore (Karnataka)
- Ludhiana-Ferozepur Road, Near Kingwah Canal, Moga - 142001 (Punjab)
- P.O. Cherambadi - 643205 Dist. Nilgiris (Tamil Nadu)
- Plot No. – 1A, Sector No. 1, Integrated Industrial Estate, SIDCUL, Pantnagar- 263145, Dist. Udhamsingh Nagar (Uttarakhand)
- Plot No. SM - 38, Sanand II, GIDC Industrial Estate, Siyawada Chokadi, Near GIDC Office, Tal: Sanand– 382170, Dist. Ahmedabad, (Gujarat)

LISTING OF EQUITY SHARES (Listing Fees paid)

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 (Scrip Code: 500790)

National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 (NSE Symbol: NESTLEIND)

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT

Alankit Assignments Limited
4E/2, Jhandewalan Extension, New Delhi - 110055
Tel No : 011-42541234, 23541234

67TH ANNUAL GENERAL MEETING

Friday, 3rd July 2026 at 10.30 A.M. (IST) AGM through Video Conferencing/ Other Audio-Visual Means (VC/OAVM) facility [Deemed Venue for meeting: Registered Office: 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110001]

FINANCIAL YEAR

1st April to 31st March

FINANCIAL YEAR UNDER REVIEW

Financial year ended 31st March 2026

Board's Report

Dear Members,

Your Directors are pleased to present their report and the Company's audited financial statements for the financial year ended 31st March 2026.

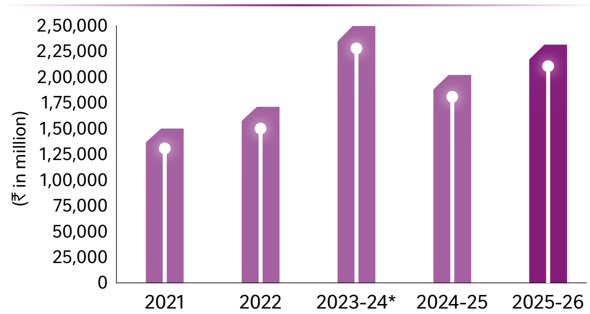
Highlights of the Financial Performance and State of the Company's Affairs

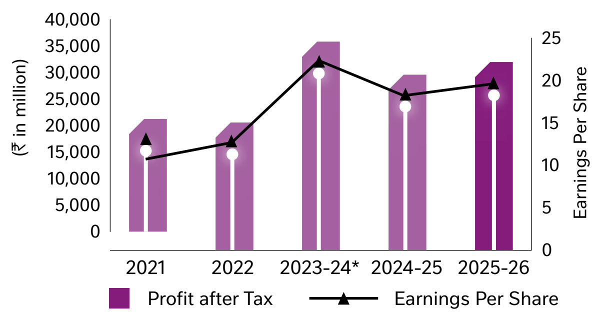
(₹ in million)

Particulars	Financial year ended 31st March 2026	Financial year ended 31st March 2025
Sale of Products	230,714.6	200,775.0
Add : Other Operating Revenue	831.4	1,240.6
Add : Other Income	403.5	629.9
Total Income	**231,949.5**	**202,645.5**
Less : Total Expense	187,060.8	161,079.0
Profit before Exceptional Items and Tax	**44,888.7**	**41,566.5**
Exceptional Items [Charge/ (Credit)]	(1,207.8)	(2,908.2)
Profit before Tax	**46,096.5**	**44,474.7**
Tax Expense	10,650.5	11,329.7
Profit after Tax	**35,446.0**	**33,145.0**
Add : Other Comprehensive Income	(385.2)	(796.4)
Total Comprehensive Income	**35,060.8**	**32,348.6**
Opening Balance in Retained Earnings	40,089.5	32,336.2
Amount available for Appropriation	75,174.7	64,675.5
Interim Dividends paid during		
2025-26: ₹7.00 per share (Face Value ₹1.00)	13,498.2	-
2024-25: ₹17.00 per share (Face Value ₹1.00)	-	16,390.7
Final Dividend paid for		
2024-25: ₹10.00 per share (Face Value ₹1.00)	9,641.6	-
2023-24: ₹8.50 per share (Face Value ₹1.00)	-	8,195.3
Bonus Equity Shares issued and allotted during 2025-26	964.2	-
Closing balance in Retained Earnings	**51,070.7**	**40,089.5**
Key Ratios:		
Earnings per Share* (₹)	18.38	17.19
Dividend per Share (₹) (Face Value ₹1.00)		
Interim Dividend	7.0	17.0
Final Dividend (Proposed/ paid)	5.0	10.0
Additional Information:		
Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA)	53,060.6	47,695.8

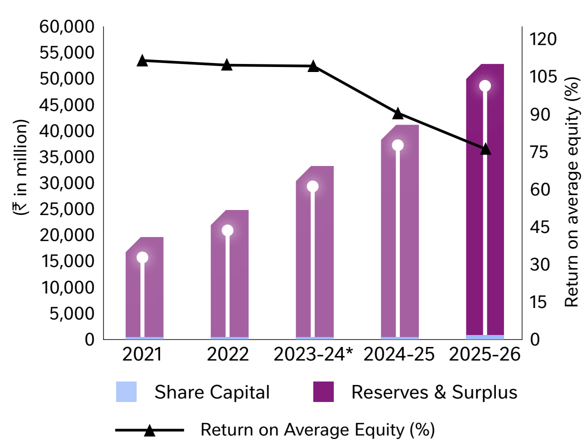
* In accordance with the 'Ind AS 33 - Earnings Per Share; the figures of Earnings Per Share for previous periods presented have been restated to give effect to the allotment of the bonus equity shares.

Note: The figures stated above are as per the standalone financial statements.





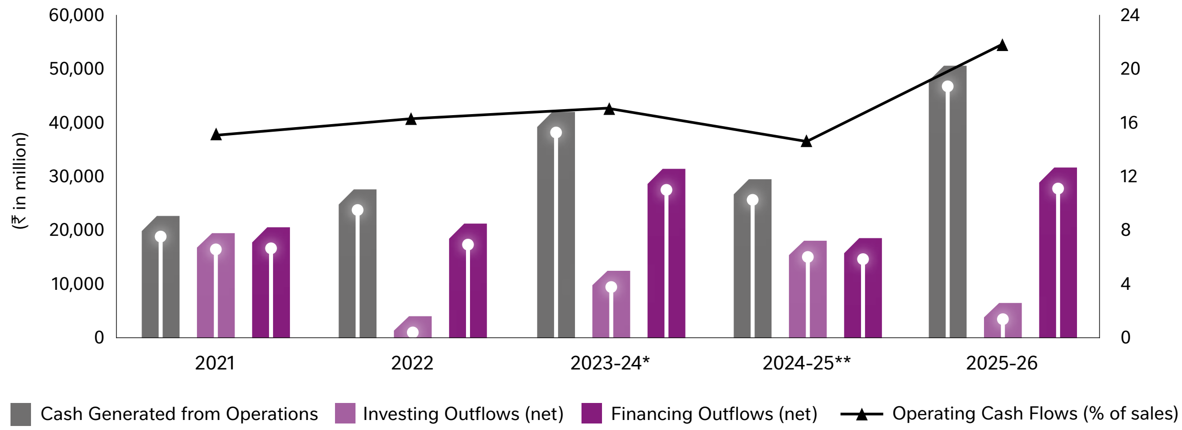
The earnings per share for the prior periods have been restated (refer Note 16 of financial statement on equity share capital)



* Financial year 2023-24 comprised 15 months period from 1st January 2023 to 31st March 2024, hence the figures are not comparable. However, previous year 2023-24 ratios have been annualised to make it comparable.

Share Capital - refer Note 16 of financial statement on equity share capital.

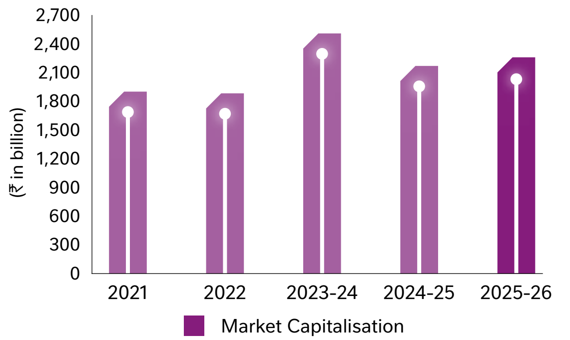
SOURCES AND UTILISATION OF CASH



** Investing outflows include an investment in Associates of ₹7,056 million.

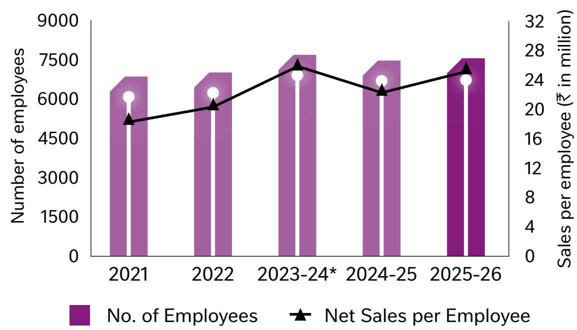
** Financing outflows are reduced by short term working capital borrowings of ₹7,257 million.

MARKET CAPITALISATION



Market Capitalisation is based on year end closing share price quoted on the National Stock Exchange of India Limited.

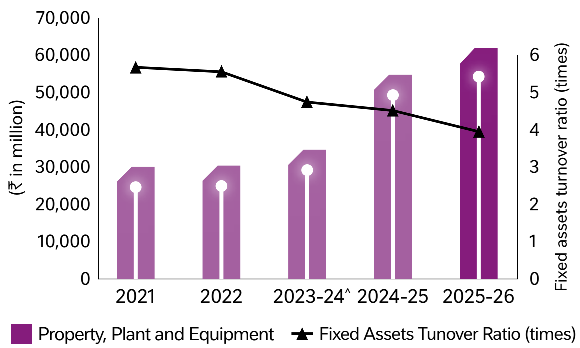
EMPLOYEE BASE



Note 2: The figures stated above are as per standalone financial statements.

*Financial year 2023-24 comprised 15 months period from 1st January 2023 to 31st March 2024 hence, the figures are not comparable.

PROPERTY, PLANT AND EQUIPMENT



Property, Plant and Equipment includes Owned and Right of Use Assets.

^Financial year 2023-24 comprised 15 months period from 1st January 2023 to 31st March 2024 hence, the figures are not comparable. However, the property, plant and equipment turns (times) have been annualised to make it comparable.

Dividends

The Board of Directors (the "Board") of your Company have recommended a final dividend of ₹5/- per equity share of face value of ₹1/- each, amounting to ₹9,641.6 million for the financial year ended 31st March 2026 for approval of the members at the ensuing 67th Annual General Meeting ("AGM") of your Company. During the financial year ended 31st March 2026, an interim dividend of ₹7/- per equity share of face value of ₹1/- each, was paid on and from 26th February 2026. The total dividend for the financial year, including the proposed final dividend, amounts to ₹12/- per equity share, leading to a total dividend payout of ₹23,139.8 million for the financial year.

The interim dividend paid during the financial year ended 31st March 2026 and the final dividend recommended for the financial year ended 31st March 2026 is in accordance with the Dividend Distribution Policy of your Company. The said Policy is available on the website of your Company at https://www.nestle.in/investors/policies.

Amount transferred to Reserves

The Board of your Company do not propose to transfer any amount to the reserves.

Contribution to the Exchequer

Your Company over the years has been enabling significant contribution to various taxes.

During the financial year ended 31st March 2026, your Company through its businesses, enabled tax collections at Central and State level close to ₹47 billion, in aggregate.

Subsidiary, Joint Venture and Associate companies

As on 31st March 2026, your Company did not have any subsidiary company. The Board of your Company at its meeting held on 25th April 2024, executed a definitive Joint Venture Agreement ("JV Agreement") to establish a joint venture called "Dr. Reddy's and Nestlé Health Science Limited" (formerly Dr. Reddy's Nutraceuticals Limited) ["JV Company"] between the Company and Dr. Reddy's Laboratories Limited ("DRL") to bring together the well-known global range of nutritional health solutions as well as vitamins, minerals and health supplements of Nestlé Health Science and the nutraceutical portfolio, strong and established commercial strengths of DRL. This collaboration sought to enable both the partners to expand their complementary nutraceutical portfolio across key categories such as metabolic health, hospital nutrition, healthy ageing, general wellness, women's health, and child nutrition, serving consumers across India and Nepal.

The Company has obtained a certificate from the Statutory Auditors certifying that the Company is in compliance with the FEMA Regulations with respect to the downstream investment made in the JV Company.

The consolidated financial statements presented in this annual report include financial results of the associate/joint venture companies. A separate statement providing details of performance and salient features of the financial statements of subsidiary, associate, joint venture companies, as per Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014 and its contribution to the overall performance of the Company is provided under Note no. 48 of the consolidated financial statements and Annexure to the consolidated financial statements on page no. 193, and therefore not repeated in this Report to avoid duplication.

Share Capital

As approved by the members at the Extraordinary General Meeting of the Company held on 24th July 2025, the Authorised Share Capital of the Company was increased from ₹1,000,000,000/- (Rupees one hundred crore only) divided into 1,000,000,000 (one hundred crore) equity shares of face value of ₹1/- (Rupee one only) each to ₹2,000,000,000/- (Rupees two hundred crore only) divided into 2,000,000,000 (two hundred crore) equity shares of face value of ₹1/- (Rupee one only) each and consequently, Clause V of the Memorandum of Association of the Company stands altered.

Effective 11th August, 2025, the issued, subscribed and paid-up equity share capital of the Company stands increased from ₹964,157,160/- (Rupees ninety six crore forty one lakh fifty seven thousand one hundred and sixty only) divided into 964,157,160 equity shares of face value of ₹1/- (Rupee one only) each to ₹1,928,314,320/- (Rupees one hundred and ninety two crore eighty three lakh fourteen thousand three hundred and twenty only) divided into 1,928,314,320 (One hundred and ninety two crore eighty three lakh fourteen thousand three hundred and twenty) equity shares of face value of ₹1/- (Rupee one only) each, following the allotment of 964,157,160 equity shares of face value of ₹1/- (Rupee one only) each as fully paid-up bonus equity shares, in the ratio of 1:1, i.e., one (1) fully paid-up equity share of face value of ₹1/- (Rupee one only) each for every one (1) existing fully paid-up equity share of face value of ₹1/- (Rupee one only) each, to those eligible members of the Company whose name appeared in the Register of Members/ Beneficial Owners as on the Record Date i.e., 8th August 2025.

These bonus equity shares were issued by capitalising ₹964.2 million from retained earnings of the Company, out of the ₹8,374.3 million that was reclassified from the General Reserve and credited to the Retained Earnings during the financial year ended 31st March 2024, in accordance with the Scheme of Arrangement ("Scheme") sanctioned by National Company Law Tribunal, Delhi Bench ("Hon'ble NCLT"), vide its order dated 15th September 2023 and which became effective from 19th October 2023 ("the NCLT Order"). In terms of the Scheme, the aforesaid amount reclassified to Retained Earnings represents accumulated profits of the Company and is available for distribution to the members, from time to time, at the discretion of the Board of Directors, in such manner, quantum and at such time as the Board may decide, subject to applicable regulatory, fiscal and other relevant considerations, including payment of applicable taxes. A copy of the NCLT Order and the Scheme is available on the website of the Company at https://www.nestle.in/sites/g/files/pydnoa451/files/2023-09/Final%20Intimation%20NCLT%20ORDER%2015.09.2023%20Scheme%20of%20Arrangement%20signed.pdf.

Material changes and Commitments

There have been no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year ended 31st March 2026 to which the financial statements relate and the date of this report.

There has been no change in the nature of business of your Company.

Exports

During the financial year ended 31st March 2026, your Company expanded exports business to new markets, including the Maldives and Papua New Guinea, taking the export footprint to 28 countries through 127 million equivalent consumer units. NESCAFÉ Sunrise was introduced in the UAE, Saudi Arabia, Singapore and New Zealand, and NESCAFÉ Bulk exports commenced to the UAE for use in 3-in-1 offerings for sale in GCC member countries. MAGGI Masala-Ae-Magic seasoning mix was expanded in the UK, US and UAE; the KITKAT range was launched in Singapore; and Milkmaid Doypack was introduced in Sri Lanka.

Business Development

During the financial year ended 31st March 2026, your Company remained focused on the fundamentals and executed with resilience, delivering 14.9% sales growth alongside strong market share gains.

Your Company's power brands have strengthened their positions. MAGGI Noodles consistently maintained market leadership, while KITKAT and NESCAFÉ accelerated market share gains.

Product Group Performance

Confectionery recorded high double-digit growth in both value and volume, underpinned by strong underlying transaction growth across powerhouse brands. Momentum was supported by increased distribution, enhanced freshness through the visicoolers programme and a sustained innovation pipeline. Key launches and portfolio actions included KITKAT Pops; MILKYBAR Butterscotch tablets; MUNCH MAX Crunchies; and further premiumisation of the KITKAT portfolio with Salted Caramel and Hazelnut.

Powdered and Liquid Beverages delivered another year of high double-digit growth, driven by increased coffee penetration, accelerated premiumisation and deeper category relevance across consumer segments, supported by strong brand equity and an expanded footprint. Performance was anchored by sustained double-digit growth in the coffee portfolio, supported by a clear strategy focused on penetration and premiumisation across both ends of the spectrum. The Ready-to-Drink ("RTD") journey accelerated with innovative Vietnamese Latte and Iced Cappuccino variants, reinforcing RTD as a key pillar of future growth. NESPRESSO continued its growth trajectory with the opening of its second boutique in India (Gurugram), which has resonated well with coffee connoisseurs.

Prepared Dishes and Cooking Aids delivered strong, volume-driven growth, supported by engagement with urban consumers and expanded rural reach, resulting in gains in market share and penetration. Focused innovations (including 'Double Masala' and the expanded 'Spicy Range') and increased media investments behind core brands helped sustain and accelerate growth momentum. Pet food, which is part of the Prepared Dishes and Cooking Aids, reported high double-digit growth, driven by a strong innovation pipeline to expand penetration and trials, wider distribution and a sharper focus on building deeper bonds between pets and pet parents.

Milk Products and Nutrition demonstrated resilience, delivering steady growth. Your Company expanded portfolio accessibility and value by introducing new and larger pack sizes to meet evolving consumer needs. Everyday Dairy Whitener continued to strengthen the portfolio, with strong reach in South and East India. The science-led Infant Nutrition proposition was advanced with NAN ExcellaPro (5 HMOs + probiotics); the CERELAC No Refined Sugar range was expanded; and the toddler portfolio was strengthened through differentiated, multi-channel communication.

During the financial year ended 31st March 2026, your Company strengthened its business development agenda by widening the growth funnel across channels, geographies and adjacencies. This was delivered through sharper customer acquisition and activation, targeted expansion in high-potential outlets, and deeper engagement with key customers and ecosystem partners—while staying anchored to consumer-led innovation and disciplined execution.

All major channels recorded strong double-digit growth, supported by improved execution, partner collaboration and technology-enabled replenishment.

Nestlé Professional (Out-of-Home) delivered sustained, penetration-led, volume-driven growth, reinforcing its position as one of your Company's fastest-growing businesses. India remained the largest market for Nestlé's Out-of-Home business in the Asia, Oceania and Africa zone (excluding China). Growth was supported by strong customer acquisition, innovation and premiumisation, including the expansion of the beverage portfolio with NESCAFÉ Duo Gusto (hot and cold offerings) and the introduction of low and zero-sugar beverage options.

Recipe-led innovations included MAGGI Coconut Milk powder expansion into coastal cuisines and emerging café and bakery applications for MILKMAID.

Your Company continued to execute an omni-channel strategy aligned to the evolving retail ecosystem, scaling e-commerce and quick commerce, strengthening modern trade and chain pharmacy, and sustaining growth through general trade across semi-urban and rural markets.

Priorities remained focused on improving in-stock availability, reducing lead times and enhancing execution consistency through sharper channel-wise assortment and pack roles, closer partner collaboration and technology-enabled replenishment.

Growth momentum continued, led by strong Quick Commerce performance-driven by improved availability, a curated platform-specific pack portfolio across relevant categories, targeted on and off-platform media interventions, and strong festive participation throughout the year.

Organized Trade delivered double-digit growth across key categories, led by impactful in-store activations, improved visibility and continued store expansion.

Rural Expansion and Execution

In rural markets, your Company strengthened its route-to-market and accelerated reach expansion through a focused approach anchored on infrastructure, product portfolio, technology, visibility, consumer communication and people. This integrated approach delivered a strong scale-up in reach across geographies supporting the highest reach increase among industry peers, driven primarily by rural markets expanding presence to ~216,000 villages and sharpening the focus from adding outlets to improving coverage effectiveness and execution quality.

Nutrition, Health and Wellness

Innovation and renovation are integral to Nestlé's Nutrition, Health and Wellness (NHW) strategy. Your Company continues to make steady progress in reducing salt, added sugar and fat content across its portfolio. Your Company believes that all foods can have a role in a balanced diet, alongside vegetables, fruits, dairy, pulses and whole grains.

Your Company continues to strengthen the nutritional profile of its product portfolio by leveraging its deep expertise in nutrition, science and product development.

Nestlé S.A. through its R&D capabilities plays a critical role in this innovation and renovation agenda, enabling science-led reformulation, new product development and continuous improvement of nutritional profiles while safeguarding taste, quality and safety standards and offering more options to its consumers that are contemporary, nutritious and in line with local taste and preferences.

Your Company provides clear nutrition information and guidance to consumers through platforms such as AskNestlé, promoting balanced and informed consumption. AskNestlé was launched in 2019 and since then over 92 million visits have been recorded on the website for nutritional information, over 717,000 meal plans have been generated and over 10.7 million access sessions to expert articles have been made.

Furthermore, your Company voluntarily includes on its front of pack Guideline Daily Amount (GDA) labelling that provides consumers transparent nutrition information in the context of a reference portion for energy and other key defined nutrients in relation to their daily needs.

People

At the heart of delivering these priorities are our people creating an environment where they are empowered to act fast, stay focused and remain flexible, and where bolder, bigger and better innovations can thrive. Your Company is strengthening capabilities to leverage technology, shift people's time to higher-value work and deliver greater impact. Our people remain central to the business, bringing creativity and judgment to serve consumers and customers.

Societal Initiatives and Creating Shared Value

True to its commitment to making a meaningful impact, your Company continued to advance societal initiatives strengthening rural development, education and livelihood enhancement, scaling feeding programmes, and improving water and sanitation.

Guided by its purpose, your Company continued to create shared value by serving consumers responsibly. Across Nestlé India, teams advanced the Good for Planet roadmap through robust governance and rigorous execution advancing responsible sourcing, accelerating packaging improvements, strengthening water stewardship, and progressing resource-efficient factories.

Commodity Outlook

Coffee prices continue to trend lower, supported by a favourable crop in Vietnam and the forthcoming crop in Brazil. Cocoa prices remain subdued, reflecting improved supply and moderated demand. Sugar prices remain stable. Edible oil prices are firm and have moved higher in line with global crude oil prices, supported by increased diversion to biodiesel. Wheat has been affected by unseasonal rains in April, resulting in a delayed harvest and lower quantity and quality. Milk prices have firmed and are expected to remain elevated through the summer lean season.

Goods and Services Tax (GST)

The amendments in the rates announced by the Government of India was a positive step for consumers. It stimulated consumption, drove affordability and contribute to the overall growth of the FMCG sector and the economy. Your Company worked closely with its partners, distributors, wholesalers, and retailers, to pass on the benefits of the revised GST rates across product groups to consumers. This helped contain some of the commodity inflationary impacts from consumer pricing perspective. Your Company has managed the transition efficiently and are currently well placed.

Management Analysis

Global Economy

During the financial year ended 31st March 2026, the global economy was resilient but uneven—an important backdrop for FMCG demand, input costs, and execution across modern and general trade. Services-led growth alongside a softer goods cycle translated into mixed category momentum, with value-seeking behaviour and smaller pack sizes more evident where real incomes were under pressure. The IMF World Economic Outlook (October 2025) projected global growth moderating from 3.2% (2025) to 3.1% (2026); the WEO Update (January 2026) revised the outlook slightly higher to 3.3% (2026) and 3.2% (2027), consistent with continued but uneven disinflation. For FMCG, this typically supports relative volume resilience in essential categories, while keeping discretionary and premium segments more sensitive to price architecture, promotions, and channel mix. Cost conditions remained two-speed: easing headline inflation helped in some markets, but energy and food volatility and periodic shipping and freight disruption continued to create episodic pressure on commodities, packaging, and logistics costs. McKinsey's Economic conditions outlook (March 2026) highlighted a sharp increase in perceived geopolitical risk (72% vs 51% in December 2025) and the re-emergence of energy prices among top risks, raising the probability of sudden moves in resin, fuel, and freight costs and sharpening price-versus-margin trade-offs.

Indian Economic Overview

The financial year ended 31st March 2026 witnessed steady economic expansion and improving real income conditions. As referenced in the *Economic Survey 2025–26* (citing the First Advance Estimates), real GDP growth is placed at ~7.4%, while private consumption's share in GDP rose to 61.5% (highest since 2011–12).

Growth conditions reflected a mix of supportive domestic demand, continued public capex, and resilient services activity, with near-term momentum influenced by food prices and monsoon outcomes. Private consumption remained a key driver, while investment activity and government spending continued to shape aggregate demand. External conditions (global growth, commodity prices and trade flows) remained an important source of both upside and downside risk.

Inflation moderated during the year, supporting household purchasing power. *The Economic Survey 2025–26* notes average retail inflation (CPI) of about 1.7% during April–December 2025; however, food inflation remained the key source of near-term volatility. Rural conditions and agriculture remained macro-relevant given their linkages to food inflation, rural incomes and consumption. Policy support to agriculture and allied activities continued through income transfers (PM-KISAN), wider institutional credit and crop insurance (PMFBY), alongside investments in irrigation, rural roads, storage and agri-logistics. Procurement/ MSP operations helped anchor price expectations for key crops. For the broader economy, the key watch-outs are monsoon and crop outcomes, food inflation pass-through, and the resulting effects on rural demand and inflation dynamics.

Public capital expenditure and ongoing infrastructure build-out continued to support medium-term growth prospects. Improvements in roads, logistics and connectivity can reduce freight and inventory costs, raise productivity and improve market integration across regions. Over time, these effects can help crowd in private investment, deepen supply chains, and strengthen the economy's capacity to absorb demand without generating sustained inflationary pressures.

Digital adoption continued to reshape economic activity. Wider use of UPI and deeper connectivity supported payments efficiency, greater financial inclusion and continued formalisation, while enabling faster adoption of digital commerce and data-driven supply chains across sectors.

The policy focus on ease of doing business continued. Budget 2025–26 announced an Investment Friendliness Index of States to encourage state-level improvements in the business environment.

Key watch-outs for the financial year 2025-26 include monsoon and food-price dynamics (and their inflation pass-through), global growth and commodity-price volatility, the pace of private investment and credit conditions, and the consistency of fiscal-capex execution.

Indian FMCG and Food & Beverages Sector

The Indian FMCG and food & beverages sector operated in a more balanced demand environment during the financial year ended 31st March 2026, compared to the preceding period of elevated inflation. Growth was supported by gradual recovery in real incomes, resilient demand in staple and everyday consumption categories, and continued consumer preference for health, hygiene, convenience and value-led offerings. Demand trends remained mixed across cohorts, with premiumisation in select urban segments coexisting with value-seeking behaviour in more price-sensitive markets, reinforcing the importance of appropriate price-pack architecture and portfolio discipline.

General trade remained the largest channel, while modern trade, e-commerce and quick commerce continued to gain relevance, particularly in urban markets. At the same time, the food processing ecosystem continued to benefit from improving infrastructure, formalisation and policy support, supporting the medium-term growth opportunity for branded and value-added food categories. Input-cost conditions remained mixed, with moderation in headline inflation partly offset by volatility in food commodities and energy-linked inputs. The sector also remained sensitive to agricultural output, climate and monsoon variability, logistics efficiency, and evolving food safety and compliance requirements.

Food Processing Sector

India's food processing sector remained an important part of the broader consumption, agriculture and manufacturing landscape during the financial year 2025–26. The sector continued to benefit from India's large agricultural base, rising urbanisation, growing demand for convenience and value-added foods, and increasing consumer preference for branded and packaged products. Structural drivers such as formalisation, improving cold-chain and logistics infrastructure, and rising focus on food quality and safety continued to support the long-term opportunity across categories.

Government initiatives aimed at strengthening processing infrastructure, cold chain, formalisation and manufacturing capability continued to support the sector. Export opportunities, investment activity and growing consumer demand for safer, higher-quality and more convenient food offerings reinforced the medium-term opportunity. At the same time, the sector remained sensitive to agricultural output, commodity-price movements, climate and monsoon variability, logistics efficiency, and evolving food safety, labelling and compliance requirements.

Directors Responsibility Statement

The Directors state that:

a) in the preparation of the annual accounts for the financial year ended 31st March 2026, the applicable accounting standards have been followed and no material departures have been made from the same;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March 2026 and of the profits of your Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors and Key Managerial Personnel

Pursuant to the intimation received from Nestlé S.A. and in accordance with Article 106 and 118A of the Articles of Association of your Company, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("NRC"), at its meeting held on 17th October 2024, recommended to the members the appointment of Mr. Manish Tiwary (DIN: 02572830) as a Non-Retiring Director and Managing Director ('Key Managerial Personnel') of the Company for a term of five consecutive years, effective from 1st August 2025 up to 31st July 2030. The members of the Company approved the said appointment by way of an ordinary resolution passed at the 66th Annual General Meeting held on 26th June 2025. As part of the transition plan approved by the Board, Mr. Manish Tiwary joined the Company on 1st February 2025 as a Managing Director (Designate) and was appointed as a Key Managerial Personnel of the Company with effect from 24th April 2025. He assumed responsibilities as Managing Director effective from 1st August 2025. Further, the Board of Directors, at its meeting held on 24th July 2025, appointed Mr. Manish Tiwary as the Chairman of Board of the Company with effect from 1st August 2025. Mr. Manish Tiwary fulfils the criteria prescribed under the Nomination and Remuneration Policy of the Company, including in respect of qualifications, experience, expertise, proficiency and integrity.

The Board of Directors, based on the recommendation of the NRC, at its meeting held on 24th April 2025 and after considering eligibility, extensive knowledge, skills, experience, time commitment, availability, attendance and contributions in Board and Committee Meetings, and annual performance evaluation reports, approved the re-appointment of Mr. Prathivadibhayankara Rajagopalan Ramesh (DIN: 01915274) as an Independent Non-Executive Director of the Company with effect from 1st July 2025, for a second term of five consecutive years i.e., upto 30th June 2030. The said re-appointment was subsequently approved by the members by way of a special resolution passed at the 66th Annual General Meeting held on 26th June 2025.

Mr. Suresh Narayanan (DIN: 07246738), retired as Chairman and Managing Director of your Company on 31st July 2025. During his tenure, he provided exemplary leadership, successfully steering the Company through the MAGGI crisis of 2015, restoring consumer trust, reinforcing the Company's reputation for quality and safety and delivering sustained growth and market expansion. The Board places on record its sincere appreciation for his exemplary leadership, significant contributions and dedicated service to the Company.

The Board of Directors, based on the recommendation of the NRC, through a resolution passed by circulation on 20th November 2025 appointed Mr. Mandeep Singh Chhatwal (DIN: 11387157) as an Additional Director and Non-Executive Director of the Company with effect from 1st January 2026, which was subsequently approved by the members of the Company by way of an ordinary resolution passed through Postal Ballot on 13th March 2026.

Ms. Svetlana Boldina (DIN: 10044338), relinquished her office as a Whole-time Director, designated as Executive Director - Finance & Control and Chief Financial Officer, of your Company with effect from 31st January 2026, consequent to her taking up a new assignment with a Nestlé Affiliate. The Board places on record its sincere appreciation for Ms. Boldina's valuable contributions during her tenure as a Whole-time Director of the Company.

The Board of Directors had, on the recommendation of the NRC, at its meeting held on 30th January 2026 approved the appointment of Mr. Edouard Dominique Jean Mac Nab ("Mr. Edouard Mac Nab") (DIN: 11511070) as an Additional Director and Whole-time Director of the Company, designated as Executive Director – Finance & Control and Chief Financial Officer, with effect from 1st March 2026, to hold office for a term of five consecutive years i.e., upto 28th February 2031. The said appointment was approved by the members of the Company by way of an ordinary resolution passed through Postal Ballot on 13th March 2026.

Mr. Satish Srinivasan (DIN: 10173407), will retire as a Whole-time Director, designated as Executive Director – Technical, of the Company with effect from 31st May 2026. The Board places on record its sincere appreciation for his significant contributions and dedicated service to the Company.

The Board of Directors, on the recommendation of the NRC, at its meeting held on 30th January 2026, recommended the appointment of Mr. Jagdeep Singh Marahar (DIN: 09121056) as a Whole-time Director of the Company, designated as Executive Director – Technical of the Company for a term of five consecutive years, effective from 1st June 2026 up to 31st May 2031. The Board, in order to facilitate seamless transition, designated Mr. Jagdeep Singh Marahar as Head – Technical (Key Managerial Personnel) of the Company effective from 1st May 2026. The said appointment was approved by the members of the Company by way of an ordinary resolution passed through Postal Ballot on 13th March 2026.

Mr. Mandeep Singh Chhatwal (DIN: 11387157), Non-Executive Director of your Company, retires by rotation at the ensuing 67th AGM and, being eligible, has offered himself for re-appointment. A resolution seeking the approval of the members for his re-appointment forms part of the Notice convening the 67th AGM.

During the financial year ended 31st March 2026, none of the Directors resigned from the Company.

All the Independent Non-Executive Directors of your Company have submitted the declaration confirming that they meet the criteria of independence as prescribed under the Act along with Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act, and are not disqualified from continuing as Independent Non-Executive Directors. The Board has taken on record the said declarations submitted by Independent Non-Executive Directors after undertaking due assessment of the veracity of the same. The Board is of the opinion that the Independent Non-Executive Directors of your Company including those appointed/ re-appointed during the financial year ended 31st March 2026, possess requisite qualifications, expertise and experience (including the proficiency) and they hold highest standards of integrity. The Independent Non-Executive Directors of your Company have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. During the financial year ended 31st March 2026, the Independent Non-Executive Directors of your Company had no pecuniary relationship or transactions with your Company, other than sitting fees, commission and reimbursement of expenses, if any.

During the financial year ended 31st March 2026, the Company has not received any amount from the Directors of the Company.

Pursuant to the provisions of Section 203 of the Act, Mr. Manish Tiwary, Chairman and Managing Director, Mr. Edouard Mac Nab, Executive Director – Finance &

Control and CFO and Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance, are the Key Managerial Personnel of your Company as on 31st March 2026.

The NRC had adopted principles for identification of key managerial personnel, senior management including the executive directors which are based on "The Nestlé Management and Leadership Principles" and "Nestlé Leadership Framework". Nomination and Remuneration (NR) Policy of your Company includes criteria for determining qualifications, positive attributes and independence of a director. The NR Policy relating to the remuneration of directors, key managerial personnel, senior management and other employees is framed with the object of attracting, retaining and motivating talent which is required to run your Company successfully. The same is also available on the website of your Company at https://www.nestle.in/investors/policies. There has been no change in the NR Policy of the Company during the financial year ended 31st March 2026.

An annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors and the details of manner of performance evaluation of Directors, Board and its Committees are available in the Corporate Governance Report, which forms an integral part of this Report.

Familiarization Programme for Directors

Your Company has in place a structured familiarisation programme for its Independent Non-Executive Directors. As part of such programme, the Directors are apprised, *inter-alia*, of the Company's business operations, strategic and business plans, budgets, roles, rights, and responsibilities of Directors, industry dynamics, business model and competitive landscape, through business presentations by the senior management. The Company also organizes visits to its manufacturing facilities and certain research and development centres forming part of the Nestlé global R&D network, to enable the Directors to gain a deeper understanding of its operations.

The details of familiarization programmes imparted to the Directors are available on the website of your Company at https://www.nestle.in/about-us/our-leadership-team.

Corporate Social Responsibility

During the financial year ended 31st March 2026, the CSR Committee was re-constituted. Mr. Manish Tiwary, Chairman and Managing Director and Mr. Edouard Mac Nab, Executive Director – Finance & Control and Chief Financial Officer, were appointed as Members of the CSR Committee with effect from 1st August 2025 and 1st March 2026, respectively, in place of Mr. Suresh Narayanan and Ms. Svetlana Boldina, who ceased to be Members of the CSR Committee with effect from 31st July 2025 and 31st January 2026, respectively.

As on 31st March 2026, the CSR Committee comprised Ms. Suneeta Reddy as Chairperson and Mr. Manish Tiwary, Ms. Anjali Bansal and Mr. Edouard Mac Nab as Members.

The terms of reference of the CSR Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report. Your Company has also formulated a CSR Policy, which is available on the website of your Company at https://www.nestle.in/investors/policies. The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules"), is annexed as **Annexure - 2** and forms an integral part of this Report.

In terms of Section 135 of the Act read with CSR Rules, your Company, during the financial year ended 31st March 2026, has spent more than two percent of the average net profits of your Company during the three immediately preceding financial years, in accordance with the CSR Policy and the Annual Action Plan approved by the Board of Directors, from time to time, on the recommendation of the CSR Committee.

In addition, your Company has been undertaking societal initiatives for several decades under the umbrella of "Creating Shared Value", which have not been considered for the purpose of computing the CSR expenditure under the CSR Rules.

Your Company's CSR initiatives focus on key areas such as nutrition awareness, water and sanitation, rural development, and the environment. During the financial year ended 31st March 2026, your Company undertook various projects, *inter-alia*, in the areas of nutrition, health and breastfeeding awareness programmes; plastic waste management awareness initiatives; access to hands-on science education; establishing school libraries; providing clean drinking water and sanitation facilities; livelihood enhancement for street food vendors; feeding programmes; and village adoption initiatives aimed at sustainable development. The Company has implemented these initiatives in collaboration with credible non-governmental organisations ("NGOs"), implementing partners, and relevant authorities across various States in India. Details of the salient features of the CSR Policy and CSR projects undertaken during the year are provided on pages 34 to 37 and forms an integral part of this Report.

Business Responsibility and Sustainability Report

Your Company conducts its business in a manner that delivers long-term shareholder value while contributing to societal well-being. Your Company continues to focus on its commitments aligned with national priorities and the United Nations Sustainable Development Goals.

Your Company aims to provide safe, high quality and sustainable food that is nutritious, accessible and affordable, while minimizing its impact on natural resources, contributing to a future in which they are available for generations to come; boosting the well-being of the communities. It is equally committed to enhancing the well-being of communities, enabling a transition towards regenerative practices, fostering a positive business environment and empowering your Company's employees to make sustainable business decisions.

In terms of Regulation 34 of the Listing Regulations, read with relevant SEBI Circulars, disclosures on Environment, Social and Governance ("ESG") parameters are prescribed through the Business Responsibility and Sustainability Report ("BRSR"). The BRSR requires disclosure of the Company's performance against nine principles of the "National Guidelines on Responsible Business Conduct" ("NGRBCs").

Further, the BRSR Core, being a sub-set of BRSR comprising key performance indicators (KPIs) across nine ESG attributes, has prescribed additional matrices for assurances, including, job creation in small towns, openness of business and gross wages paid to women. In addition, for better global comparability, intensity ratios based on revenue adjusted for Purchasing Power Parity (PPP) have been included. Your Company had obtained reasonable assurance on the BRSR Core from a third-party Independent Assurance provider, M/s. S. R. Batliboi & Co. LLP.

Your Company has published the BRSR and the Assurance Report on the BRSR Core for the financial year ended 31st March 2026, which are annexed as **Annexure – 3A** and **Annexure - 3B**, respectively, and forms an integral part of this Report.

The Risk Management and Sustainability Initiatives Committee, *inter-alia*, reviews the sustainability initiatives in accordance with its terms of reference on a periodic basis.

Statutory Auditors and Auditors' Report

In terms of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company at the 63rd AGM of the Company held on 12th April 2022 approved the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Registration No.: 301003E/E300005) ['M/s. SRB'], as the Statutory Auditors of the Company for a term of five consecutive years i.e., from the conclusion of the 63rd AGM till the conclusion of the 68th AGM.

The Reports given by M/s. SRB on the standalone and consolidated Financial Statements of your Company for the financial year ended 31st March 2026 ("Financial Statements") forms part of the Annual Report. The notes on the Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer. During the financial year ended 31st March 2026, the Auditors have not reported any matter under Section 143(12) of the Act, accordingly, no details are required to be disclosed under Section 134(3)(ca) of the Act.

Cost Auditors and Cost Accounts

In terms of Section 148(1) of the Act, your Company is required to maintain cost records in respect of milk powder products as specified by the Central Government. Accordingly, your Company has been maintaining such cost records in compliance with the applicable provisions. Pursuant to Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Audit Committee, at its meeting held on 21st April 2026, recommended the appointment of M/s. Ramanath Iyer and Co., Cost Accountants, New Delhi (Registration No. 000019) and the Board of Directors, at its meeting held on 21st April 2026, appointed them as the Cost Auditors of your Company, to conduct the cost audit of milk powder products manufactured by the Company falling under the relevant Customs Tariff Act (Heading 0402) for the financial year ending 31st March 2027.

The Cost Auditors have given their written consent confirming that their appointment is in accordance with the applicable provisions of the Act and Rules framed thereunder. The Cost Auditors have further confirmed that they are not disqualified from being appointed as the Cost Auditors of your Company for the said financial year. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee. In the opinion of the Directors, considering the limited scope of the audit, the proposed remuneration payable to the Cost Auditors is reasonable and fair and commensurate with the scope of work. In accordance with the provisions of the Act and the Rules framed thereunder, a resolution seeking ratification of the remuneration payable to the Cost Auditors forms part of the Notice of the ensuing 67th AGM of your Company.

The Cost Audit Report issued for the financial year ended 31st March 2026 does not contain any qualification, reservation, adverse remark or disclaimer, the Cost Auditors have not reported any matter under Section 143(12) of the Act, accordingly, no details are required to be disclosed under Section 134(3)(ca) of the Act.

Secretarial Auditors and Secretarial Audit Report

In terms of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, and on the recommendation of the Audit Committee, the Board of Directors appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries (Firm Registration Number - P1991MH040400) as the Secretarial Auditors of your Company for a term of five consecutive years. The Secretarial Auditors carried out the Secretarial Audit for the financial year ended 31st March 2026. The Secretarial Audit Report is annexed as **Annexure – 4** and forms an integral part of this Report. The Secretarial Audit Report is self-explanatory and does not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the financial year ended 31st March 2026, the Secretarial Auditors have not reported any matter under Section 143(12) of the Act, accordingly, no details are required to be disclosed under Section 134(3)(ca) of the Act.

In terms of Regulation 24A of the Listing Regulations, the members of the Company at the 66th AGM held on 26th June 2025, on the recommendation of the Board of Directors and its Audit Committee, approved the appointment of M/s. S. N. Ananthasubramanian & Co., Company Secretaries (Firm Registration Number: P1991MH040400), as the Secretarial Auditors of the Company for a term of five consecutive years. The said appointment is effective from the conclusion of the 66th Annual General Meeting until the conclusion of the 71st Annual General Meeting to be held in the year 2030, covering the financial years from 2025-26 to 2029-30. M/s. S. N. Ananthasubramanian & Co. has confirmed that they are not disqualified from continuing as the Secretarial Auditors of the Company.

Secretarial Standards

During the financial year ended 31st March 2026, your Company has complied with the applicable Secretarial Standards i.e., SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

Meetings of the Board

Six meetings of the Board of Directors of your Company were held during the financial year ended 31st March 2026. The details of the Board meetings held and attendance of the Directors thereat are provided in the Corporate Governance Report, which is annexed as **Annexure – 1** and forms an integral part of this Report. A certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed thereto.

Annual Return

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of your Company is available on the website of your Company at https://www.nestle.in/investors/stockandfinancials/annualreturns.

Details of Loans, Guarantee and Investments

The particulars of loans, guarantee and investments have been disclosed in Note no. 7 and 8 to the standalone financial statements, which forms part of this Annual Report.

Related Party Transactions

Your Company has formulated a Policy on Materiality of Related Party Transactions and on manner of dealing with Related Party Transactions ("RPT Policy"), which, *inter-alia*, prescribes clear thresholds limits, as approved by the Board of Directors. The RPT Policy is available on the website of your Company at https://www.nestle.in/investors/policies. The Board of your Company has approved the criteria to grant omnibus approval by the Audit Committee within the overall framework of the RPT Policy. All members of the Audit Committee are Independent Non-Executive Directors.

All related party transactions, including any subsequent material modifications, are placed before the Audit Committee for its review and approval. Prior omnibus approval is obtained for related party transactions of a repetitive nature and/ or transactions entered into in the ordinary course of business and on an arm's length basis, on a quarterly basis. Your Company has obtained a report from a reputed accounting firm, providing a fairness opinion on the arm's length nature of the pricing policies adopted by the Company across various categories of related party transactions.

All related party transactions entered during the financial year ended 31st March 2026 were in the ordinary course of the business and on an arm's length basis. In terms of the Act and the Rules framed thereunder read with the Listing Regulations, your Company did not enter into any material related party transactions during the financial year ended 31st March 2026. Accordingly, the disclosure of related party transactions in Form AOC-2, as required under Section 134(3)(h) of the Act, is not applicable. Members may refer to Note no. 41 to the standalone financial statements which sets out related party disclosures pursuant to IND AS-24.

During the financial year ended 31st March 2026, there was no material modification in the terms and conditions of General Licence Agreements ("GLAs"), as defined by the Audit Committee and specified in the RPT Policy.

Risk Management

Your Company has developed and implemented a Risk Management Policy and, in the opinion of the Board of

Directors, no element of risk was identified during the financial year ended 31st March 2026 that may threaten the existence of your Company.

The Board of Directors of your Company evaluates the risk management systems and sustainability initiatives periodically and takes into account any recommendation(s) of the Risk Management and Sustainability Initiatives ("RMSI") Committee and the Audit Committee. The RMSI Committee provides oversight for the identification, monitoring and mitigation of material risks, and supports management in responding to evolving market and stakeholder expectations. It periodically reviews the Risk Management Policy formulated by the Company and the risk assessment and minimization procedures and sustainability initiatives of the Company.

During the financial year ended 31st March 2026, the RMSI Committee was re-constituted. Mr. Sidharth Kumar Birla, Independent Non-Executive Director, was appointed as the Chairman of the RMSI Committee with effect from 1st April 2025, in place of Mr. Suresh Narayanan, who ceased to be Chairman of the RMSI Committee on 31st March 2025 and continued as a Member thereof. Also, Mr. Manish Tiwary, Chairman and Managing Director, was appointed as a Member of the RMSI Committee with effect from 1st August 2025, in place of Mr. Suresh Narayanan, who ceased as Member of the RMSI Committee on 31st July 2025.

As on 31st March 2026, the RMSI Committee comprised Mr. Sidharth Kumar Birla as Chairman and Mr. Manish Tiwary, Mr. PR Ramesh, Ms. Anjali Bansal and Ms. Suneeta Reddy as Members.

Risks and Opportunities

The sector continues to offer significant long-term opportunities, supported by favourable demographics, rising urbanisation, premiumisation in select segments and the growing relevance of modern trade, e-commerce and quick commerce. At the same time, the sector remains exposed to commodity volatility, uneven rural recovery, climate and monsoon variability, competitive intensity, evolving food safety and labelling requirements, and rapid channel shifts.

Your Company is committed to creating long-term value for stakeholders through sustainable growth and enhanced resource efficiency. In line with this commitment, key business risks and opportunities are systematically identified, assessed and managed on an ongoing basis to strengthen resilience and support timely decision-making. Mitigation actions are monitored periodically, and the Risk Management and Sustainability Initiatives (RMSI) Committee reviews progress periodically to provide oversight and guidance on implementation and monitoring of mitigation actions and responding to evolving business conditions.

Risks

Economic fluctuations and supply chain disruptions

Macroeconomic volatility may adversely impact consumer sentiment and discretionary spending, potentially shifting demand toward value offerings and necessitating timely adjustments.

Your Company manages inflationary and commodity-price risks through a structured procurement and cost-management framework, including continuous monitoring of relevant indices, early identification of cost trends, and efficiency initiatives across the value chain. Focused cost-optimization programmes further enhance resilience during periods of elevated input cost inflation. Supply chain disruptions may arise from economic slowdowns, inflation, currency volatility, geopolitical developments, and natural disasters, and can affect raw material availability, labour capacity and logistics costs.

Your Company's supply chain strategy is designed to enhance resilience and agility, supported by strong partnerships and technology enablement across the value chain. These capabilities are continuously strengthened to mitigate disruption risk, safeguard operations and support sustainable growth.

Evolving consumer preferences

Consumer preferences continue to evolve due to demographic shifts, global food trends and changing consumption habits influenced by digital and social media platforms. Demand for quality and convenience is rising across metropolitan markets as well as smaller towns and villages, with increasing expectations for availability and ease of access.

Rising aspirations in both urban and rural markets are elevating expectations for speed, convenience and a seamless purchasing experience. Any delay in responding to these shifts may impact competitiveness and growth.

In response, your Company continues to strengthen its core brands and accelerate innovation aligned with evolving consumer needs. Data analytics and consumer research are leveraged to deepen insights and translate them into products that address diverse taste profiles and dietary preferences across geographies.

To enhance accessibility, your Company is expanding its presence in underpenetrated small towns and large villages, thereby broadening reach and strengthening market penetration.

Food safety and quality

Food safety and product quality are fundamental to maintaining consumer trust and protecting your Company's reputation. In a competitive environment, any lapse may have a disproportionate impact on brand equity and consumer loyalty.

Your Company prioritizes consumer safety through a comprehensive quality assurance framework, with stringent controls applied across the value chain—from raw material sourcing and manufacturing to finished goods—to ensure consistent quality and compliance with applicable standards.

A strong culture of quality and accountability is reinforced through defined standards, training programmes and ongoing engagement with employees and relevant third parties, supporting ownership of quality across operations.

A dedicated consumer complaint redressal mechanism is in place to monitor and address food safety and quality concerns in a timely manner, thereby reinforcing consumer confidence and supporting consistent delivery of high-quality products.

Environmental risk

The FMCG sector is exposed to climate-related risks, including variability in monsoon patterns, yield uncertainty and volatility in raw material prices. Such risks may affect agricultural incomes, consumer demand and trade dynamics, thereby increasing exposure to environmental variability.

Your Company monitors its environmental footprint and implements initiatives to reduce associated impacts. A structured tracking framework supports measurement of progress and continuous refinement of interventions, while the RMSI Committee provides oversight of compliance and sustainability execution.

To strengthen sustainability governance, your Company has constituted a Sustainability Governance Council chaired by the Chairman and Managing Director. The Council comprises members of the Management Committee and task-force leaders responsible for priority sustainability programmes across five pillars: sustainable sourcing; sustainable packaging; manufacturing and logistics; brands, recipes and portfolio; and advocacy and communication.

Cybersecurity and AI

Your Company's increasing reliance on digital platforms, connected operations and third-party ecosystems exposes it to cybersecurity threats, including unauthorized access, malware, ransomware, data leakage and service disruption. A significant incident could adversely affect business continuity, financial performance, regulatory compliance and stakeholder confidence.

The accelerated adoption of AI introduces additional risk considerations, such as data privacy and protection, model bias and integrity, vulnerabilities arising from automated decision-making, and emerging threats including prompt injection and deepfakes. These risks may impact the reliability of outputs, the protection of sensitive information and your Company's reputation if not appropriately governed.

To mitigate these risks, your Company maintains a cybersecurity and data governance framework comprising preventive and detective controls, periodic risk assessments, monitoring and incident response processes, and employee awareness programmes. Your Company also strengthens third-party risk management and adopts a governance approach for AI use cases, including appropriate data handling, access controls and oversight to support responsible deployment.

Opportunities

Demographic trends and portfolio innovation

Favourable demographics, a young population and evolving consumer aspirations continue to create incremental growth opportunities for the FMCG sector. Rising demand for health, convenience, taste, nutrition and value-led propositions is expanding the opportunity across multiple categories. Your Company is strengthening innovation as a core strategic lever through investments in its brands, targeted product launches aligned to evolving demand, and continued efforts to enhance the nutritional profile of its portfolio. Leveraging science and nutrition-led capabilities, your Company develops food solutions intended to meet the needs of diverse consumer cohorts, including younger and older populations.

Rural expansion and distribution strengthening

Rural India remains a meaningful long-term growth opportunity, supported by low category penetration in several segments, improving physical and digital connectivity, and rising access to branded products. As rural consumption gradually broadens, the opportunity lies not only in deeper reach but also in building relevance through appropriate packs, price points and execution. This can support household penetration and sustainable growth over time. Your Company continues to strengthen distribution, affordability and execution to deepen rural reach, improve availability and serve evolving consumption needs across underpenetrated markets. Technology and data analytics support the generation of actionable insights and enable faster, more decentralized and better-informed decision-making

Urban growth through channel and occasion expansion

Rapid urbanization, rising disposable incomes and evolving lifestyles are strengthening demand for convenient, health-oriented and premium offerings in metropolitan markets. Expansion of modern trade and e-commerce is improving product discovery, availability and personalization, while out-of-home occasions continue to grow with increasing mobility and social consumption. These trends provide an opportunity for your Company to accelerate innovation, strengthen brand salience and expand penetration in key urban channels. These shifts are also enabling sharper channel-specific portfolios, improved visibility and faster routes to market.

Premiumization and value-added categories

Premiumisation and value-added categories continue to offer opportunities for category development and mix improvement. As consumer needs become more differentiated, there is increasing headroom for products that offer superior experience, convenience, quality, nutrition or specialised benefits. At the same time, the opportunity remains strongest when supported by a balanced portfolio that spans both mainstream and premium segments.

Out-of-home consumption and on-the-go demand

Out-of-home consumption and on-the-go occasions represents a meaningful growth opportunity, supported by urbanization, lifestyle shifts and evolving consumption habits. As consumers spend more time commuting, travelling and socializing, demand for convenient, high-quality on the go food and beverage options is expected to increase. Your Company is well positioned to capture this opportunity through offerings designed for on-the-go consumption, premium out-of-home experiences and impulse occasions. Continued expansion in this segment may further strengthen brand salience, consumer engagement, penetration and incremental consumption

Exports and international market development

Exports provide an incremental growth opportunity, supported by India's manufacturing base, improving food processing capabilities and growing demand for branded Indian products in international markets. Over time, this can help companies diversify their market base, improve capacity utilisation and extend brand presence beyond domestic markets. Government support and access to new geographies may further strengthen this opportunity.

AI-enabled efficiency and responsible adoption

AI and digital tools can support productivity across forecasting, sourcing, manufacturing, supply chain, revenue growth management and consumer engagement. These capabilities can improve decision-making, strengthen execution and support better resource allocation across the value chain. Over time, responsible adoption can become an important enabler of both efficiency and agility.

People productivity through AI-enabled upskilling

Technology-enabled upskilling can improve productivity, reduce time spent on routine tasks and enable teams to focus on higher-value work. This also supports faster learning, stronger cross-functional collaboration and better use of data and digital tools in everyday decision-making.

Talent development and future-ready capabilities

Your Company continues to invest in talent and future-ready capabilities through skilling, upskilling and cross-functional development. Building these capabilities remains important to support innovation, strengthen execution and ensure the organisation remains agile in a rapidly evolving operating environment.

Internal Financial Controls and their adequacy

The Directors had laid down internal financial controls to be followed by your Company and such policies and procedures adopted by your Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee oversees the internal financial control systems periodically.

Code of Conduct for Prevention of Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), your Company has adopted a "Code of Conduct for Prevention of Insider Trading in Securities" ("the Code") and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")".

All Directors, employees and connected persons, including third parties such as auditors, consultants etc., who may have access to UPSI pertaining to the Company, are governed by the Code. The trading window is, *inter-alia*, closed during the period of declaration of financial results and occurrence of any material events, in accordance with the PIT Regulations and the Code. To reinforce adherence to the PIT Regulations, awareness sessions were organized and informative e-mails were circulated from time to time to Designated Persons to promote a strong compliance culture. Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance, is designated as the Compliance Officer of the Company under the PIT Regulations and the Code.

Audit Committee

During the financial year ended 31st March 2026, there was no change in composition of the Audit Committee.

As on 31st March 2026, the Audit Committee comprised of Mr. PR Ramesh as Chairman and Ms. Alpana Parida, Ms. Anjali Bansal and Mr. Sidharth Kumar Birla as Members, all being Independent Non-Executive Directors.

The powers and roles of the Audit Committee are set out in the Corporate Governance Report, which forms an integral part of this Report. All the recommendations made by the Audit Committee during the financial year were accepted by the Board of Directors.

Vigil Mechanism

The Vigil Mechanism of your Company is governed by significant documents, namely, the “Nestlé Corporate Business Principles”, “The Nestlé Management and Leadership Principles”, the “Nestlé India Code of Business Conduct” and the “Nestlé India Vigil Mechanism/ Whistle-blower Policy”. These documents are available on the website of your Company at https://www.nestle.in/investors/policies. The Code/ Policy provides for adequate safeguards against victimization of Directors and employees who avail the mechanism and enables direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee.

Your Company provides an independent third party operated toll-free phone, mobile application and web-based platform, namely, “SpeakUp”, to all internal and external stakeholders, including directors and employees with a dedicated communication channel to report potential instances of non-compliance with the Nestlé Corporate Business Principles or any practices or actions believed to be inappropriate or illegal under the Nestlé India Code of Business Conduct, on a confidential basis. The “SpeakUp Platform” can be accessed through the website of the Company at https://www.nestle.com/about/how-we-do-business/report-compliance-concerns. Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance, acts as the Nodal Officer of the Company for overseeing and monitoring the Vigil Mechanism.

Further, your Company has appointed an Ombudsman under the Infant Milk Substitutes Code (“Infant Code”), enabling employees to report Infant Code-related concerns directly, with adequate safeguards to protect the identity of the reporting individual.

Your Company periodically sensitizes stakeholders about the availability and use of the Vigil Mechanism and the Ombudsman framework.

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March 2026, relating to conservation of energy, technology absorption, and foreign exchange earnings and outgo, is annexed as **Annexure - 5** and forms an integral part of this Report.

Information regarding employees and related disclosures

The statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”), is annexed as **Annexure - 6** and forms an integral part of this Report. As per second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the Rules, the Report and Financial Statements are being sent to the members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of your Company or at the e-mail address investor@in.nestle.com.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH”), as amended, from time to time, your Company has a robust mechanism in place to redress complaints reported under it. Your Company has complied with provisions relating to the constitution of Internal Committee (“IC”) under POSH at all factories and office locations. Each IC comprises internal members and an external member who has an extensive experience in this field. During the financial year under review, four (4) cases of sexual harassment were reported, all of which were investigated & resolved as per the provisions of the POSH, and no case remained pending for more than ninety days. Your Company has in place a policy on prevention, prohibition and redressal of Sexual Harassment at workplace and the same is available on the website of your Company at https://www.nestle.in/investors/policies.

During the financial year ended 31st March 2026, initiatives were undertaken to demonstrate your Company’s zero tolerance philosophy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material which are also made easily accessible. In addition, online workshops were also conducted for the employees to enhance awareness and knowledge of other biases that may influence thinking and actions by running the unconscious bias session.

Investor Education and Protection Fund

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. In terms of the IEPF Rules, during the financial year ended 31st March 2026, your Company had transferred

₹5,861,760.00, ₹2,985,360.00 and ₹7,334,950.00 to the IEPF, being the unpaid and unclaimed dividend amount pertaining to Final Dividend 2017 & First Interim Dividend 2018, Second Interim Dividend 2018 and Third Interim Dividend 2018, respectively.

Pursuant to the provisions of IEPF Rules, all shares in respect of which any dividend which 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, during the financial year ended 31st March 2026, your Company had transferred 177,390 equity shares of face value ₹1/- each, on which the dividend(s) remained unpaid or unclaimed for seven consecutive years, to the IEPF account, after following the prescribed procedure.

Details of dividends that are due for transfer to IEPF for the next seven (7) years on their respective due dates, are available on the website of the Company at https://www.nestle.in/investors/stockandfinancials/dividends. Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance, acts as the Nodal Officer of the Company, in accordance with the provisions of IEPF Rules.

Credit Rating

Your Company has been awarded AAA credit rating for its bank credit facilities by CRISIL. It is the highest rating and indicates a stable outlook for your Company. The rating reflects that your Company has serviced its financial obligations on time. As regards the short-term facility provided by the bank, your Company has been awarded the credit rating of A1+. The rating reflects strong degree of safety and lowest credit risk.

Confirmation under the Maternity Benefit Act, 1961

During the financial year ended 31st March 2026, your Company was in compliance with the provisions relating to the Maternity Benefit Act, 1961, as amended.

Other Disclosures

During the financial year ended 31st March 2026, there were no transaction requiring disclosure or reporting in respect of matters relating to: (a) deposits covered under Chapter V of the Act; (b) issue of equity shares with differential rights as to dividend, voting or otherwise; (c) issue of shares (including sweat equity shares) to employees of the Company under any scheme; (d) issue of debentures/ bonds/ warrants/ convertible/ non-convertible securities; (e) raising of funds through preferential allotment or qualified institutional placement; (f) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future; (g) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016; and (h) instance of one-time settlement with any bank or financial institution.

Trade Relations

Your Company maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and the unstinting efforts of the employees have enabled your Company to remain at the forefront of the industry.

Your Company continued to receive co-operation and support from the distributors, retailers, stockist, suppliers and others associated with your Company as its value chain partners. Your Directors wish to place on record their appreciation for the same and your Company will continue in its endeavour to build and nurture strong links with trade, based on mutuality, fairness, respect and co-operation with each other and consistent with consumer interest.

Appreciation

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas of its operations as well as the efficient utilization of your Company's resources for sustainable and profitable growth.

Your Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors look forward to the long-term future with confidence.

On behalf of the Board of Directors

Manish Tiwary
Chairman and Managing Director

Date: 21st April 2026
Place: Gurugram, Haryana

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NESTLÉ INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nestlé India Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Provision for contingencies ***(as described in Note 2, 34 and 40 of the standalone financial statements)***	
Management is required to make judgements and estimates regarding the issues and exposures arising from various matters related to direct tax, indirect tax, claims, general legal proceedings, and other eventualities that arise in the regular course of business. The company is also subject to complexities arising from uncertain tax positions concerning the deductibility of expenses. The key Judgement lies in determining the likelihood and magnitude of an unfavourable outcome, as well as the interpretations of legal aspects, tax legislation, and judgements previously made by authorities. By nature, these matters are complex and involve many variables.	Our audit procedures included the following: • We tested the design and operating effectiveness of key internal controls around the recognition and measurement of provisions. • We inquired the status in respect of significant provisions with the Company's internal tax / legal teams and also read views obtained by the Company from external experts. • We involved our subject matter experts, wherever required, to assess the value of provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. • We assessed reasonability of the assumptions and critical judgements made by the Company which impacted their estimate of provision required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. We verified the computation of provision on a test check basis.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional Judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 and 40 to the standalone financial statements.

   ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company

   iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

   The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 43 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. The Company has migrated to upgraded version of ERP from legacy version of ERP during the year. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in both the legacy and the migrated ERP. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of both version of the accounting software.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled in prior year.

The above matters are duly explained in Note 48 to the standalone financial statements.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 26091813JECLMX3804

Place: Gurugram, Haryana
Date: April 21, 2026

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Nestlé India Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) Certain Property, Plant and Equipment were physically verified by the management during the year in accordance with a planned programme of verifying them once in two years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 47(viii) to the financial statements included in property, plant and equipment are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

(ii) (b) As disclosed in note 47(vii) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year, on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited/unaudited books of accounts of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties except the following loans to employees:

(₹ in million)

Particulars	Loans
Aggregate amount granted/ provided during the year - Others	140.8
Balance outstanding as at Balance Sheet date in respect of above cases - Others	200.7

(iii) (b) During the year, the Company has not made any investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties, except loans to employees as stated in clause (iii)(a) above. The terms and conditions of the grant of all loans to employees during the year are not prejudicial to the Company's interest.

(iii) (c) The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which had fallen due during year that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Investments in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company. There are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 (as amended) are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 (as amended) and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 (as amended), related to the manufacture of Milk Powder, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in million)

S. No	Name of the Statute	Nature of Dues	Amount	Amount paid under protest	Period to which the amount relates (Financial Year)	Forum where case is pending
1	Income Tax Act, 1961	Income Tax (including interest and penalty, if applicable)	596.8	1,060.9	2012-2013	Supreme Court of India
2	Income Tax Act, 1961	Income Tax (including interest and penalty, if applicable)	298.6		2000-01 to 2003-04	Delhi High Court
3	Income Tax Act, 1961	Income Tax (including interest and penalty, if applicable)	13,368.2		2015-16 to 2017-18 and 2019-20 to 2021-22	Income Tax Appellate Tribunal
4	Income Tax Act, 1961	Income Tax (including interest and penalty, if applicable)	6.3		2016-17	Commissioner of Income Tax

(₹ in million)

S. No	Name of the Statute	Nature of Dues	Amount	Amount paid under protest	Period to which the amount relates (Financial Year)	Forum where case is pending
5	Local Entry Tax Act	Entry Tax (including interest and penalty, if applicable)	195.6	190.5	Haryana – 2007-08 Odisha – 2007-08 to 2017-18 Madhya Pradesh – 2002-03 to 2003-04 and 2010-11 to 2011-12	High Court of Punjab & Haryana High Court of Odisha High Court of Madhya Pradesh
6	Goods and Service Tax Act 2017	Goods and Service Tax (including interest and penalty, if applicable)	731.5	-	2017-18 to 2018-19	High Court of Delhi
7	Goods and Service Tax Act 2017	Goods and Service Tax (including interest and penalty, if applicable)	23.7	-	2017-18	Commissioner (Appeals)
8	Goods and Service Tax Act 2017	Goods and Service Tax (including interest and penalty, if applicable)	26.8	-	2017-18 to 2019-20	Commissioner Audit Commissionerate
9	Local Sales Tax Act (Maharashtra Value Added Tax Act, 2002)	Value Added Tax (including interest and penalty, if applicable)	272.4	-	2009-10 to 2017-18	Deputy Commissioner (Appeals) and Joint Commissioner
10	Central Sales Tax and Madhya Pradesh Value Added Tax	Sales tax (including interest and penalty, if applicable)	16.9	2.5	FY 2000-01 to 2005-06 and 2007-08 to 2008-09	Madhya Pradesh High Court
11	Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	21.0	-	2002-03 to 2004-05	2002-03 - Tribunal 2003-04 to 2004-05 - Joint Commissioner
12	Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	5.8	-	2008-09	Additional Commissioner Appeals of Uttar Pradesh
13	Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	2.3	-	2004-05 2012-13 to 2014-15 2013-14 2016-17 2017-18	Tribunal - Delhi Commissioner - Uttar Pradesh Tribunal -Madhya Pradesh Additional Commissioner, Uttar Pradesh Assessing office - J&K
14	Purchase Tax Act	Purchase tax (including Interest and penalty, if applicable)	73.9	60.6	2002-03 to 2003-04	Supreme Court of India

(₹ in million)

S. No	Name of the Statute	Nature of Dues	Amount	Amount paid under protest	Period to which the amount relates (Financial Year)	Forum where case is pending
15	Central Excise Act, 1944	Cenvat Credit (including Interest and penalty, if applicable)	57.2	57.2	1996-97 to 2001-02	Supreme Court of India
16	Service tax (Finance Act, 1994)	Service tax (including interest and penalty, if applicable)	418.3	-	2004-05 to 2011-12	Supreme Court of India
17	Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	281.7	-	2010-11 to 2011-12 and 2013-14	Jharkhand Assessment Deputy Commissioner and Commissioner
					2009-10	West Bengal Assessment - WBCT Appellate & Revisional Board
					2004-05, 2013-14, 2015-16	Tripura Assessment - Commissioner and Superintendent
					2014-15	Kerala - High court
18	Customs Act, 1962	Custom Duty (including interest and penalty, if applicable)	52.1	-	2008-09 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal, Delhi
19	Customs Act, 1962	Custom Duty (including interest and penalty, if applicable)	60.0	-	2017-18 to 2020-21	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
20	Customs Act, 1962	Custom Duty (including interest and penalty, if applicable)	17.4	-	2011-12 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
21	The Punjab Urban Immovable Property Tax Act, 1958	Property Tax (including interest and penalty, if applicable)	192.7	-	2000-01 and 2012-13	Punjab & Haryana High Court
22	Goa Agricultural Produce Marketing (Development and Regulation) Act 2017	Market Fee (including interest and penalty, if applicable)	20.0	-	2008-09 to 2020-21	High Court of Goa
23	Goods and Service Tax Act 2017	Goods and Service Tax (including interest and penalty, if applicable)	510.4	-	2017-18 to 2023-24	High Court of Delhi
24	Customs Act, 1962	Custom Duty (including interest and penalty, if applicable)	85.0	-	2020-21 to 2022-23	Tribunal
25	Goods and Service Tax Act 2017	Goods and Service Tax (including interest and penalty, if applicable)	165.7	-	2018-19 to 2022-23	High Court of Madras

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) The Company did not have any term loans outstanding during the year, hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company

(ix) (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 (as amended) has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government.

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year ended March 31, 2026 while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013 (as amended). Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xii) (b) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013 (as amended). Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(xii) (c) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013 (as amended). Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 46 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 26091813JECLMX3804

Place: Gurugram, Haryana
Date: April 21, 2026

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Nestlé India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Nestlé India Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 26091813JECLMX3804

Place: Gurugram, Haryana
Date: April 21, 2026

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-Current Assets			
Property, plant and equipment	6	57,475.3	49,256.5
Capital work-in-progress	6	5,069.8	11,725.6
Right-of-use assets	6	5,428.9	5,479.6
Financial assets			
Investments	7	7,056.0	7,056.0
Loans	8	90.7	80.9
Other financial assets	9	599.8	554.0
Other non-current assets	11	11,946.5	11,744.7
Total Non-Current Assets		**87,667.0**	**85,897.3**
Current Assets			
Inventories	12	25,692.2	28,501.4
Financial assets			
Trade receivables	13	3,294.7	3,631.5
Cash and cash equivalents	14	13,205.7	761.8
Bank balances other than cash and cash equivalents	15	203.0	194.7
Loans	8	110.0	103.1
Other financial assets	9	322.4	247.2
Other current assets	11	3,076.7	3,901.9
Total Current Assets		**45,904.7**	**37,341.6**
Total Assets		**133,571.7**	**123,238.9**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	1,928.3	964.2
Other equity	17	51,164.1	40,207.3
Total Equity		**53,092.4**	**41,171.5**
LIABILITIES			
Non-Current Liabilities			
Financial liabilities			
Borrowings	18	202.9	224.8
Lease liabilities	19	3,375.3	3,415.3
Provisions	20	28,236.1	30,901.5
Deferred tax liabilities (net)	10	865.4	535.9
Other non-current liabilities	21	187.3	136.4
Total Non-Current Liabilities		**32,867.0**	**35,213.9**
Current Liabilities			
Financial liabilities			
Borrowings	18	41.5	7,308.6
Lease liabilities	19	821.9	719.8
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22, 44	3,280.4	4,170.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	26,386.1	19,564.4
Payables for capital expenditure			
Total outstanding dues of micro enterprises and small enterprises	44	226.1	430.3
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,707.0	2,072.5
Other financial liabilities	23	9,787.0	7,553.0
Other current liabilities	21	1,636.2	2,158.7
Provisions	20	3,077.9	2,422.8
Current tax liabilities (net)		648.2	452.5
Total Current Liabilities		**47,612.3**	**46,853.5**
Total Liabilities		**80,479.3**	**82,067.4**
Total Equity and Liabilities		**133,571.7**	**123,238.9**

See accompanying notes 1 to 48 forming part of the standalone financial statements

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No. - 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN-02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN-11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
PAN-ABVPR5131P

21st April 2026
Gurugram

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
A	INCOME			
	Sale of products	24	230,714.6	200,775.0
	Other operating revenue	24	831.4	1,240.6
i	Revenue from Operations		231,546.0	202,015.6
ii	Other income	25	403.5	629.9
	Total Income		231,949.5	202,645.5
B	EXPENSES			
i	Cost of materials consumed	26	98,140.4	83,901.5
ii	Purchases of stock-in-trade		6,954.8	4,993.1
iii	Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(1,682.3)	(1,396.6)
iv	Employee benefits expense	28	21,658.1	20,275.4
v	Finance costs	29	1,583.1	1,360.0
vi	Depreciation and amortisation expense	30	6,992.3	5,399.2
vii	Other expenses	31	53,414.4	46,546.4
	Total Expenses		187,060.8	161,079.0
C	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (A-B)		44,888.7	41,566.5
D	Exceptional items [charge / (credit)]	4	(1,207.8)	(2,908.2)
E	PROFIT BEFORE TAX (C-D)		46,096.5	44,474.7
F	Tax expense			
	Current tax	36	10,312.8	10,951.8
	Deferred tax	36	337.7	377.9
G	PROFIT FOR THE YEAR (E-F)		35,446.0	33,145.0
H	OTHER COMPREHENSIVE INCOME			
(a)	(i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains / (losses) of post - employment defined benefit plans	32	(482.1)	(1,076.7)
	(ii) Income taxes relating to Items that will not be reclassified to profit or loss		121.3	271.0
			(360.8)	(805.7)
(b)	(i) Items that will be reclassified to profit or loss:			
	Net movement on effective portion of cash flow hedges		(32.6)	12.4
	(ii) Income taxes relating to Items that will be reclassified to profit or loss		8.2	(3.1)
			(24.4)	9.3
	OTHER COMPREHENSIVE INCOME, NET OF TAX (a+b)		(385.2)	(796.4)
I	TOTAL COMPREHENSIVE INCOME (G+H)		35,060.8	32,348.6
	EARNINGS PER EQUITY SHARE			
	Basic and diluted earnings per share (Face value ₹ 1 - refer Note 16)	₹	18.38	17.19
	Additional Information [refer Note 2 (f)]:			
	Earnings before Interest, Tax, Depreciation and Amortisation [EBITDA] - [C - A(ii) + B(v) + B(vi)]		53,060.6	47,695.8

See accompanying notes 1 to 48 forming part of the standalone financial statements

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No. - 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN-02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN-11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
PAN-ABVPR5131P

21st April 2026
Gurugram

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	46,096.5	44,474.7
Adjustments for:		
Depreciation and amortisation expense	6,992.3	5,399.2
Loss / (gain) on property, plant and equipment sold / scrapped / written off (refer Note 31 and 25)	(39.9)	(23.8)
Interest income	(354.6)	(588.6)
Interest on bank overdraft and others	193.2	80.3
Gain on disposal of businesses	-	(2,908.2)
Interest on lease liabilities	301.9	270.2
Allowance for impairment on financial assets	41.4	(32.8)
Unrealised exchange differences	27.8	48.2
Cash generated from operations before working capital and other changes	**53,258.6**	**46,719.2**
Adjustments for:		
Decrease / (increase) in trade receivables	343.2	(700.0)
Decrease / (increase) in inventories	2,809.1	(7,671.0)
Decrease / (increase) in other financial assets & other assets	(729.9)	(1,992.3)
Increase / (decrease) in trade payables	5,878.9	1,341.2
Increase / (decrease) in other financial liabilities & other liabilities	1,697.6	1,926.3
Increase / (decrease) in provision for contingencies	(2,184.9)	155.6
Increase / (decrease) in provision for employee benefits	115.5	(529.2)
Cash generated from operations	**61,188.1**	**39,249.8**
Income taxes paid (net of refunds)	(10,712.5)	(9,904.5)
Net cash flows generated from / (used in) operating activities	**50,475.6**	**29,345.3**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work-in-progress	(8,297.0)	(20,086.4)
Proceeds from sale of property, plant and equipment	34.5	42.5
(Purchase of) / proceeds from sale of Mutual funds (net)	-	-
Proceeds from redemption of tax free bonds and other investments	-	4,238.9
Investment in equity shares of associate	-	(7,056.0)
Proceeds from sale of businesses net of tax	-	2,664.7
Amount received from insurance pension plan - separations	1,701.1	1,325.8
Net decrease / (increase) in loans to employees	(16.8)	6.2
Interest received on bank deposits, investments, tax free bonds, employee loans etc.	341.4	755.3
Net cash generated from / (used in) investing activities	**(6,236.8)**	**(18,109.0)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of deferred VAT liabilities under state government schemes	(32.0)	(35.0)
Proceeds / (re - payment) of short term borrowing and overdraft from banks	(7,257.0)	7,257.0
Interest on bank overdraft and others	(200.1)	(67.0)
Interest on lease liabilities	(301.9)	(270.2)
Principal payment of lease liabilities	(864.1)	(761.8)
Dividends paid	(23,139.8)	(24,586.0)
Net cash generated from / (used in) financing activities	**(31,794.9)**	**(18,463.0)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**12,443.9**	**(7,226.7)**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Cash and cash equivalents (refer Note 14)	761.8	7,588.7
Current investments (refer Note 7)	-	399.8
Total cash and cash equivalents at the beginning of the year	**761.8**	**7,988.5**
Cash and cash equivalents (refer Note 14)	13,205.7	761.8
Current investments (refer Note 7)	-	-
Total cash and cash equivalents at the end of the year	**13,205.7**	**761.8**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**12,443.9**	**(7,226.7)**

Disclosure of non-cash transactions as per Ind AS 7:

Changes in liabilities arising from financing activities is as under:	As at 31st March 2025	Cash flow changes	Non- cash changes	As at 31st March 2026
Deferred VAT liabilities	276.4	(32.0)	-	244.4
Lease liabilities	4,135.1	(1,166.0)	1,228.1	4,197.2
Short term borrowings	7,257.0	(7,257.0)	-	-
Total	**11,668.5**	**(8,455.0)**	**1,228.1**	**4,441.6**

Changes in liabilities arising from financing activities is as under:	As at 31st March 2024	Cash flow changes	Non- cash changes	As at 31st March 2025
Deferred VAT liabilities	311.4	(35.0)	-	276.4
Lease liabilities	3,133.9	(1,032.0)	2,033.2	4,135.1
Short term borrowings	-	7,257.0	-	7,257.0
Total	**3,445.3**	**6,190.0**	**2,033.2**	**11,668.5**

Notes: The above statement of cash flows has been prepared under the “Indirect Method” as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm’s Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No. - 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
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(DIN-02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN-11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
PAN-ABVPR5131P

21st April 2026
Gurugram

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

A) EQUITY SHARE CAPITAL [1]

Particulars	Note No	Amount
Balance as at 31st March, 2024	16	**964.2**
Movement during the previous year		-
Balance as at 31st March, 2025	16	**964.2**
Movement during the year - Issue of equity bonus share		964.2
Balance as at 31st March, 2026	16	**1,928.3**

[1] Refer Note 16 - Equity Share Capital

B) OTHER EQUITY [2]

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Share Based Payment Reserve	Capital Reserve	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance as at 31st March, 2024	**-**	**99.8**	**32,336.2**	**8.7**	**32,444.7**
Profit for the year	-	-	33,145.0	-	33,145.0
Other comprehensive income	-	-	(805.7)	9.3	(796.4)
Total comprehensive income for the year	**-**	**-**	**32,339.3**	**9.3**	**32,348.6**
Dividend (refer Note 43)	-	-	(24,586.0)	-	(24,586.0)
Share based payment expense	168.2	-	-	-	168.2
Recognition of liability towards share based payments	(168.2)	-	-	-	(168.2)
Balance as at 31st March, 2025	**-**	**99.8**	**40,089.5**	**18.0**	**40,207.3**
Profit for the year	-	-	35,446.0	-	35,446.0
Other comprehensive income	-	-	(360.8)	(24.4)	(385.2)
Total comprehensive income for the year	**-**	**-**	**35,085.2**	**(24.4)**	**35,060.8**
Issue of bonus share (refer Note 16)	-	-	(964.2)	-	(964.2)
Dividend (refer Note 43)	-	-	(23,139.8)	-	(23,139.8)
Share based payment expense	222.5	-	-	-	222.5
Recognition of liability towards share based payments	(222.5)	-	-	-	(222.5)
Balance as at 31st March, 2026	**-**	**99.8**	**51,070.7**	**(6.4)**	**51,164.1**

[2] Description of purpose of each reserve within Other equity has been disclosed under Note 17 - Other equity.

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No. - 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

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PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
PAN-ABVPR5131P

21st April 2026
Gurugram

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

1 CORPORATE INFORMATION

Nestlé India Limited ("the Company") is a Company domiciled in India, with its registered office situated at 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001. The Company has been incorporated in 1959 under the provisions of Indian Companies Act and the Company's shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company is primarily involved in Food business which incorporates product groups viz. Milk Products and Nutrition, Prepared Dishes and Cooking Aids, Powdered and Liquid Beverages and Confectionery.

2 MATERIAL ACCOUNTING POLICIES

Material accounting policies used in preparation of the standalone financial statements have generally been included in the relevant notes to the financial statements.

A BASIS OF PREPARATION AND MEASUREMENT

a Statement of compliance

The financial statements of the Company have been prepared in compliance with all material aspects of the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013, read with the rules made thereunder and presentation and disclosure requirements of division II of Schedule III of the Companies Act, 2013.

b Basis of measurement

The financial statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets / liabilities, share based payments and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless stated otherwise.

c Functional and Presentation Currency

The financial statements have been prepared and presented in Indian Rupees (₹), which is also the Company's functional currency.

d Rounding off

All amounts in the financial statement and accompanying notes are presented in ₹ million and have been rounded-off to one decimal place unless stated otherwise.

e Current and Non-current Classification

The Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents.

f Measurement of Earnings before Interest, Tax, Depreciation and Amortisation [EBITDA]

For better understanding of the financial performance, the Company has chosen to present Earnings before Interest, Tax, Depreciation and amortisation [EBITDA] as an additional information. EBITDA is derived from Profit before Exceptional Items & Tax less Other income and adding back Finance costs (including the interest cost on employee benefits plans) and Depreciation (including impairment on property, plant and equipment) and amortisation.

g Use of Estimates and Judgement

The preparation of financial statements requires management to exercise judgement and make estimates and assumptions that affects the reported amounts of revenue, expenses, assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the results are known / materialise.

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

The areas involving significant estimates and judgement include determination of useful life of property, plant and equipment (refer Note 6), measurement of lease liabilities and right of use assets (refer Note 6), measurement of defined benefit obligations (refer Note 32), recognition and measurement of provisions and contingencies (refer Note 34) and recognition of deferred tax assets / liabilities (refer Note 36).

h Approval of financial statements

The financial statements of the Company for the year ended 31st March 2026 were approved for issue by the Board of Directors on 21st April 2026.

B FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees (₹) using the exchange rate at the date of transaction.

Monetary items (i.e. receivables, payables) denominated in foreign currency are reported using the closing exchange rate as on each Balance Sheet date.

The exchange difference arising on the settlement or reporting of monetary items at rates different from rates at which these were initially recorded / reported in previous financial statements, are recognised in the statement of profit and loss in the period in which they arise.

Also refer to accounting policy on 'Derivatives and Hedge accounting'. (refer Note 37 on financial instruments)

C PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions for Contingencies / Contingent liabilities are recognised/disclosed after evaluation of facts and legal aspects of the matter involved, in line with Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets and Ind AS 12 - Income Taxes. Provisions are recognised when the Company has a present obligation (legal/ constructive) and on management judgement as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued / realised.

D BORROWING COSTS

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. assets which take substantial period of time to get ready for their intended use) are capitalised as part of the cost of that asset. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

E EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

The Company had allotted 964.2 million equity shares of face value of ₹1 each as fully paid-up bonus equity shares, in the ratio 1:1, i.e., one (1) fully paid-up equity share of face value of ₹1 (Rupee one only) each for every one (1) existing fully paid-up equity share of face value of ₹1 (Rupee one only) each, to those eligible members of the Company whose name appeared in the Register of Members / Beneficial Owners as on the Record Date i.e., 8th August 2025.In accordance with the 'Ind AS 33 - Earnings per Share', the figures of Earnings per Share for previous periods presented have been restated to give effect to the allotment of the equity bonus shares.

F EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

All material events occurring after the Balance Sheet date up to the date of approval of financial statements by the Board of Directors on 21st April 2026, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

3 RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs (MCA) has notified amendments to the Companies (Indian Accounting Standards) Rules, 2015, vide notification number G.S.R. 291 (E) dated 7th May, 2025 and G.S.R. 549(E) dated 13th August, 2025. These amendments are applicable for reporting periods beginning on or after April 1, 2025 but do not have material impact on the financial statements of the Company.

4 EXCEPTIONAL ITEMS

Exceptional items refer to items of income or expense, within the statement of profit and loss from ordinary activities which are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

Exceptional items of (₹1,207.8 million) in the financial year ended 31st March 2026 comprise of the following:

a) Pursuant to closure of income tax matters related litigation for certain earlier years, provisions amounting to ₹3,120.4 million made in earlier years have been written back. Out of this amount, ₹1,097.2 million is classified under tax expense (refer Note 36(a) on tax expense) and balance ₹2,023.2 million under exceptional items.

b) Restructuring cost charge of ₹401.0 million, comprising of provisions for severance compensation for employees (refer Note 28 on employee benefits expense)

c) The Government of India has consolidated multiple existing labour legislations into a unified framework comprising of four Labour Codes, collectively referred to as the 'New Labour Codes' and notified with effect from 21st November 2025. Based on the analysis of the information available so far and actuarial valuation, the Company has recognised an incremental financial impact of ₹414.4 million as past service cost on post-employment defined benefits for its employees (refer Note 28 on employee benefits expense and Note 32 on employee benefit plans). Considering that this impact is driven by a regulatory change and is non-recurring in nature, it is classified under exceptional items. The Company continues to monitor the developments relating to the implementation of the New Labour Codes and will review the estimates as further clarifications and Rules are notified.

   Exceptional items of ₹2,908.2 million for the previous financial year ended 31st March 2025 comprised of gain on slump sale of the following businesses:

   - Nutraceutical Business ("NHSc") to Dr. Reddy's and Nestlé Health Science Limited.
   - Nestlé Business Services ('NBS') division to Nestlé Business Services India Private Limited (Formerly known as Purina PetCare India Private Limited).

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

5 BUSINESS COMBINATION

A. Business Combination under Common Control

In the previous financial year ended, the Company had executed slump sale of Nestlé Business Services ('NBS') Division to Nestlé Business Services India Private Limited (Formerly known as Purina PetCare India Private Limited) on 1st July 2024, which is a related party, being a 100% subsidiary of Nestle S.A. for a net consideration of ₹765.8 million.

B. Business Combination - Others

In the previous financial year ended, the Company had made an investment for 49% stake in Dr. Reddy's and Nestlé Health Science Limited ("Associate Company") for development of Nutraceutical business. Pursuant to this, the investee entity had become an associate of the Company with effect from 24th July 2024. As part of this transaction, Nutraceuticals Business ('NHSc Business') of the Company was transferred to the associate Company for a net consideration of ₹2,231.0 million with effect from 1st August 2024.

Dr. Reddy's Laboratories Limited (Dr. Reddy's) holds 51% and the Company holds 49% in the Associate Company with proportionate shareholder rights to voting, dividend distribution, and other economic rights as enshrined in the agreement. Nestlé India will have a call option to increase shareholding up to 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

6 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Owned Assets	57,475.3	49,256.5
Capital work-in-progress	5,069.8	11,725.6
Right of Use Assets	5,428.9	5,479.6
	67,974.0	**66,461.7**

Property, Plant and Equipment - Owned

Items of property, plant & equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at cost less accumulated impairment loss, if any.

Profit or loss on disposal / scrapping / write off / retirement from active use of an item of property, plant and equipment is recognised in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation / Amortization

The Company has assessed the useful lives of property, plant and equipment as required by Schedule II to the Companies Act, 2013. Accordingly, depreciation has been computed on useful lives based on technical evaluation of relevant class of assets including components thereof. Useful lives and residual values are reviewed annually. Depreciation is provided as per the straight line method computed basis useful lives of property, plant and equipment as follows:

Category	Useful Life
Leased Assets	Over the period of lease or useful life, whichever is lower
Buildings	25-40 years
Plant & Equipment	5- 25 years
Office Equipment	5 years
Furniture and Fixtures	5 years
Vehicles	5 years
Information Technology (IT) equipment	3-5 years

Freehold land is not depreciated

Impairment of Property, Plant and Equipment

At each Balance Sheet date, the company reviews whether there is any indication that an item of property, plant and equipment including capital work in progress, right of use assets or intangible assets (asset / cash generating unit) may be impaired. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). If any impairment indicator exists, estimate of the recoverable amount of the property, plant and equipment / cash generating unit to which the asset belongs is made. An impairment loss is recognised in the statement of Profit and Loss whenever the carrying amount of an asset/ cash generating unit exceeds its recoverable amount. The recoverable amount is the greater of the fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount rate.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset / cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset / cash generating unit in earlier years.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Property, Plant and Equipment - Right of Use Assets

The company's leases mainly comprises of land, buildings, plant & machinery and vehicles. The company leases land and buildings primarily for offices, manufacturing facilities and warehouses.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments with a corresponding adjustment to the carrying value of Right-of-use assets.

Lease liability and Right-of-use assets are separately presented in the Balance Sheet and lease payments are classified as financing cash flows in the Cash Flow Statement.

The company recognizes lease payments as other expense on a straight line basis over the period of lease for short term leases or leases of low value assets .

Particulars	GROSS CARRYING VALUE				DEPRECIATION/ AMORTISATION					NET CARRYING VALUE
	Cost as at 31st March 2025	Additions	Deletions / Adjustments	Cost as at 31st March 2026	As at 31st March 2025	For the year	Impairment loss	On deletions / Adjustments	As at 31st March 2026	As at 31st March 2026
6A. Owned Assets										
Freehold land	175.2	0.7	-	175.9	-	-	-	-	-	175.9
Buildings	18,229.3	1,949.8	3.7	20,175.4	3,930.1	708.1	-	3.6	4,634.6	15,540.8
Plant and equipment	58,626.7	11,865.8	671.8	69,820.7	24,813.9	4,616.0	251.8	661.1	29,020.6	40,800.1
Furniture and fixtures	712.3	40.1	16.9	735.5	553.1	54.4	-	16.9	590.6	144.9
Office equipment	523.0	22.7	5.2	540.5	321.4	78.7	-	5.2	394.9	145.6
IT equipment	1,676.9	365.4	163.5	1,878.8	1,070.4	305.5	-	163.9	1,212.0	666.8
Vehicles	5.2	-	-	5.2	3.2	0.8	-	-	4.0	1.2
Total Owned Assets	**79,948.6**	**14,244.5**	**861.1**	**93,332.0**	**30,692.1**	**5,763.5**	**251.8**	**850.7**	**35,856.7**	**57,475.3**
6B. Capital work-in-progress	**11,725.6**	**(6,655.8)#**	**-**	**5,069.8**	**-**	**-**	**-**	**-**	**-**	**5,069.8**
6C. Right of Use Assets										
Leasehold land	1,977.5	11.3	-	1,988.8	134.0	21.6	-	-	155.6	1,833.2
Buildings	5,093.8	818.3	395.0	5,517.1	2,193.7	816.9	-	392.0	2,618.6	2,898.5
Plant and Equipment	692.1	11.2	7.2	696.1	103.7	71.2	-	-	174.9	521.2
Vehicles	248.2	95.8	27.2	316.8	100.6	67.3	-	27.1	140.8	176.0
Total Right of Use Assets	**8,011.6**	**936.6**	**429.4**	**8,518.8**	**2,532.0**	**977.0**	**-**	**419.1**	**3,089.9**	**5,428.9**
Total (6A + 6B + 6C)	**99,685.8**	**8,525.3**	**1,290.5**	**106,920.6**	**33,224.1**	**6,740.5**	**251.8**	**1,269.8**	**38,946.6**	**67,974.0**

Net of amount capitalized and commissioned during the year

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	GROSS CARRYING VALUE				DEPRECIATION/ AMORTISATION					NET CARRYING VALUE
	Cost as at 31st March 2024	Additions	Deletions / Adjustments	Cost as at 31st March 2025	As at 31st March 2024	For the year	Impairment loss	On deletions / Adjustments	As at 31st March 2025	As at 31st March 2025
6D. Owned Assets										
Freehold land	175.2	-	-	175.2	-	-	-	-	-	175.2
Buildings	13,741.8	4,567.1	79.6	18,229.3	3,368.0	592.3	0.2	30.4	3,930.1	14,299.2
Plant and equipment	40,461.2	18,349.1	183.6	58,626.7	21,443.0	3,331.6	217.3	178.0	24,813.9	33,812.8
Furniture and fixtures	676.7	85.3	49.7	712.3	549.2	42.1	-	38.2	553.1	159.2
Office equipment	509.3	46.1	32.4	523.0	268.1	77.3	-	24.0	321.4	201.6
IT equipment	1,552.5	255.8	131.4	1,676.9	934.5	256.7	-	120.8	1,070.4	606.5
Vehicles	24.8	-	19.6	5.2	22.0	0.8	-	19.6	3.2	2.0
Total Owned Assets	**57,141.5**	**23,303.4**	**496.3**	**79,948.6**	**26,584.8**	**4,300.8**	**217.5**	**411.0**	**30,692.1**	**49,256.5**
6E. Capital work-in-progress	**17,417.1**	**(5,691.5)#**	**-**	**11,725.6**	**-**	**-**	**-**	**-**	**-**	**11,725.6**
6F. Right of Use Assets										
Leasehold land	1,332.9	644.6	-	1,977.5	110.7	23.3	-	-	134.0	1,843.5
Buildings	4,466.3	1,119.8	492.3	5,093.8	1,906.1	750.0	-	462.4	2,193.7	2,900.1
Plant and equipment	219.7	472.4	-	692.1	56.8	46.9	-	-	103.7	588.4
Vehicles	176.4	109.3	37.5	248.2	75.9	60.7	-	36.0	100.6	147.6
Total Right of Use Assets	**6,195.3**	**2,346.1**	**529.8**	**8,011.6**	**2,149.5**	**880.9**	**-**	**498.4**	**2,532.0**	**5,479.6**
Total (6D + 6E + 6F)	**80,753.9**	**19,958.0**	**1,026.1**	**99,685.8**	**28,734.3**	**5,181.7**	**217.5**	**909.4**	**33,224.1**	**66,461.7**

Net of amount capitalized and commissioned during the year

(1) The Company incurred ₹192.7 million (previous financial year ₹245.2 million) for the financial year ended 31st Mar 2026 towards expenses related to short term leases, leases of low value assets and variable leases.

(2) Additions during the year include the following expenses related to capital projects- employee benefits expense ₹310.6 million (previous financial year ₹344.8 million), other expenses ₹55.4 million (previous financial year ₹127.0 million) and finance cost ₹ Nil (previous financial year ₹82.4 million).

(a) Details regarding CWIP ageing schedule as at 31st March 2026

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Projects in progress	3,476.3	847.9	705.0	40.6	5,069.8
(ii) Projects temporarily suspended	-	-	-	-	-
Capital work-in-progress	**3,476.3**	**847.9**	**705.0**	**40.6**	**5,069.8**

Details regarding CWIP ageing schedule as at 31st March 2025

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Projects in progress	7,583.3	3,907.2	221.9	13.2	11,725.6
(ii) Projects temporarily suspended	-	-	-	-	-
Capital work-in-progress	**7,583.3**	**3,907.2**	**221.9**	**13.2**	**11,725.6**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(b) Details of CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31st March 2026

Particulars	To be completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress					
Project 1 at Moga Factory	338.3	-	-	-	338.3
Project 1 at Odisha Factory	-	-	-	409.3	409.3
Project 2 at Moga Factory	215.6	-	-	-	215.6
Project 1 at Nanjangud Factory	138.6	-	-	-	138.6
Project 1 at Tahliwal Factory	137.4	-	-	-	137.4
Project 3 at Moga Factory	91.1	-	-	-	91.1
Project 1 at Pantnagar Factory	74.6	-	-	-	74.6
Project 2 at Nanjangud Factory	56.0	-	-	-	56.0
Others	637.6	-	-	-	637.6
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**1,689.2**	**-**	**-**	**409.3**	**2,098.5**

Details of CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31st March 2025

Particulars	To be completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress					
Project 1 at Nanjangud Factory	1,335.8	-	-	-	1,335.8
Project 1 at Ponda Factory	274.2	-	-	-	274.2
Project 2 at Ponda Factory	233.7	-	-	-	233.7
Project 3 at Ponda Factory	227.5	-	-	-	227.5
Project 1 at Moga Factory	167.5	-	-	-	167.5
Project 1 at Pantnagar Factory	89.3	-	-	-	89.3
Project 4 at Ponda Factory	71.1	-	-	-	71.1
Project 1 at Samalkha Factory	54.2	-	-	-	54.2
Others	728.7	-	-	-	728.7
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**3,182.0**	**-**	**-**	**-**	**3,182.0**

Note: For capital commitment with respect to property, plant and equipment refer Note 40 (ii)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
7	**INVESTMENTS**		
	A. Non-Current Assets		
	At amortised cost		
	Unquoted		
	Investment in Associates		
	Dr.Reddy's and Nestlé Health Science Limited	7,056.0	7,056.0
	(Fully paid up 705,600,000 equity shares of face value ₹10 each)		
		7,056.0	**7,056.0**

Investment representing equity interest in associates is carried at cost less provision for impairment, if any. Where an indication of impairment exists the carrying amount of investment is assessed and written down to its recoverable amount.

Particulars	As at 31st March, 2026	As at 31st March, 2025
B. Current Assets		
At amortised cost		
Quoted		
Investment carried at fair value through profit or loss		
Investments in Mutual Funds	-	-
Considered as 'Cash and cash equivalents' for the purpose of 'Statement of Cash Flows'	-	-
TOTAL INVESTMENTS (A + B)	**7,056.0**	**7,056.0**
Aggregate amount of impairment in value of investment	-	-

	Particulars	As at 31st March, 2026	As at 31st March, 2025
8	**LOANS**		
	A. Non-Current Assets		
	Unsecured, considered good		
	Loans to employees	90.7	80.9
		90.7	**80.9**
	B. Current Assets		
	Unsecured, considered good		
	Loans to employees	110.0	103.1
		110.0	**103.1**
	TOTAL LOANS (A + B)	**200.7**	**184.0**

There are no loans due from directors or other officers of the Company or any of them either severally or jointly with any other person or loans due from firms or private companies respectively in which any director is a partner or a director or a member.

	Particulars	As at 31st March, 2026		As at 31st March, 2025	
9	**OTHER FINANCIAL ASSETS**				
	A. Non - Current				
	Unsecured, considered good				
	Security deposits		599.8		554.0
			599.8		**554.0**
	B. Current Assets				
	Unsecured, considered good				
	Recoverable from related parties		148.9		120.5
	Derivative assets - forward contracts		45.6		23.4
	Interest accrued on bank deposits / tax free long term bonds etc.		14.7		1.6
	Others		47.4		32.9
	Security deposits		65.8		68.8
	Unsecured, credit impaired				
	Security deposits	13.1		9.0	
	Less: Allowance for impairment	(13.1)	-	(9.0)	-
			322.4		**247.2**
	TOTAL OTHER FINANCIAL ASSETS (A + B)		**922.2**		**801.2**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026		As at 31st March, 2025	
10	**DEFERRED TAX ASSETS / (LIABILITIES) (NET)**				
	Property, plant and equipment		(2,214.6)		(1,717.8)
	Contingencies		655.4		738.3
	Employee benefits		320.9		295.9
	Others includes temporary differences arising out of right of use assets, expenses deductible on payment basis etc.		372.9		147.7
	NET DEFERRED TAX ASSETS / (LIABILITIES)		**(865.4)**		**(535.9)**
11	**OTHER ASSETS**				
	A. OTHER NON-CURRENT ASSETS				
	Considered good				
	Investment in Insurance plan[1]		8,726.3		9,975.7
	Capital advances		410.0		255.5
	Prepaid expense		8.7		15.3
	Balances with government authorities		1,304.3		-
	Payments under protest with government authorities		1,497.2		1,498.2
			11,946.5		**11,744.7**
	B. OTHER CURRENT ASSETS				
	Considered good				
	Investment in Insurance plan[1]		1,361.2		1,525.3
	Advances given to suppliers, employees etc.		424.9		261.5
	Balances with government authorities		963.4		1,783.4
	Prepaid expenses		327.2		331.7
	Credit impaired - unsecured				
	Advances given to suppliers, Balances with government authorities etc.	56.0		51.6	
	Less: Allowance for doubtful advances	(56.0)	-	(51.6)	-
			3,076.7		**3,901.9**
	TOTAL OTHER ASSETS (A + B)		**15,023.2**		**15,646.6**

[1] Investment represents 'Reimbursement Rights' as defined under Ind AS 19 Employee Benefits to cover the defined benefit obligations under the 'Future Ready Plan' (refer Note 32 on employee benefit plans).

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

12 INVENTORIES

Inventories are stated at cost or net realisable value, whichever is lower. However, raw materials, packing materials and other supplies held for use in the production of inventories are not written down below cost if the finished goods in which they will be included are expected to be sold at or above cost.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

The basis of determining cost for various categories of inventories are as follows:

Raw and packing material	:	First-in-first out
Stock-in-trade (goods purchased for resale)	:	Weighted average
Stores and spare parts	:	Weighted average
Work-in-progress and finished goods	:	Material cost plus appropriate share of production overheads, wherever applicable

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials	8,324.8	13,271.9
[Includes in transit ₹456.4 million (previous financial year: ₹681.6 million)]		
Packing materials	938.0	766.3
[Includes in transit ₹4.9 million (previous financial year: ₹0.6 million)]		
Work-in-progress	3,372.8	4,063.4
Finished goods	9,387.3	7,311.9
Stock-in-trade (goods purchased for resale)	1,535.2	1,237.8
[Includes in transit ₹316.4 million (previous financial year: ₹335.0 million)]		
Stores and spares	2,134.1	1,850.1
[Includes in transit ₹33.1 million (previous financial year: ₹37.8 million)]		
	25,692.2	**28,501.4**

During the year, an amount of ₹1,219.3 million (net of reversals) [previous financial year ₹1,542.2 million] was charged to the statement of profit and loss on account of obsolete, damage and slow moving inventories.

13 TRADE RECEIVABLES

(Unsecured unless otherwise stated)

Trade Receivables considered good[1]	3,371.2	3,712.7
Trade Receivables credit impaired	41.5	3.9
	3,412.7	**3,716.6**
Less: Loss allowance for credit impairment	(41.5)	(3.9)
Less: General allowance for expected credit loss (refer Note 37 on financial instruments)	(76.5)	(81.2)
	3,294.7	**3,631.5**

[1] Includes receivables from related parties (refer Note 41)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Ageing for Trade receivables from the due date of payment for each of the category as at 31st March 2026

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less Than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables considered good	3,156.6	155.3	41.4	14.9	2.0	1.0	3,371.2
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	0.6	0.2	0.7	17.7	22.3	41.5
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant Increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total Trade Receivables	**3,156.6**	**155.9**	**41.6**	**15.6**	**19.7**	**23.3**	**3,412.7**

Ageing for Trade receivables from the due date of payment for each of the category as at 31st March 2025

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables considered good	3,091.3	553.4	34.8	23.8	9.0	0.4	3,712.7
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	1.2	0.0	0.0	1.9	0.8	3.9
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant Increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total Trade Receivables	**3,091.3**	**554.6**	**34.8**	**23.8**	**10.9**	**1.2**	**3,716.6**

Note:

There are no unbilled receivables as at 31st March 2026 and 31st March 2025.

There are no debts due from directors or other officers of the Company or any of them either severally or jointly with any other person or debts due from firms or private companies respectively in which any director is a partner or a director or a member other than as disclosed in Related Party Note 41.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank balances, cheques and drafts on hand including remittances in transit, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash flows.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with banks		
on current accounts	593.8	484.6
on deposit accounts *	12,585.7	264.1
Cheques, drafts on hand including remittances in transit	26.2	13.1
	13,205.7	**761.8**

* The above deposits includes deposit of ₹263.6 million (previous financial year ₹264.0 million) held as lien by banks against overdraft facility.

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Earmarked Balances with Banks		
Unpaid dividend accounts	203.0	194.7
	203.0	**194.7**

16 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Authorised				
Equity shares of face value ₹1 each as on 31st March 2026*	**2,000,000,000**	**2,000.0**	**1,000,000,000**	**1,000.0**
(Equity shares of face value ₹1 each as on 31st March 2025)				
Issued, subscribed and fully paid up				
Equity shares of face value ₹1 each*	**1,928,314,320**	**1,928.3**	**964,157,160**	**964.2**
(Equity shares of face value ₹1 each as on 31st March 2025)				

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Shares outstanding as at the beginning of the year	964,157,160	964.2	964,157,160	964.2
Increase in shares on account of bonus issue*	964,157,160	964.2	-	-
Shares outstanding as at the end of the year	**1,928,314,320**	**1,928.3**	**964,157,160**	**964.2**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

* Effective 11th August, 2025, the paid-up share capital of the Company stands increased from ₹964.2 million, divided into 964.2 million equity shares of face value of ₹1/- each, to ₹1,928.3 million divided into 1,928.3 million equity shares of face value of ₹1/- each, following the allotment of 964.2 million equity shares of face value of ₹1 each as fully paid-up bonus equity shares, in the ratio 1:1, i.e., one (1) fully paid-up equity share of face value of ₹1 (Rupee one only) each for every one (1) existing fully paid-up equity share of face value of ₹1 (Rupee one only) each, to those eligible members of the Company whose name appeared in the Register of Members / Beneficial Owners as on the Record Date i.e., 8th August 2025.

As approved by the shareholders of the Company at the Extraordinary General Meeting held on 24th July 2025, the Authorised Share Capital of the Company was increased from ₹1,000 million divided into 1,000 million equity shares of ₹1/- each to ₹2,000 million by creation of an additional 1,000 million equity shares of ₹1/- each. These bonus equity shares were issued by capitalising ₹964.2 million from retained earnings of the Company.

These bonus equity shares were issued by capitalising ₹964.2 million from retained earnings of the Company, out of the ₹8,374.3 million that was reclassified from the General Reserve and credited to the Retained Earnings during the financial year ended 31st March 2024, in accordance with the Scheme of Arrangement ("Scheme") sanctioned by National Company Law Tribunal, Delhi Bench (Hon'ble NCLT), vide its Order dated 15th September 2023 and which became effective from 19th October 2023 ("Hon'ble NCLT Order"). In terms of the Scheme, the aforesaid amount reclassified to Retained Earnings represents accumulated profits of the Company and is available for distribution to the members, from time to time, at the discretion of the Board of Directors, in such manner, quantum and at such time as the Board may decide, subject to applicable regulatory, fiscal and other relevant considerations, including payment of applicable taxes. A copy of the NCLT Order and the Scheme is available on the Company's website at: https://www.nestle.in/investors/stockandfinancials/scheme-arrangement

In accordance with the 'Ind AS 33 – Earnings per Share', the figures of Earnings per Share for previous periods presented have been restated to give effect to the allotment of the equity bonus shares.

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares with face value of ₹ 1 each, ranking *pari passu*.

c) Equity shares held by Ultimate Holding Company and its Subsidiaries

Particulars	As at 31st March, 2026 No. of shares	As at 31st March, 2025 No. of shares
Nestlé S.A. (Ultimate Holding Company)	661,027,980	330,513,990
Maggi Enterprises Limited (Subsidiary of Nestlé S.A.)	549,273,600	274,636,800

d) Shareholders holding more than 5% of equity shares

Serial No.	Name of the shareholder	As at 31st March, 2026		As at 31st March, 2025	
		No. of shares	% of holding	No. of shares	% of holding
1	Nestlé S.A.	661,027,980	34.28	330,513,990	34.28
2	Maggi Enterprises Limited	549,273,600	28.48	274,636,800	28.48
3	Life Insurance Corporation of India	118,462,943	6.14	45,033,003	4.67

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

e) Shareholdings by the Promoter's of the Company

Particulars	As at 31st March, 2026	As at 31st March, 2025
Nestlé S.A.		
Number of shares at the beginning of the year	330,513,990	330,513,990
Increase in shares on account of bonus issue*	330,513,990	-
Number of shares at the end of the year	661,027,980	330,513,990
% of Total shares	34.28	34.28
% of change during the year	-	-
Maggi Enterprises Limited		
Number of shares at the beginning of the year	274,636,800	274,636,800
Increase in shares on account of bonus issue*	274,636,800	-
Number of shares at the end of the year	549,273,600	274,636,800
% of Total shares	28.48	28.48
% of change during the year	-	-

17 OTHER EQUITY

Retained earnings	51,070.7	40,089.5
Capital Reserve	99.8	99.8
Items of Other Comprehensive Income		
Effective portion of cash flow hedges	(6.4)	18.0
	51,164.1	**40,207.3**

Nature and description of reserve:

(i) Retained Earnings - Retained earnings are the accumulated profits earned by the Company till date, less dividend (including dividend distribution tax) and other distributions made to the shareholders.

(ii) Capital Reserve - Capital Reserve is a reserve arising on business combination under common control due to difference between carrying amount of net assets acquired and consideration paid (as adjusted for amount recognized in retained earnings). The amount is not available for distribution to shareholders.

(iii) Effective portion of cash flow hedges - The Company uses forward contracts to hedge its risks associated with foreign currency transactions relating to firm commitments and highly probable forecast transactions. This reserve represents the cumulative changes in fair value of forward contracts that are designated as Cash Flow Hedges. These will be reclassified to statement of profit and loss upon occurrence of the underlying forecasted transactions.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
18	**BORROWINGS**		
	A. Non-Current Liabilities		
	Unsecured loans		
	Deferred VAT liabilities [1]	202.9	224.8
		202.9	**224.8**
	B. Current Liabilities		
	Unsecured loans		
	Deferred VAT liabilities [1]	41.5	51.6
	Short term borrowing from banks [2]	-	7,257.0
		41.5	**7,308.6**
	TOTAL BORROWINGS (A + B)	**244.4**	**7,533.4**

[1] Represents Interest free loan from the state of Karnataka (repayable after 7 years from the date of disbursement in 10 equal installments commencing from the year 2021. Previous financial year also includes Interest free loan from the state of Himachal Pradesh ₹14.8 million which is fully repaid during current financial year.

[2] The Company has availed short term borrowing from banks as at 31st March 2026 Nil (previous financial year ₹7,257.0 million at an interest rate of 6.7% to 7.5%, repayable within 30 days)

19 LEASE LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Non-Current Lease Liabilities	3,375.3	3,415.3
B. Current Lease Liabilities	821.9	719.8
TOTAL LEASE LIABILITIES (A + B)	**4,197.2**	**4,135.1**
Movement of Lease Liabilities		
Balance at the beginning of the year	4,135.1	3,133.9
Add: Increase due to new leases	936.6	1,809.6
Add: Interest accrued on lease liabilities during the year	301.9	270.2
Less: Payment of lease liabilities (including interest)	(1,166.0)	(1,032.0)
Less: Decrease due to early termination of leases	(10.4)	(46.6)
Balance at the end of the year	**4,197.2**	**4,135.1**

20 PROVISIONS

Particulars	2026	2026	2025	2025
A. Non-Current Liabilities				
Employee benefits:				
Pension (refer Note 32 on employee benefit plans)	18,326.4		18,597.7	
Other incentives and welfare benefits [1]	2,585.1	20,911.5	2,083.9	20,681.6
Contingencies (refer Note 34)		7,324.6		10,219.9
		28,236.1		**30,901.5**
B. Current Liabilities				
Employee benefits:				
Pension and Gratuity (refer Note 32 on employee benefit plans)	2,571.9		2,147.7	
Other incentives and welfare benefits [1]	506.0	3,077.9	275.1	2,422.8
		3,077.9		**2,422.8**
TOTAL PROVISIONS (A + B)		**31,314.0**		**33,324.3**

[1]Includes compensated absences, restricted stock unit plans/ performance share unit plans, long service awards and ceremonial gifts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

21 OTHER LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Non-Current Liabilities		
Deferred Government Grants	187.3	136.4
	187.3	**136.4**
B. Current Liabilities		
Advance from customers [1]	1,031.3	274.8
Statutory liabilities	509.1	1,761.9
Others	95.8	122.0
	1,636.2	**2,158.7**
TOTAL OTHER LIABILITIES (A + B)	**1,823.5**	**2,295.1**

[1] Goods to be supplied in the next financial year.

22 TRADE PAYABLES

Total outstanding dues of micro enterprises and small enterprises	3,280.4	4,170.9
Total outstanding dues of creditors other than micro enterprises and small enterprises [1]	26,386.1	19,564.4
	29,666.5	**23,735.3**

[1] Includes payables to related parties (refer Note 41)

b) AGEING OF TRADE PAYABLES

Ageing for Trade Payables as at 31st March 2026

Particulars	Unbilled Dues / Not Due	Outstanding for the following periods from due date of payment				Total
		Less Than 1 Year	1 - 2 Years	2 - 3 Years	More Than 3 Years	
(i) MSME	3,239.1	41.3	0.0	-	-	3,280.4
(ii) Others	24,240.3	2,119.1	0.0	5.3	21.4	26,386.1
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-
Trade Payables	**27,479.4**	**2,160.4**	**0.0**	**5.3**	**21.4**	**29,666.5**

Ageing for Trade Payables as at 31st March 2025

Particulars	Unbilled Dues / Not Due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	3,958.2	212.7	0.0	-	-	4,170.9
(ii) Others	18,715.6	822.0	4.8	2.8	19.2	19,564.4
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-
Trade Payables	**22,673.8**	**1,034.7**	**4.8**	**2.8**	**19.2**	**23,735.3**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

c) SUPPLIER FINANCE ARRANGEMENT

Particulars	As at 31st March, 2026	As at 31st March, 2025
Carrying amount of trade payables that are part of a supplier finance arrangement	8,076.1	6,696.7
Of which suppliers have received payment	1,528.9	2,400.1

The Company has a supplier financing program with external financial institutions in respect of approved trade payables. Under these arrangements, participating suppliers may, at their discretion, elect to receive early payment on approved invoices from the finance providers, subject to the suppliers' separate agreements with such financial institutions. The Company's payment obligation to settle the full invoice amount with the finance providers arises on the contractual maturity date of the invoice. The supplier finance arrangements do not modify the contractual payment terms between the Company and its suppliers or result in an extension of payment terms, hence there is no effect on the Company's obligation to pay amounts due under the supplier contracts. The Company does not provide any collateral, guarantees, or other forms of security in connection with these arrangements.

23 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Customers' credit balances and payables	4,793.7	3,839.5
Employee costs and reimbursements	3,404.0	2,896.2
Accrued expenses	1,082.5	500.0
Unpaid dividends[1]	203.0	194.7
Security deposits	202.0	77.7
Derivative liabilities - forward contracts	97.8	28.0
Interest accrued but not due on borrowings	-	13.3
Book Overdraft	4.0	3.6
	9,787.0	**7,553.0**

[1] No amount due and outstanding to be credited to Investor Education and Protection Fund.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

24 REVENUE FROM OPERATIONS

a) Sale of products

Revenue from sale of goods is recognised on transfer of control of goods to the buyer. Revenue is measured at the price charged to the customer and are recorded net of returns (if any), trade discounts, rebates, other pricing allowances to trade/consumer, when it is probable that the associated economic benefits will flow to the Company. Accumulated experience is used to estimate and provide for sales return, trade discounts and other allowances.

The Performance obligation in contracts is considered as fulfilled in accordance with the terms agreed with the respective customers, which is mainly upon arrival at the customer place. The payment terms include advance payment and credit given to certain customers.

Revenue from sale of goods is presented net of Goods and Services Tax (GST).

Particulars	Financial Year ended 31st March, 2026		Financial Year ended 31st March, 2025	
Domestic	221,187.0		192,926.7	
Export	9,527.6	**230,714.6**	7,848.3	**200,775.0**

Class-Wise Details of Sales of Products

Product groups	Financial Year ended 31st March, 2026		Financial Year ended 31st March, 2025	
	Quantity (MT)	Amount (₹ in million)	Quantity (MT)	Amount (₹ in million)
Milk Products and Nutrition (includes dairy whitener, condensed milk, UHT milk, yogurt, maternal and infant formula, baby foods, health care nutrition)	122,958	77,167.7	125,771	76,575.5
Prepared Dishes and Cooking Aids (includes noodles, sauces, seasonings, pasta, cereals, pet food)	401,695	72,740.1	359,785	61,990.6
Powdered and Liquid Beverages (includes instant coffee, instant tea, ready to drink beverage)	35,676	36,381.2	30,153	28,881.1
Confectionery (includes bar countlines, tablets, sugar confectionery)	87,195	44,425.6	69,473	33,327.8
Sale of products	**647,524**	**230,714.6**	**585,182**	**200,775.0**

Reconciliation of revenue from Sale of products with the Contracted price

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Contracted price	240,217.0	208,696.7
Less: Rebates, discounts, allowances etc.	9,502.4	7,921.7
Sale of products	**230,714.6**	**200,775.0**

Contract liabilities are disclosed in Note 21 - other liabilities as advance from customers.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

b) Other Operating Revenue

Government Grants in relation to revenue and expenses are recognized when there is reasonable assurance that the entity will comply with the attached conditions and that the grant will be received. Such grants are recognized in Other operating revenues on a systematic basis.

Government grant in relation to property, plant and equipment is treated as deferred income and is recognised in the statement of profit and loss over the useful life of the asset.

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Government grants (export incentive, production linked incentives and capital subsidies)	415.5	711.4
Other operating income (mainly scrap sales)	415.9	529.2
	831.4	**1,240.6**

25 OTHER INCOME

Interest on bank deposits, investments etc.	330.7	280.7
Interest on tax free long term bonds	-	286.6
Income from mutual funds	23.9	21.3
Gain on property, plant & equipment sold / scrapped / written off	48.9	41.3
	403.5	**629.9**

Interest income is recognised using effective interest rate (EIR) method.

26 COST OF MATERIALS CONSUMED

Raw materials	84,184.8	71,473.2
Packing materials	13,955.6	12,428.3
	98,140.4	**83,901.5**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Opening stock				
Finished goods	7,311.9		6,814.1	
Work-in-progress	4,063.4		3,616.7	
Stock-in-trade	1,237.7		785.6	
	12,613.0		**11,216.4**	
Closing Stock				
Finished goods	9,387.3		7,311.9	
Work-in-progress	3,372.8		4,063.4	
Stock-in-trade	1,535.2		1,237.7	
	14,295.3		**12,613.0**	
Net (increase)/ decrease in opening and closing stock		**(1,682.3)**		**(1,396.6)**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

28 EMPLOYEE BENEFITS EXPENSE

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Salaries, wages and bonus (refer Note 32 on employee benefit plans)	19,700.0	17,992.7
Contribution to provident and other funds (refer Note 32 on employee benefit plans)	1,173.7	1,165.2
Share based payments (refer Note 33 on RSU / PSU plan)	222.5	168.2
Staff welfare expenses	1,687.9	1,294.1
Employee benefit expenses incurred	**22,784.1**	**20,620.2**
Less: Employee benefits expense included in following other lines:		
- capitalised as directly attributable costs (refer Note 6 on Property, plant and equipment)	(310.6)	(344.8)
- exceptional items (refer Note 4 (a) and (b) of exceptional items)	(815.4)	-
	21,658.1	**20,275.4**

Employee benefits expense includes ₹42.4 million (previous financial year ₹38.3 million) attributable towards Corporate Social Responsibility expenses (refer Note 35 on Corporate social responsibility).

29 FINANCE COSTS

Interest cost on employee benefit plans (refer Note 32 on employee benefit plans)	743.2	634.1
Interest on lease liabilities	301.9	270.2
Interest on litigation cases and contingencies	(1,678.4)	375.4
Interest on bank overdraft and other financial liabilities	193.2	162.7
	(440.1)	**1,442.4**
Less: Finance costs included in following other lines:		
- Capitalised as borrowing costs (refer Note 6 on property, plant and equipment)	-	(82.4)
- Exceptional items (refer Note 4 (a) on exceptional items)	2,023.2	-
	1,583.1	**1,360.0**

30 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on property, plant and equipment (refer Note 6 on property, plant and equipment)	5,763.5	4,300.8
Depreciation on right-of-use- assets (refer Note 6 on property, plant and equipment)	977.0	880.9
Impairment of property, plant and equipment (refer Note 6 on property, plant and equipment)	251.8	217.5
	6,992.3	**5,399.2**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

31 OTHER EXPENSES

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Finished goods handling, transport and distribution	9,618.1	8,770.6
Advertising and sales promotion	12,242.1	9,658.6
Power and fuel	5,872.1	5,414.2
General licence fees (net of taxes)	10,245.2	8,994.1
Withholding tax on general licence fees	1,024.7	897.1
Information technology and management information systems	2,005.9	1,802.2
Corporate social responsibility expense (refer Note 35)	807.7	728.0
Maintenance and repairs	1,601.1	1,397.6
Rates and taxes	80.2	91.6
Travelling	1,254.2	1,314.7
Rent	192.7	245.2
Contract manufacturing charges	1,628.9	1,167.6
Consumption of stores and spare parts	977.3	831.0
Training	65.3	83.9
Laboratory (quality testing)	381.5	331.8
Market research	740.1	665.4
Milk collection and district development	124.1	108.7
Security charges	226.2	220.3
Exchange difference (net)	272.4	146.1
Loss on property, plant & equipment sold/scrapped/written off	9.0	17.5
Insurance	205.5	245.1
Miscellaneous	3,895.5	3,542.2
	53,469.8	**46,673.5**
Less: expenses included above, capitalised as directly attributable costs (refer Note 6 on property, plant and equipment)	(55.4)	(127.0)
	53,414.4	**46,546.5**

Note: Figures for previous year / period have been regrouped wherever necessary.

32 EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans: The Company makes contributions to Provident Fund, Employee State Insurance, National Pension System etc. for eligible employees and these contributions are charged to statement of profit and loss on accrual basis. Under these plans, the Company is required to contribute a specified percentage of payroll costs. The Company has recognised ₹1,173.7 million (previous financial year ₹1,165.2 million) as expense in the statement of profit and loss during the year towards contribution to these funds.

(ii) Short-term employee benefits: Short-term employee benefits such as salaries, wages, performance incentives, etc. payable wholly within twelve months of rendering the service are charged to standalone statement of profit and loss on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

(iii) Termination benefits are recognised in the standalone statement of profit and loss at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a related restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets, involving payment of termination benefits.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(iv) Post-employment defined benefit Pension and Gratuity Plans: The Company provides pension and gratuity benefits to eligible employees under post-employment defined benefit plans. Defined benefit pension plans are discretionary and consist of an unfunded defined benefit pension plan and a funded defined benefit pension plan (known as 'Future ready plan'). The unfunded defined benefit plan exposes the Company to risks, such as interest rate risk, inflation risk, price risk, longevity risk etc.

The gratuity plan provides for a lump sum payment to employees upon vesting at retirement, death while in employment or on termination of employment. Gratuity vesting occurs upon completion of five years of service. The Company makes contributions to the Nestlé India Limited Employees' Gratuity Trust Fund. The Trustees of Nestlé India Limited Employees Gratuity Trust Fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law. Pattern of investment followed by the Gratuity Trust fund is in accordance with the rules prescribed by the Government of India. The Company aims to keep annual contributions to the trust relatively stable at a level such that no significant gap arises between plan assets and liabilities.

Liability for defined benefit plans i.e. gratuity and 'unfunded pension plan' is determined based on the actuarial valuation carried out by an independent actuary as at the year-end. As these liabilities are relatively long-term in nature, the actuarial assumptions take into account the requirements of the relevant Ind AS coupled with a long-term view of the underlying variables / trends, wherever required.

Service cost and net interest cost on the defined benefit liabilities/assets are recognized in the statement of profit and loss as employee benefit expense and finance costs respectively. Gains and losses on remeasurement of defined benefits liabilities/plan assets arising from changes in actuarial assumptions and experience adjustments are recognised in the other comprehensive income and are included in retained earnings in the Balance Sheet.

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising of four Labour Codes, collectively referred to as the 'New Labour Codes' and notified with effect from 21st November 2025. Based on the analysis of the information available so far and actuarial valuation, the Company has recognised an incremental financial impact of ₹414.4 million as past service cost on post-employment defined benefits for its employees. Considering that this impact is driven by a regulatory change and is non-recurring in nature, it is classified under exceptional items in these financial results. The Company continues to monitor the developments relating to the implementation of the New Labour Codes and will review the estimates as further clarifications and Rules are notified.

For funded defined benefit pension plan (Future ready plan), the liability amount determined in 2021 to cover the plan obligations based on actuarial valuation carried out by an independent actuary for past periods, was invested in an appropriate Investment product of an Insurance company and recognized as 'reimbursement rights' as per Ind AS 19 Employee Benefits. This investment earns interest and the corresponding defined benefit liability increases with this interest amount. The amount and timing of the defined benefits payable under the Future ready plan match with the amounts recoverable from the Investment product. The amount recoverable from the investment product is utilized for payment of the defined benefits payable to the employees including purchase of pension annuities from the insurance company as per the Future ready plan. The plan exposes the Company to risks such as credit risk etc.

(v) Other long-term employee benefits such as compensated absences and long service awards are charged to statement of profit and loss on the basis of an actuarial valuation carried out by an independent actuary as at the year-end. Actuarial gains and losses are recognised in full in the statement of profit and loss during the year in which they occur.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

a) MOVEMENT IN POST-EMPLOYMENT DEFINED BENEFIT OBLIGATIONS AND PLAN ASSETS

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
(i) Change in defined benefit obligation (DBO):						
Present Value of obligation, as at the beginning of the year	3,260.2	11,501.1	8,999.9	3,038.1	12,236.5	7,537.6
Current service cost	211.8	-	492.2	197.3	-	426.1
Past service cost [1]	492.0	-	(77.6)	-	-	-
Interest cost	210.2	862.5	606.3	205.0	903.3	512.6
Actuarial loss / (gain)	100.8	-	359.5	125.0	-	954.4
Actual benefits paid	(305.1)	(2,276.1)	(89.4)	(220.2)	(1,638.7)	(105.5)
Settlement to Insurance Company for Pensioners	-	-	(322.1)	-	-	(325.3)
Divestitures	6.9	-	-	(85.0)	-	-
Present value of obligation, as at the end of the year	**3,976.8**	**10,087.5**	**9,968.8**	**3,260.2**	**11,501.1**	**8,999.9**
(ii) Change in plan assets:						
Plan assets, as at the beginning of the year	3,015.8	-	-	2,730.1	-	-
Expected return on plan assets	201.5	-	-	194.2	-	-
Contribution by the Company	244.4	-	-	309.0	-	-
Return on plan assets, greater / (lesser) than expected return	(21.8)	-	-	2.7	-	-
Actual benefits paid	(305.1)	-	-	(220.2)	-	-
Plan assets, as at the end of the year	**3,134.8**	**-**	**-**	**3,015.8**	**-**	**-**
Net liability recognised in the Balance Sheet	**842.0**	**10,087.5**	**9,968.8**	**244.4**	**11,501.1**	**8,999.9**
of which accounted as:						
Non-current provisions	-	8,726.3	9,600.1	-	9,975.7	8,622.0
Current provisions	842.0	1,361.2	368.7	244.4	1,525.4	377.9
(iii) Re-imbursement rights						
Opening Balance as at the beginning of the year	-	11,501.1	-	-	12,236.5	-
Investments during the year	-	-	-	-	-	-
Return on Investments	-	862.5	-	-	903.3	-
Benefit payments	-	(2,276.1)	-	-	(1,638.7)	-
Investments as at the end of the year	**-**	**10,087.5**	**-**	**-**	**11,501.1**	**-**
(iv) Constitution of plan assets						
Quoted						
Funding with insurance Companies	3,130.1	-	-	3,014.1	-	-
Unquoted						
Cash at bank and receivables	4.7	-	-	1.7	-	-
Total plan assets	**3,134.8**	**-**	**-**	**3,015.8**	**-**	**-**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
(v) Cost recognised in the statement of profit and loss						
Current service cost	211.8	-	492.2	197.3	-	426.1
Past service cost [1]	492.0	-	(77.6)	-	-	-
Interest cost [2]	210.2	862.5	606.3	205.0	903.3	512.6
Expected return on plan assets / re-imbursement rights	(201.5)	(862.5)	-	(194.2)	(903.3)	-
Net cost	**712.5**	**-**	**1,020.9**	**208.1**	**-**	**938.7**
(vi) Re-measurements recognised in other comprehensive income						
Actuarial loss / (gain):						
Change in financial assumptions	98.3	-	785.1	87.6	-	365.2
Change in demographic assumptions	-	-	-	-	-	-
Experience adjustments	2.5	-	(425.6)	37.4	-	589.2
Return on plan assets, (greater) / lesser than expected return	21.8	-	-	(2.7)	-	-
Net cost	**122.6**	**-**	**359.5**	**122.3**	**-**	**954.4**

[1] Based on the analysis and understanding of the draft rules and other information available so far on the new "Labour Codes" implemented effective 21st November 2025, and actuarial valuation, the Company has recognised ₹414.4 million (previous financial year nil) as past service cost arising due to change in the definition of "wages", and classified the amount under exceptional items (refer note 4 (c) on exceptional items)

[2] Total Interest cost on employee benefit plans recognised in statement of profit and loss is ₹743.2 million (previous financial year ₹634.1 million). This includes ₹615.0 million (previous year ₹523.4 million) towards pension and gratuity and balance amount ₹128.2 million (previous year ₹ 110.7 million) towards compensated absences and long service awards.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

b) KEY ACTUARIAL ASSUMPTIONS

Particulars	Financial Year ended 31st March 2026		Financial Year ended 31st March 2025	
	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan
Discount Rates (%)	7.00	7.00	6.75	6.75
Expected rate of salary increases (%)[1]				
- First 5 years	4.2 to 14.2		3.4 to 15.9	
- Beyond five years	2.9 to 12.5		2.3 to 11.8	
Expected rate of pension increases (%)	-	3.50	-	3.50
Mortality assumptions:				
in service	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates
in retirement (for pension scheme)		Indian Individual Annuitant's Mortality Table (2012-15) with 10% past improvement and 0.5% future mortality improvement		Indian Individual Annuitant's Mortality Table (2012-15) with 10% past improvement and 0.5% future mortality improvement

[1] Refers to range of average salary escalation rates for different category of employees.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, performance, promotion and other relevant factors such as demand and supply in the employment market.

As defined benefits obligations are of relatively long term in nature, the actuarial assumptions take in account the requirements of the relevant Ind AS coupled with a long term view of the underlying variables / trends, wherever required.

c) SENSITIVITY ANALYSIS

Sensitivity of the defined benefit obligation to changes in key actuarial assumptions

Particulars	Financial Year ended 31st March 2026		Financial Year ended 31st March 2025	
	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan
Present Value of obligation - Reported	3,976.8	9,968.8	3,260.2	8,999.9
Discount rates				
Increase of 50 basis point	3,777.6	9,001.5	3,091.9	8,420.3
Decrease of 50 basis point	4,193.6	11,022.1	3,430.3	9,643.0
Expected rate of salary increases				
Increase of 50 basis point	4,093.6	10,767.9	3,398.7	9,710.4
Decrease of 50 basis point	3,847.4	9,190.3	3,125.7	8,346.0
Expected rate of Pension increases				
Increase of 50 basis point	-	10,485.9	-	9,469.5
Decrease of 50 basis point	-	9,498.5	-	8,572.7
Life expectancy				
Increase by 1 year	-	9,973.5	-	9,008.1
Decrease by 1 year	-	9,965.2	-	8,993.6

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Sensitivities are calculated using the same actuarial method as applied for the calculation of present value of the defined benefit obligation. Sensitivity calculations are based on change in the respective assumption while keeping other assumptions constant.

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
d) **Weighted average duration of the Defined Benefit Obligation**	11.97 years	8.73 years	12.56 years	11.83 years	9.82 years	12.72 years
e) **Expected contribution to the Trust (₹ in million)**	842.0	-	-	244.4	-	-

33 RESTRICTED STOCK UNIT (RSU) / PERFORMANCE SHARE UNIT (PSU) PLAN

The Company participates in the Nestlé Restricted Stock Unit (RSU) / Performance Share Unit (PSU) Plan of Nestlé S.A., whereby select employees are granted non-tradable units with the right to obtain Nestlé S.A. shares or cash equivalent. Restricted Stock Units (RSU) / Performance Share Units (PSU) granted to employees vest, subject to certain conditions, after completion of three years. Upon vesting Nestlé S.A. determines, whether shares, free of charge or cash equivalent to the value of shares, is to be transferred to the employee. The fair value of these units is charged to the statement of profit and loss over the vesting period. The Company has to pay Nestlé S.A. an amount equivalent to the value of Nestlé S.A. shares on the date of vesting, delivered to the employee.

The details are as under:

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March 2025
Outstanding, non-vested RSU / PSU grants as at year end	192.6	203.9
RSU / PSU grants vested during the year	233.8	144.7
Recognised in statement of profit and loss	222.5	168.2

The details on number of grants is as under:

Particulars	31st March, 2026	31st March, 2025
Outstanding, non-vested RSU/ PSU grants as at beginning of the year	68,029	59,443
RSU / PSU grants granted during the year	27,373	30,174
RSU / PSU grants vested/reversed during the year	29,375	21,588
Outstanding, non-vested RSU / PSU grants as at year end	66,027	68,029
Share price used for valuation of grants at year end (in ₹)	9,218.5	8,689.8

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

34 NET PROVISION FOR CONTINGENCIES

The Company has created a contingency provision of ₹731.6 million (previous year ₹759.0 million) for various contingencies resulting mainly from matters, which are under litigation / related disputes and other uncertainties requiring management judgement. The Company has also reversed/utilised contingency provision of ₹3,626.9 million (previous financial year ₹263.9 million) due to the settlement of certain litigations and obligations for which provision is no longer required.

Provisions are reviewed at each Balance Sheet date and adjusted in accordance with applicable accounting standards to reflect the current best estimate of the outflow of resources that would be required to settle the obligation.

The movement of provisions is given below:

Particulars	Financial Year ended 31st March 2026				Financial Year ended 31st March 2025			
	Litigations and related disputes*		Others**	Total	Litigations and related disputes*		Others**	Total
	Indirect Taxes	Other Litigations			Indirect Taxes	Other Litigations		
Opening balance	2,741.8	7,015.7	462.4	10,219.9	2,624.0	6,376.4	724.4	9,724.8
Transfer In / Out	-	-	-	-	-	-	-	-
New provisions	156.4	575.2	-	731.6	117.8	641.2	-	759.0
Reversals/Utilisation during the year	-	(3,164.5)	(462.4)	(3,626.9)	-	(1.9)	(262.0)	(263.9)
Closing balance	**2,898.2**	**4,426.4**	**-**	**7,324.6**	**2,741.8**	**7,015.7**	**462.4**	**10,219.9**

* Litigations and related disputes - represents estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes (i.e. Excise Duty, Service Tax, Entry tax, Income Tax, Labour Laws, Value Added Tax, Sales and Purchase Tax, Goods and Service Tax etc.). This includes positions taken on matters under dispute involving judgements and assumptions to determine the possible outcome. The probability and the timing of the outflow with regard to these matters depend on the ultimate settlement /conclusion with the relevant authorities.

** Others - represents estimates for other uncertainties requiring management judgement. The timing and probability of outflow with regard to these matters will depend on the external environment and the consequent decision/ conclusion by the Management.

35 CORPORATE SOCIAL RESPONSIBILITY EXPENSE

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
(a) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	847.7	762.8
(b) Actual expenditure incurred during the financial year (1)	850.1	766.2
(c) Paid in cash (2)		
- pertaining to current financial year	850.1	678.0
- pertaining to previous financial year	-	-
(d) Expenditure incurred during the financial year and remaining unpaid	-	-

(e) At Nestlé India, under CSR we focus our efforts in society on the overarching ambitions that make an impact in the area of nutrition awareness, water, sanitation, education, enhancing livelihood, rural development projects, ensuring environment sustainability, feeding support and disaster management including relief.

(f) Above does not include any related party transactions.

(g) The Company does not propose to avail any set-off, against the excess amount spent in FY 2025-26 for succeeding financial year(s).

(1) FY 2024-25 includes excess spent in previous financial year (FY 2023-24) and were available for set off in FY 2024-25 amounting to ₹88.2 million.

(2) Includes amount paid for acquisition/ construction of assets Nil (previous financial year Nil).

*The expenditure incurred during the financial year includes allocation of ₹42.4 million (previous year ₹38.3 million) from Employee Benefits expenses towards Corporate Social Responsibility expense (refer note 28 on employee benefits expenses).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

36 (a) TAX EXPENSE

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognised in the statement of profit and loss, except when it relates to items recognised in the other comprehensive income or items recognised directly in the equity. In such cases, the income tax expense is also recognised in the other comprehensive income or directly in the equity as applicable. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation or under dispute with authorities and establishes provisions where appropriate.

Provision for current tax for the year comprises of:

(i) estimated tax expense which has accrued on the profit for the period 1st April 2025 to 31st March 2026

(ii) the residual tax expense for the period 1st April 2024 to 31st March 2025 arising out of the finalisation of fiscal accounts (Assessment Year 2025-2026), under the provisions of the Indian Income tax Act, 1961 and

(iii) tax expense adjustment in respect of prior years.

Deferred taxes are recognised basis the Balance Sheet approach on temporary differences, being the difference between the carrying amount of assets and liabilities in the Balance Sheet and its corresponding tax base, that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised only to the extent it is probable that future taxable profits will be available against which such assets can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
i Recognised in the statement of profit and loss		
Current Tax:		
In respect of the current year	11,410.0	10,951.8
In respect of the prior years (refer Note 4 on exceptional items)	(1,097.2)	-
Total current tax	**10,312.8**	**10,951.8**
Deferred Tax	337.7	377.9
	10,650.5	**11,329.7**
ii Recognised in other comprehensive income		
Current Tax	(121.3)	(305.5)
Deferred Tax	(8.2)	37.6
	(129.5)	**(267.9)**
Of which:		
on re-measurement of post - employment defined benefit plans	(121.3)	(271.0)
on changes in fair value of cash flow hedges	(8.2)	3.1
Total Taxes		
Current Tax	10,191.5	10,646.3
Deferred Tax	329.5	415.5
	10,521.0	**11,061.8**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

iii Reconciliation of tax expense recognised in the statement of profit and loss with Profit before tax (PBT) multiplied by the Statutory tax rate:

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
Profit before Tax	46,096.5	44,474.7
Statutory Income tax rate	25.168%	25.168%
Tax expense @ Statutory Income tax rate	11,601.6	11,193.4
Tax effect of permanent adjustments made for computing taxable income		
Non-deductible expenses	265.7	263.5
Income exempt from tax or subject to lower rate of tax	-	(466.9)
Prior year items (refer Note 4 on exceptional items)	(1,606.4)	-
Others (primarily related to uncertain tax positions)	389.6	339.7
Tax expense recognised in the statement of profit and loss	**10,650.5**	**11,329.7**

The Company had opted for the new tax regime under Section 115BAA of the Income Tax Act, 1961, accordingly the effective tax rate applicable is 25.168% (22% + surcharge @10% and cess @4%)

(b) MOVEMENT IN DEFERRED TAXES

For the year ended 31st March 2026

Particulars	Opening balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities)				
Property, plant and equipment	(1,717.8)	(496.8)	-	(2,214.6)
Contingencies	738.3	(82.9)	-	655.4
Employee benefits	295.9	25.0	-	320.9
Others*	147.7	217.0	8.2	372.9
Net deferred tax assets / (liabilities)	**(535.9)**	**(337.7)**	**8.2**	**(865.4)**

For the year ended 31st March 2025

Particulars	Opening balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities)				
Property, plant and equipment	(1,364.3)	(353.5)	-	(1,717.8)
Contingencies	764.0	(25.7)	-	738.3
Employee benefits	346.2	(15.8)	(34.5)	295.9
Others*	133.7	17.1	(3.1)	147.7
Net deferred tax assets / (liabilities)	**(120.4)**	**(377.9)**	**(37.6)**	**(535.9)**

*Others represent tax impact of temporary differences arising out of right of use assets, expenses deductible on payment basis and other similar items.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(c) The Government of India enacted the Income Tax Act, 2025, which came into effect from 1st April 2026, replacing the erstwhile Income Tax Act, 1961. Basis preliminary analysis of the provisions, as of now, the company does not foresee any material impact of the changes on company's financial performance. The Company will continue to monitor further notifications, amendments, and judicial developments under the new law.

37 FINANCIAL INSTRUMENTS

a) RECOGNITION AND INITIAL MEASUREMENT

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition except trade receivables which are initially recognised at transaction price as they do not contain a significant financing component. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

b) CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

For the purpose of subsequent measurement, financial assets are classified as follows:

Amortised cost - Financial assets that are held with a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairment, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss.

Fair value through other comprehensive income (FVOCI) - Financial assets that are held with a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognised in the statement of profit and loss.

Fair value through profit or loss (FVTPL) - A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss.

c) CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES

For the purpose of subsequent measurement, financial liabilities are classified as follows:

Amortised cost - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

Fair value through profit or loss (FVTPL) - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

d) DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership.

A financial liability is derecognised when the obligation under the liability is discharged or expires.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

e) IMPAIRMENT OF FINANCIAL ASSETS

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For Trade receivables, the Company provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset.

f) DERIVATIVES AND HEDGE ACCOUNTING

Derivative instruments used by the company include forward contracts. The Company formally establishes a hedge relationship between such forward contracts ('hedging instrument') and recognized financial asset/ liabilities ('hedged item') through a formal documentation at the inception of the hedge. Forward contracts are designated as hedging instruments against changes in fair value of recognised assets and liabilities (fair value hedges) and against highly probable forecast transactions (cash flow hedges). The effectiveness of hedge instruments is assessed at the inception and on an ongoing basis.

Derivatives instruments such as forward contracts are initially measured at fair value. When a forward contract is designated as a cash flow hedge, the effective portion of change in the fair value of the contract is recognised in the other comprehensive income and accumulated in other equity under "effective portion of cash flow hedges". Amount recognised in other equity is subsequently reclassified to the statement of profit and loss upon occurrence of the related forecasted transaction. Any ineffective portion of the change in the fair value of the contract is recognised immediately in the statement of profit and loss.

Changes in fair value of forward contracts designated as fair value hedge are recognised in the statement of profit and loss.

g) FAIR VALUE MEASUREMENT

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

h) FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
Financial Assets			
(i) Measured at Amortised Cost			
Trade receivables	13	3,294.7	3,631.5
Cash and cash equivalents	14	13,205.7	761.8
Bank Balances other than cash and cash equivalents	15	203.0	194.7
Loans	8	200.7	184.0
Other financial assets	9	876.6	777.8
		17,780.7	**5,549.8**
(ii) Measured at Fair Value through Profit & Loss			
Derivative assets - forward contracts	9	45.6	23.4
		45.6	**23.4**
Total Financial Assets (i+ii)		**17,826.3**	**5,573.2**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
Financial Liabilities			
(i) Measured at Amortised Cost			
Borrowings	18	244.4	7,533.4
Lease liabilities	19	4,197.2	4,135.1
Trade payables	22	29,666.5	23,735.3
Payables for capital expenditure		1,933.1	2,502.8
Others financial liabilities	23	9,689.2	7,525.0
		45,730.4	**45,431.6**
(ii) Measured at Fair Value through Profit & Loss			
Derivative liabilities - forward contracts	23	97.8	28.0
		97.8	**28.0**
Total Financial Liabilities (i+ii)		**45,828.2**	**45,459.6**

i) FAIR VALUE HIERARCHY

(i) Financial assets/liabilities at amortised cost		
The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values except Investments for which the fair value are as follows:		
Fair value of Investments measured at amortised cost (Level 1)	-	-
(ii) Financial assets at fair value through profit & loss		
Derivative assets - forward contracts (Level 2)	45.6	23.4
(iii) Financial liabilities at fair value through profit & loss		
Derivative liabilities - forward contracts (Level 2)	97.8	28.0

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

There are no transfers between different fair value hierarchy levels in financial year 2025-26 and in the previous financial year 2024-25.

j) FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to a number of financial risks: liquidity risk, credit risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(i) Liquidity risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with various banks to meet the obligations.

Maturities of financial liabilities:

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount	Undiscounted Amount		
		Less than 1 year	Beyond 1 year	Total
For the year ended 31st March 2026				
Borrowings	244.4	41.5	297.9	339.4
Lease liabilities	4,197.2	1,064.3	4,651.5	5,715.8
Trade payables	29,666.5	29,666.5	-	29,666.5
Payables for capital expenditure	1,933.1	1,933.1	-	1,933.1
Others financial liabilities	9,689.2	9,689.2	-	9,689.2
Derivative liabilities - forward contracts	97.8	97.8	-	97.8
	45,828.2	**42,492.4**	**4,949.4**	**47,441.8**

Particulars	Carrying amount	Undiscounted Amount		
		Less than 1 year	Beyond 1 year	Total
For the year ended 31st March 2025				
Borrowings	7,533.4	7,308.6	339.4	7,648.0
Lease liabilities	4,135.1	962.6	4,818.2	5,780.8
Trade payables	23,735.3	23,735.3	-	23,735.3
Payables for capital expenditure	2,502.8	2,502.8	-	2,502.8
Others financial liabilities	7,525.0	7,525.0	-	7,525.0
Derivative liabilities - forward contracts	28.0	28.0	-	28.0
	45,459.6	**42,062.3**	**5,157.6**	**47,219.9**

(ii) Credit risk

Credit risk refers to risk of financial loss to the Company if a customer or a counter-party fails to meet its contractual obligations. The Company has following categories of financial assets that are subject to credit risk evaluation:

Investments

Company invests in bank deposits, liquid mutual funds, tax free long term bonds, treasury bills etc. Funds are invested in accordance with the Company's established Investment policy that includes parameters of safety, liquidity and post tax returns. Company avoids the concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Based on historical experience and credit profiles of counterparties, the company does not expect any significant risk of default.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

Movement in expected credit loss allowance on trade receivables:

Particulars	As at 31st March 2026	As at 31st March 2025
Balance as at the beginning of the year	81.2	71.2
Movement during the year	(4.7)	10.0
Balance as at the end of the year	**76.5**	**81.2**

Other financial assets

Other financial assets include employee loans, security deposits etc. Based on historical experience and credit profiles of counterparties, the Company does not expect any significant risk of default.

The Company's maximum exposure to credit risk for each of the above categories of financial assets is their carrying values as at the reporting dates.

(iii) Market Risk

Interest rate risk

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk as its surplus funds are predominantly invested in fixed-rate instruments. Furthermore, any borrowings, when undertaken, are short-term in nature and carry a pre-agreed interest rate.

Price risk

Price risk refers to risk that the fair value of a financial instrument may fluctuate because of the change in the market price. The Company is not exposed to the significant price risk as there are no equity investments other than investment in associate which are measured at cost (refer Note 7).

Foreign currency risk

Foreign currency risk refers to risk that the fair value of future cash flows of an exposure may fluctuate due to change in the foreign exchange rates. The Company is exposed to foreign currency risk arising out of transactions in foreign currency. Foreign exchange risks are managed in accordance with Company's established policy for foreign exchange management. The Company enters into forward contracts as per the hedging policy to hedge against its foreign currency exposures.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

The foreign currency exposure of the Company as at the year end basis the closing exchange rates is as under:

Particulars	Currency	As at 31st March 2026		As at 31st March 2025	
		Hedged[1]	Unhedged	Hedged[1]	Unhedged
Against exports	USD	1,229.9	-	854.4	-
	CHF	-	4.3	-	0.0
	EUR	-	9.5	-	-
Against imports	USD	1,156.2	35.4	1,272.2	-
(Including Capital imports)	EUR	851.2	164.7	384.7	989.9
	AUD	306.8	-	215.0	72.3
	CHF	-	214.2	-	257.2
	GBP	-	28.0	-	215.1
	SGD	-	43.6	-	61.0
	JPY	-	6.0	-	26.6
	Others	-	7.3	-	-

[1] All the forward contracts are for hedging foreign currency exposures relating to the underlying transactions and firm commitments or highly probable forecast transactions.

Sensitivity analysis:

The impact of strengthening/weakening of foreign currencies on the outstanding exposure remaining unhedged at the year end is as under:

Particulars	Currency	As at 31st March 2026		As at 31st March 2025	
		Gain on appreciation	Loss on depreciation	Gain on appreciation	Loss on depreciation
5% appreciation/depreciation in Indian Rupees	USD	1.8	(1.8)	-	-
	EUR	7.8	(7.8)	49.5	(49.5)
	AUD	-	-	3.6	(3.6)
	CHF	10.5	(10.5)	12.9	(12.9)
	GBP	1.4	(1.4)	10.8	(10.8)
	SGD	2.2	(2.2)	3.0	(3.0)
	JPY	0.3	(0.3)	1.3	(1.3)
	Others	0.4	(0.4)	-	-

k) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative instruments used by the Company include forward contracts. All the forward contracts entered into are for the purpose of hedging foreign currency exposures relating to the underlying transactions and firm commitments or highly probable forecast transactions.

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Fair value of cash flow hedges		
Derivative assets	45.6	23.4
Derivative liabilities	97.8	28.0
(ii) Notional value of cash flow hedges	5,261.3	3,924.3
(iii) Movement in respect of designated cash flow hedges is summarised below:		
Balance as at the beginning of the year	18.0	8.7
Add: Gain / (loss) recognised in other comprehensive income	(95.2)	(24.0)
Less: Gain / (loss) reclassified to statement of profit and loss	(62.6)	(36.4)
Less: Net deferred taxes on the movement	(8.2)	3.1
Balance as at the end of the year	**(6.4)**	**18.0**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

38 CAPITAL MANAGEMENT

The Company's capital management objective is to ensure that a sound capital base is maintained to support long term business growth and optimise returns to shareholders. Capital includes equity share capital and other equity.

The Company's operations are funded primarily through internal accruals. Return to shareholders through dividend is monitored as per the laid down dividend distribution policy.

39 AUDITORS REMUNERATION

[included under Miscellaneous expense (refer Note 31 on other expenses)]

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
(i) Statutory auditors' remuneration and expenses in respect of:		
a) Audit fees including limited review	21.1	19.4
b) Tax audit fees	1.2	0.9
c) Certification fees	1.0	1.4
d) Audit of employee trust accounts	0.3	0.3
e) Reimbursement of out-of-pocket expenses	1.0	0.9
	24.6	**22.9**
(ii) Cost auditors' remuneration and expenses in respect of:		
- Cost audit fees	0.3	0.3
	0.3	**0.3**

40 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Contingent liabilities		
Claims against the Company not acknowledged as debts: Indirect Taxes	42.7	40.8
(ii) Capital commitments		
Capital expenditure commitments remaining to be executed and not provided for [net of advances ₹410.0 million (previous financial year ₹255.5 million)]	6,587.2	4,968.6

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

41 RELATED PARTY DISCLOSURES

a) RELATED PARTY AND THEIR RELATIONSHIP

(i) Entities exercising control

Nestlé S.A. (Ultimate Holding Company)

Maggi Enterprises Limited (Subsidiary of Nestlé S.A.)

(ii) Fellow subsidiaries with whom the Company had transactions

Nestlé R&D Center (Pte) Ltd
Société des Produits Nestlé S.A.
Nestlé Francé S.A.S.
Nestlé Bangladesh PLC
Nestlé Operational Services Worldwide S.A.
Nestlé USA Inc
Nestlé Waters Management & Technology
Nestlé Singapore (Pte) Ltd
Nestlé Lanka Limited
Nestlé Philippines Inc.
Nestlé Nederland B.V.
Nestlé Manufacturing (Malaysia) Sdn. Bhd.
Nestlé Middle East Manufacturing LLC
Nestlé Suisse S.A.
Nestlé Australia Ltd.
PT Nestlé Indonesia
Nestlé Products Sdn. Bhd.
Nestrade S.A.
Nestlé (Thai) Ltd.
Nestlé Japan Ltd.
Nestlé Middle East FZE
Nestlé Turkiye Gida Sanayi A.S.
Nestlé Vietnam Ltd.
Nestlé Purina Petcare Company
CPW S.A.
Nestlé Enterprises SA
Nestlé Business Services India Private Limited
Nestlé Nespresso S.A.
Nespresso Malaysia
Nestlé R&D Centre India Private Limited
Nestlé (South Africa) (Pty) Ltd
Nestlé Australia Ltd
Nestlé Central And West Africa Limited
Nestlé Nigeria Plc
Nestlé R&D Center, Inc.
Nestlé (Png) Ltd.
Nestlé UK Ltd.
Nestlé ROH (Thailand) LTD.
Nestlé Regional Service Centre (Malaysia) Sdn. Bhd.
Nestec York Ltd
Nestlé Rossiya LLC
Nestlé Espana, S.A.
Nestlé Deutschland AG
Nestlé Taiwan Limited
Nestlé Canada Inc.
Nestlé Korea Yuhan Chaegim Hoesa
Nestlé Ghana Limited
Centre De Recherche Et De Developpement Nestlé Abidjan S.A.
Nestlé Polska S.A.
Nestlé Trinidad And Tobago Limited
Nestlé Jamaica Ltd.
Nestlé New Zealand Limited
Nestlé Global Svcs UK Ltd
NHS U.S., LLC
Nestlé Global Services Spain, S.L.
Cereal Partners (Malaysia) Sdn Bhd
Nestlé Kenya Limited
Nestlé Egypt S.A.E.

(iii) Associate

Dr. Reddy's and Nestlé Health Science Limited

(iv) Entities controlled by Key Management Personnel with whom the Company had transactions

Apollo Healthco Limited
Apollo Hospitals Enterprises Ltd
Apollo Pharmacies Limited
Apollo Health and Lifestyle Limited
Lifetime Wellness Rx

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(v) Key Management Personnel

Executive Directors

Manish Tiwary, Chairman and Managing Director (w.e.f. 1st August 2025); previously Managing Director (Designate) (w.e.f. 24th April 2025 to 31st July 2025)

Suresh Narayanan, Chairman and Managing Director (upto 31st July 2025)

Edouard Dominique Jean Mac Nab, Executive Director - Finance & Control and CFO (w.e.f. 1st March 2026)

Svetlana Boldina, Executive Director - Finance & Control and CFO (upto 31st January 2026)

Satish Srinivasan, Executive Director-Technical

Non-Executive Director

Mandeep Chhatwal (w.e.f. 1st January 2026)

Independent Non-Executive Directors

P R Ramesh

Anjali Bansal

Alpana Parida

Suneeta Reddy (w.e.f. 5th April 2024)

Sidharth Kumar Birla (w.e.f. 12th June 2024)

R. V. Kanoria (upto 12th May 2024)

Close member of KMP

Pooja Sharma (spouse of Manish Tiwary)

(vi) Employees benefit trusts where control exists

Nestlé India Limited Employees Gratuity Trust Fund

b) NATURE OF TRANSACTIONS

The transactions with the related parties have been entered in the ordinary course of business and are at arm's length.

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
Entities exercising control:		
(a) Dividends		
- Nestlé S.A.	7,932.3	8,428.1
- Maggi Enterprises Limited	6,591.3	7,003.2
(b) Expenses incurred		
- Nestlé S.A.	233.8	144.6
Fellow subsidiaries:		
(a) Sale of finished and other goods [3]		
- Nestlé Enterprises SA	5,362.8	3,796.3
- Nestlé Bangladesh PLC	1,013.7	503.9
- Nestlé Lanka Limited	35.8	10.6
(b) Purchase of property, plant & equipment		
- Nestlé R&D Centre India Private Ltd.	-	17.6
- Nestrade S.A.	31.9	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
(c) Purchase of raw and packing materials		
- Nestrade S.A.	144.6	83.8
- Nestlé Enterprises SA	423.5	361.2
(d) Purchase of finished goods		
- Nestlé Lanka Limited	1,996.4	1,185.0
- Nestlé Enterprises SA	1,969.7	1,424.5
- Nestrade S.A.	-	123.6
- Others	36.1	0.5
(e) General license fees (net of taxes)		
- Société des Produits Nestlé S.A.	10,226.1	8,978.9
- CPW S.A.	19.1	15.2
(f) Expenses recovered		
- Nestlé Business Services India Private Limited	150.3	172.0
- Société des Produits Nestlé S.A.	80.8	115.2
- Nestlé Operational Services Worldwide SA	65.2	118.5
- Nestlé R&D Centre India Private Limited	45.3	63.8
- Others	246.1	248.1
(g) Expenses incurred		
- Nestlé Business Services India Private Limited	763.9	601.5
- Nestlé R&D Center (Pte) Limited	68.5	61.7
- Nestlé Operational Services Worldwide SA	34.0	29.5
- Société des Produits Nestlé S.A.	35.5	47.5
- Others	126.1	74.2
(h) Information technology and management information systems		
- Nestlé Australia Ltd	1,391.3	1,303.9
(i) Slump sale of Nestlé Business Services ('NBS') Division		
- Nestlé Business Services India Private Limited	-	765.8
Associate		
Slump sale of Health science business		
- Dr. Reddy's and Nestlé Health Science Limited	-	2,231.0
Sale of finished and other goods		
- Dr. Reddy's and Nestlé Health Science Limited	291.2	255.8
Entities Controlled by Key Management Personnel:		
(a) Sale of finished and other goods		
- Apollo Healthco Limited	5,643.0	4,891.5
(b) Expenses incurred	0.2	2.9

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
Key Management personnel		
(a) Remuneration to Key Management personnel [1]		
Executive directors:		
- Short term employee benefits	474.1	294.8
- Post employment benefits	37.6	91.8
- Share based payments	110.2	25.8
Non - Executive directors:		
- Short term employee benefits (sitting fee and commission)	26.9	26.3
(b) Dividend paid to Key Management personnel or close member	0.0	-
Contribution to Employee related trusts		
- Nestlé India Limited Employees' Gratuity Trust Fund	244.4	309.0
Balance outstanding as at the year end [2]		
Receivables from fellow subsidiaries	1,278.5	941.5
Payables to fellow subsidiaries	2,434.9	2,193.9
Receivables from associates	53.3	63.5
Receivables from entities controlled by Key management personnel	133.0	252.7
Payables to entities controlled by Key management personnel	0.0	0.4
Payables to Key management personnel	20.0	17.7

Notes:

[1] As the liabilities for defined benefit obligations are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included except actual payment done, if any.

[2] All outstanding balances are unsecured and are payable/receivable in cash. Amounts are interest free as receivable / payable in short term. There have been no guarantees provided or received for any related party payables or receivables.

[3] Excludes variable consideration - discounts and rebates accrued on sales of finished goods but not yet to be passed on to the customer. (Already netted off from revenue reported in note 24 as per Ind AS 115).

[4] Company has not recorded any expense or provision for bad and doubtful debts relating to amounts owed by related parties.

42 SEGMENT REPORTING

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely Food. The food business incorporates product groups viz. Milk Products and Nutrition, Prepared Dishes and Cooking Aids, Powdered and Liquid Beverages and Confectionery (refer Note 24 on revenue from operations).

a) Information by Geographies

(i) Revenue from customers

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
India	221,187.0	192,926.7
Outside India	9,527.6	7,848.3
	230,714.6	**200,775.0**

(ii) The Company has business operations only in India and does not hold any assets outside India.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

b) Revenue from major customers

There is no single customer that accounts for more than 10% of the Company's revenue for the financial year ended 31st March 2026 and previous year ended 31st March 2025 .The other disclosure requirements of Ind AS 108 are not applicable.

43 DIVIDENDS

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
a) Dividend paid during the year		
Interim Dividend of ₹7 per share (Face Value ₹1) for 2025-26* [for previous year 2024-25: ₹17 per share (Face Value ₹1)]	13,498.2	16,390.7
Final Dividend of ₹10.0 per share for previous year 2024-25 (Face Value ₹1) [for previous year January 2023 - March 2024: ₹8.5 per share] (Face Value ₹1)	9,641.6	8,195.3

*Interim dividend of ₹7 per share for FY 2025-26 is on increased number of shares post issue of Bonus shares in the ratio of 1:1 (refer Note 16 on equity share capital)

Note - On and from the Record date of 5th January 2024, the equity shares of the Company have been sub-divided such that 1(one) equity share having face value ₹10/- each, fully paid-up stands subdivided into 10 (ten) equity shares having face value of ₹1/- each, fully paid-up.

b) Proposed Final Dividend

The Board of Directors have recommended a final dividend of ₹5.00 per equity share (Face Value of ₹1 per share) amounting to ₹9,641.6 million for the financial year 2025-26 after the Balance Sheet date. The same is subject to approval by the shareholders at the ensuing Annual General Meeting of the Company and therefore proposed final dividend has not been recognised as a liability as at the Balance Sheet date in line with Ind AS 10 on 'Events after the Reporting Period'.

44 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025
(i) Principal amount remaining unpaid	3,506.5	4,601.2
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

45 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of erstwhile Companies Act, 1956:

S. No.	Name of Struck off Company	Nature of Transactions	Relationship with Struck off Company	Balance outstanding	
				As at 31st March 2026	As at 31st March 2025
1	Vaishno Enterprises Private Ltd	Sale of Goods	Customer	N/A	(0.1)
2	Southern Star Private Limited	Purchase of Services	Supplier	(0.1)	(0.3)
3	Ananya Outsourcing Services Private Limited	Purchase of Services	Supplier	-	*
4	Shivani Enterprises	Purchase of Services	Supplier	-	N/A
5	Siddha Papers Private Limited	Shares held	Shareholder	N/A	N/A
6	Kala Holdings Private Limited	Shares held	Shareholder	N/A	N/A
7	Gateway Financial Services Limited	Shares held	Shareholder	N/A	N/A
8	Dss Enterprises Private Limited	Shares held	Shareholder	N/A	N/A
9	Jyoti Securities Pvt Ltd	Shares held	Shareholder	N/A	N/A
10	Amar Investments Limited	Shares held	Shareholder	N/A	N/A
11	Nangalia Fiscal Services Private Limited	Shares held	Shareholder	N/A	N/A
12	Jannhavi Investment Private Limited	Shares held	Shareholder	N/A	N/A
13	Orbit Udyog Private Limited	Shares held	Shareholder	N/A	N/A
14	Devendra Enterprises Private Ltd	Shares held	Shareholder	N/A	N/A
15	Rajdeep Automation Private Limited	Shares held	Shareholder	N/A	N/A
16	Popular Stock & Share Services Ltd	Shares held	Shareholder	N/A	N/A
17	Tashi Dake Investments Pvt Ltd	Shares held	Shareholder	N/A	N/A
18	Tower Capital and Financial Services Pvt Ltd	Shares held	Shareholder	N/A	N/A
19	Rajesh Motors (Rajasthan) Private Limited	Shares held	Shareholder	N/A	N/A
20	Hotz Industries Ltd	Shares held	Shareholder	N/A	N/A
21	Radiant Organics Private Limited	Shares held	Shareholder	N/A	N/A
22	Al-Falah Investments Private Limited	Shares held	Shareholder	N/A	N/A
23	Akarsh Portfolio Services Private Limited	Shares held	Shareholder	N/A	N/A
24	Opus Advisory Private Limited	Shares held	Shareholder	N/A	N/A
25	Fresh N Pure Retails Private Limited	Shares held	Shareholder	N/A	N/A

* represents amounts (payable) / recoverable less than ₹50,000 as on reporting date

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

46 ACCOUNTING RATIOS

S. No.	Ratio	Numerator	Denominator	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025	% Variance	Reason for variance
I	Current Ratio *(in times)*	Current Assets	Current Liabilities	1.0	0.8	20%	
II	Debt-Equity Ratio *(in times)*	Total Debt[1]	Equity	0.1	0.3	-71%	Previous year short-term borrowing was taken for meeting working capital requirement. During current FY it is repaid.
III	Debt Service Coverage Ratio *(in times)*	Earnings available for Debt Service[2]	Total Debt Service[3]	5.1	34.6	-85%	Short-term borrowing repaid during current FY.
IV	Return on Equity Ratio*(%)*	Profit after Tax	Average Shareholder Equity	75.2%	88.9%	-15%	
V	Inventory Turnover Ratio(in times)	Net Sales	Average Inventory	8.5	8.1	5%	
VI	Trade Receivables Turnover Ratio *(in times)*	Net Sales	Average Trade Receivables	66.6	60.5	10%	
VII	Trade Payables Turnover Ratio *(in times)*	Purchases[4]	Average Trade Payables	5.8	6.1	-6%	
VIII	Net Capital Turnover Ratio *(in times)*	Net Sales	Average Working Capital[5]	(41.1)	(28.4)	45%	Negative average working capital
IX	Net Profit Ratio *(%)*	Profit after Tax	Net Sales	15.4%	16.5%	-7%	
X	Return on Capital Employed *(%)*	Earnings before Interest and Taxes[6]	Average Capital Employed[7]	82.4%	93.6%	-12%	
XI	Return on Investment *(%)*	Earnings from Invested Funds[8]	Average Invested Funds[9]	5.2%	11.6%	-55%	Previous year gain on sale of tax free long term bonds impacted higher return.

Notes

1	Total Debt	Borrowings + Lease Liabilities
2	Earnings Available for Debt Service	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.
3	Total Debt Service	Interest + Lease Payments + Principal Repayment
4	Purchases	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of Raw Material, Packing Material and Stores and Spares + Other expenses
5	Working Capital	Current Assets - Current Liabilities
6	Earnings before Interest and Taxes	Profit before Exceptional Items and Tax + Finance Costs - Other Income
7	Capital Employed	Equity + Total Debt + Deferred Tax Liability (Deferred Tax Assets)
8	Earnings from Invested Funds	Interest on Bank Deposits + Interest on Tax Free Long Term Bonds + Dividend on Mutual Funds (if any)
9	Invested Funds	Non-Current Investments + Current Investments + Balances with Banks on Deposit Accounts

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

47 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and previous financial year.

(iv) The Company does not have any such transactions which has not been recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(v) The Company has not been declared as wilful defaulter by any bank, financial institution or other lender.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries), or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received funds from any person(s) or entity(ies), including foreign entities, with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, (a) lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party, or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) Quarterly returns or statements of current assets filed by the Company with the banks in connection with the working capital limit sanctioned are in agreement with the books of accounts.

(viii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

48 AUDIT TRAIL

Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 has become applicable to the Company with effect from April 1, 2024. Accordingly, it is mandatory for the company to use only such accounting software for maintaining its books of accounts which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date when such changes were made and ensure that the audit trail cannot be disabled. The Company has migrated to upgraded version of ERP (SAP S4 HANA) from legacy version of ERP (SAP ECC) during the year. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in both the legacy and the migrated ERP. Further, there were no instance of audit trail feature being tampered with, in respect of both version of the accounting software.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled in prior year.

As per our report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No. - 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN-02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN-11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
PAN-ABVPR5131P

21st April 2026
Gurugram

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NESTLÉ INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Nestlé India Limited (hereinafter referred to as "the Holding Company"), and its associate comprising of the consolidated Balance sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its associate as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Holding Company and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Provision for contingencies (as described in Note 2, 34 and 40 of the consolidated financial statements)	
Management is required to make judgement and estimates regarding the issues and exposures arising from various matters related to direct tax, indirect tax, claims, general legal proceedings, and other eventualities that arise in the regular course of business. The Holding company is also subject to complexities arising from uncertain tax positions concerning the deductibility of expenses. The key judgement lies in determining the likelihood and magnitude of an unfavourable outcome, as well as the interpretations of legal aspects, tax legislation, and judgements previously made by authorities. By nature, these matters are complex and involve many variables.	• Our audit procedures included the following: • We tested the design and operating effectiveness of key internal controls around the recognition and measurement of provisions. • We inquired the status in respect of significant provisions with the Holding Company's internal tax / legal teams and also read views obtained by the Company from external experts. • We involved our subject matter experts, wherever required, to assess the value of provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. • We assessed reasonability of the assumptions and critical judgements made by the Holding Company which impacted their estimate of provision required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Holding Company's advisors and assessing whether there was an indication of management bias. We verified the computation of provision on a test check basis.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Holding Company and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Holding Company and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Holding Company and its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Holding Company and its Associate or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Holding Company and its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Holding Company of which we are the independent auditors, to express an opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the associate company, incorporated in India and to the extent applicable, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associate we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act of its associate company, none of the directors of the Holding Company and its associate company incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its associate company, incorporated in India and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such associate company, incorporated in India refer to our separate Report in **"Annexure 1"** to this report.

   (h) In our opinion based on the consideration of reports of other statutory auditors of the associate incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Holding Company and its associate in its consolidated financial statements – Refer Note 34 and 40 to the consolidated financial statements;

      ii. The Holding Company and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate, incorporated in India during the year ended March 31, 2026.

      iv. a) The respective managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that to the best of its knowledge and belief, as disclosed in the note 47 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and, the other auditors of such associate respectively that, to the best of its knowledge and belief, as disclosed in the note 47 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company, incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company and until the date of the audit report of such Holding Company, is in accordance with section 123 of the Act.

As stated in note 43 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) The Holding Company has migrated to upgraded version of ERP from legacy version of ERP during the year. Based on our examination which included test checks, the Holding Company and its associate has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software's used by the Holding Company and its associate.

Additionally, the audit trail has been preserved by the Holding Company and its associate as per the statutory requirements for record retention to the extent it was enabled in prior year.

The above matters are duly explained in note 49 to the Consolidated Financial Statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 26091813JRCWDF5144

Place of Signature: Gurugram, Haryana
Date: April 21, 2026

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Nestlé India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Nestlé India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its associate, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company its associate are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, and its associate which are companies incorporated in India have maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 1 associate, which is a company incorporated in India, is based on the corresponding report of the auditors of such associate.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 26091813JRCWDF5144

Place of Signature: Gurugram, Haryana
Date: April 21, 2026

BALANCE SHEET AS AT 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-Current Assets			
Property, plant and equipment	6	57,475.3	49,256.5
Capital work-in-progress	6	5,069.8	11,725.6
Right-of-use assets	6	5,428.9	5,479.6
Investment in associate	7A	5,309.2	5,750.3
Financial assets			
Loans	8	90.7	80.9
Other financial assets	9	599.8	554.0
Other non-current assets	11	11,946.5	11,744.7
Total Non-Current Assets		**85,920.2**	**84,591.6**
Current Assets			
Inventories	12	25,692.2	28,501.4
Financial assets			
Trade receivables	13	3,294.7	3,631.5
Cash and cash equivalents	14	13,205.7	761.8
Bank balances other than cash and cash equivalents	15	203.0	194.7
Loans	8	110.0	103.1
Other financial assets	9	322.4	247.2
Other current assets	11	3,076.7	3,901.9
Total Current Assets		**45,904.7**	**37,341.6**
Total Assets		**131,824.9**	**121,933.2**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	1,928.3	964.2
Other equity	17	49,641.4	39,137.9
Total Equity		**51,569.7**	**40,102.1**
LIABILITIES			
Non-Current Liabilities			
Financial liabilities			
Borrowings	18	202.9	224.8
Lease liabilities	19	3,375.3	3,415.3
Provisions	20	28,236.1	30,901.5
Deferred tax liabilities (net)	10	641.3	299.6
Other non-current liabilities	21	187.3	136.4
Total Non-Current Liabilities		**32,642.9**	**34,977.6**
Current Liabilities			
Financial liabilities			
Borrowings	18	41.5	7,308.6
Lease liabilities	19	821.9	719.8
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22, 44	3,280.4	4,170.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	26,386.1	19,564.4
Payables for capital expenditure			
Total outstanding dues of micro enterprises and small enterprises	44	226.1	430.3
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,707.0	2,072.5
Other financial liabilities	23	9,787.0	7,553.0
Other current liabilities	21	1,636.2	2,158.7
Provisions	20	3,077.9	2,422.8
Current tax liabilities (net)		648.2	452.5
Total - Current Liabilities		**47,612.3**	**46,853.5**
Total Liabilities		**80,255.2**	**81,831.1**
Total Equity and Liabilities		**131,824.9**	**121,933.2**

See accompanying notes 1 to 49 forming part of the consolidated financial statements

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No.- 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN - 02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN - 11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
(PAN - ABVPR5131P)

21st April 2026
Gurugram

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Notes	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
A	**INCOME**			
	Sale of products	24	230,714.6	200,775.0
	Other operating revenue	24	831.4	1,240.6
i	**Revenue from Operations**		**231,546.0**	**202,015.6**
ii	Other income	25	403.5	629.9
	Total Income		**231,949.5**	**202,645.5**
B	**EXPENSES**			
i	Cost of materials consumed	26	98,140.4	83,901.5
ii	Purchases of stock-in-trade		6,954.8	4,993.1
iii	Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(1,682.3)	(1,396.6)
iv	Employee benefits expense	28	21,658.1	20,275.4
v	Finance costs	29	1,583.1	1,360.0
vi	Depreciation and amortisation expense	30	6,992.3	5,399.2
vii	Other expenses	31	53,414.4	46,546.4
	Total Expenses		**187,060.8**	**161,079.0**
C	**PROFIT BEFORE SHARE OF (PROFIT) / LOSS OF AN ASSOCIATE, EXCEPTIONAL ITEMS AND TAX (A-B)**		**44,888.7**	**41,566.5**
D	Share of (profit) / loss of associate accounted for using the equity method (net of tax)		455.2	239.5
E	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (C-D)**		**44,433.5**	**41,327.0**
F	Exceptional items [charge / (credit)]	4, 32	(1,207.8)	(1,834.2)
G	**PROFIT BEFORE TAX (E-F)**		**45,641.3**	**43,161.2**
H	Tax expense			
	Current tax	36	10,312.8	10,951.8
	Deferred tax	36	337.7	133.5
I	**PROFIT FOR THE YEAR (G-H)**		**34,990.8**	**32,075.9**
J	**OTHER COMPREHENSIVE INCOME**			
(a)	(i) Items that will not be reclassified to profit or loss:			
	Re-measurement gains / (losses) of defined benefit plans	32	(482.1)	(1,076.7)
	Share of other comprehensive income of associate accounted for using the equity method (net of tax)		1.9	(0.3)
	(ii) Income taxes relating to Items that will not be reclassified to profit or loss		121.3	271.0
			(358.9)	**(806.0)**
(b)	(i) Items that will be reclassified to profit or loss:			
	Net movement on effective portion of cash flow hedges		(32.6)	12.4
	(ii) Income taxes relating to Items that will be reclassified to profit or loss		8.2	(3.1)
			(24.4)	**9.3**
	OTHER COMPREHENSIVE INCOME, NET OF TAX (a+b)		**(383.3)**	**(796.7)**
K	**TOTAL COMPREHENSIVE INCOME (I+J)**		**34,607.5**	**31,279.2**
	EARNINGS PER EQUITY SHARE			
	Basic and diluted earnings per share (Face value ₹ 1 - refer Note 16)	₹	18.15	16.63
	Additional Information [refer Note 2 (g)]:			
	Earnings before Interest, Tax, Depreciation and Amortisation [EBITDA] - [C - A(ii) + B(v) + B(vi)]		**53,060.6**	**47,695.8**

See accompanying notes 1 to 49 forming part of the consolidated financial statements

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No.- 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN - 02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN - 11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
(PAN - ABVPR5131P)

21st April 2026
Gurugram

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	45,641.3	43,161.2
Adjustments for :		
Depreciation and amortisation expense	6,992.3	5,399.2
Loss / (profit) on property, plant and equipment sold / scrapped/written off (net)	(39.9)	(23.8)
Interest income	(354.6)	(588.6)
Interest on bank overdraft and others	193.2	80.3
Gain on disposal of businesses	-	(1,834.2)
Interest on lease liabilities	301.9	270.2
Allowance for impairment on financial assets	41.4	(32.8)
Share of (profit) / loss of an associate accounted for using the equity method	455.2	239.5
Unrealised exchange differences	27.8	48.2
Cash generated from operations before working capital and other changes	**53,258.6**	**46,719.2**
Adjustments for:		
Decrease / (increase) in trade receivables	343.2	(700.0)
Decrease / (increase) in inventories	2,809.1	(7,671.0)
Decrease / (increase) in other financial assets & other assets	(729.9)	(1,992.3)
Increase / (decrease) in trade payables	5,878.9	1,341.2
Increase / (decrease) in other financial liabilities & other liabilities	1,697.6	1,926.3
Increase / (decrease) in provision for contingencies	(2,184.9)	155.6
Increase / (decrease) in provision for employee benefits	115.5	(529.2)
Cash generated from operations	**61,188.1**	**39,249.8**
Income taxes paid (net of refunds)	(10,712.5)	(9,904.5)
Net cash flows generated from / (used in) operating activities	**50,475.6**	**29,345.3**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital work-in-progress	(8,297.0)	(20,086.4)
Proceeds from sale of property, plant and equipment	34.5	42.5
(Purchase of) / proceeds from sale of Mutual funds (net)	-	-
Proceeds from redemption of tax free bonds and other investments	-	4,238.9
Investment in equity shares of associate	-	(7,056.0)
Proceeds from sale of businesses net of tax	-	2,664.7
Amount received from insurance pension plan - separations	1,701.1	1,325.8
Net decrease / (increase) in loans to employees	(16.8)	6.2
Interest received on bank deposits, investments, tax free bonds, employee loans etc.	341.4	755.3
Net cash flows generated from / (used in) investing activities	**(6,236.8)**	**(18,109.0)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of deferred VAT liabilities under state government schemes	(32.0)	(35.0)
Proceeds / (re - payment) of short term borrowing and overdraft from banks	(7,257.0)	7,257.0
Interest on bank overdraft and others	(200.1)	(67.0)
Interest on lease liabilities	(301.9)	(270.2)
Principal payment of lease liabilities	(864.1)	(761.8)
Dividends paid	(23,139.8)	(24,586.0)
Net cash flows generated from / (used in) financing activities	**(31,794.9)**	**(18,463.0)**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**12,443.9**	**(7,226.7)**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Cash and cash equivalents (refer Note 14)	761.8	7,588.7
Current investments (refer Note 7)	-	399.8
Total cash and cash equivalents at the beginning of the year	**761.8**	**7,988.5**
Cash and cash equivalents (refer Note 14)	13,205.7	761.8
Current investments (refer Note 7)	-	-
Total cash and cash equivalents at the end of the year	**13,205.7**	**761.8**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**12,443.9**	**(7,226.7)**

Disclosure of non-cash transactions as per Ind AS 7 :

Changes in Liabilities arising from Financing activities is as under :	As at 31st March 2025	Cash flow changes	Non- cash changes	As at 31 March 2026
Deferred VAT liabilities	276.4	(32.0)	-	244.4
Lease liabilities	4,135.1	(1,166.0)	1,228.1	4,197.2
Short term borrowings	7,257.0	(7,257.0)	-	-
Total	**11,668.5**	**(8,455.0)**	**1,228.1**	**4,441.6**

Changes in Liabilities arising from Financing activities is as under :	As at 31st March 2024	Cash flow changes	Non- cash changes	As at 31 March 2025
Deferred VAT liabilities	311.4	(35.0)	-	276.4
Lease liabilities	3,133.9	(1,032.0)	2,033.2	4,135.1
Short term borrowings	-	7,257.0	-	7,257.0
Total	**3,445.3**	**6,190.0**	**2,033.2**	**11,668.5**

Notes: The above statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No.- 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN - 02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN - 11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
(PAN - ABVPR5131P)

21st April 2026
Gurugram

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2026

A) EQUITY SHARE CAPITAL[1]

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No	Amount
Balance as at 31st March, 2024		**964.2**
Movement during the previous year		-
Balance as at 31st March, 2025	Note 16	**964.2**
Movement during the year - Issue of equity bonus share		964.2
Balance as at 31st March, 2026		**1,928.3**

[1] Refer Note 16 - Equity Share Capital

B) OTHER EQUITY [2]

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Share Based Payment Reserve	Capital Reserve	Retained Earnings	Effective portion of Cash Flow Hedges	
Balance as at 31st March, 2024	**-**	**99.8**	**32,336.2**	**8.7**	**32,444.7**
Profit for the year	-	-	32,075.9	-	32,075.9
Other comprehensive income	-	-	(806.0)	9.3	(796.7)
Total comprehensive income for the year	**-**	**-**	**31,269.9**	**9.3**	**31,279.2**
Dividend (refer Note 43)	-	-	(24,586.0)	-	(24,586.0)
Share based payment expense	168.2	-	-	-	168.2
Recognition of liability towards share based payments	(168.2)	-	-	-	(168.2)
Balance as at 31st March, 2025	**-**	**99.8**	**39,020.1**	**18.0**	**39,137.9**
Profit for the year	-	-	34,990.8	-	34,990.8
Other comprehensive income	-	-	(358.9)	(24.4)	(383.3)
Total comprehensive income for the year	**-**	**-**	**34,631.9**	**(24.4)**	**34,607.5**
Issue of bonus share (refer Note 16)	-	-	(964.2)	-	(964.2)
Dividend (refer Note 43)	-	-	(23,139.8)	-	(23,139.8)
Share based payment expense	222.5	-	-	-	222.5
Recognition of liability towards share based payments	(222.5)	-	-	-	(222.5)
Balance as at 31st March, 2026	**-**	**99.8**	**49,548.0**	**(6.4)**	**49,641.4**

[2] Description of purpose of each reserve within Other Equity has been disclosed under Note 17 - Other equity.

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

For and on behalf of the Board of Directors

PANKAJ CHADHA
Partner
Membership No.- 091813

MANISH TIWARY
Chairman and Managing Director
(DIN - 02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
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PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
(PAN - ABVPR5131P)

21st April 2026
Gurugram

21st April 2026
Gurugram

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

1 CORPORATE INFORMATION

Nestlé India Limited ("the Company") is a Company domiciled in India, with its registered office situated at 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001. The Company has been incorporated in 1959 under the provisions of Indian Companies Act and the Company's shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company is primarily involved in Food business which incorporates product groups viz. Milk Products and Nutrition, Prepared Dishes and Cooking Aids, Powdered and Liquid Beverages and Confectionery.

The consolidated financial statements comprise financial statements of Nestlé India Limited and its associate Dr.Reddy's and Nestlé Health Science Limited (collectively, the 'Company') for the year ended 31st March 2026.

The consolidated financial statements of the Company includes 49% interest in Dr.Reddy's and Nestlé Health Science Limited as an associate, consolidated in accordance with Ind AS 28 - Investment in Associates and Joint Ventures.

2 MATERIAL ACCOUNTING POLICIES

Material accounting policies used in preparation of the consolited financial statements have generally been included in the relevant notes to the financial statements.

A BASIS OF PREPARATION AND MEASUREMENT

a Statement of compliance

The financial statements of the Company have been prepared in compliance with all material aspects of the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013, read with the rules made thereunder and presentation and disclosure requirements of division II of Schedule III of the Companies Act, 2013.

b Investment in associates

An associate is an entity over which the Company is in a position to exercise significant influence over operating and financial policies. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associates. The Company's investments in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. The consolidated financial statements include the Company's share of profits or losses, other comprehensive income and equity movements, from the date that significant influence commences. When the Company's share of losses exceeds the carrying value of such investments, the carrying value is reduced to Nil and recognition of future losses is discontinued, except to the extent that the Company has incurred obligation in respect of the associate. Unrealised gains and losses resulting from transactions between the parent Company and the associate are eliminated to the extent of the interest in the associate. After application of the equity method, if indication of impairment exists the carrying amount of Investment is assessed and written down to its recoverable amount. The financial statements of the associates are prepared for the same reporting period as the Company to enable consolidation of the financial information of the associates.

c Basis of measurement

The financial statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets / liabilities, share based payments and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless stated otherwise.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

d Functional and Presentation Currency

The financial statements have been prepared and presented in Indian Rupees (₹), which is also the Company's functional currency.

e Rounding off

All amounts in the financial statement and accompanying notes are presented in ₹ million and have been rounded-off to one decimal place unless stated otherwise.

f Current and Non-current Classification

The Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents.

g Measurement of Earnings before Interest, Tax, Depreciation and Amortisation [EBITDA]

For better understanding of the financial performance, the Company has chosen to present Earnings before Interest, Tax, Depreciation and amortisation [EBITDA] as an additional information. EBITDA is derived from Profit before Exceptional Items & Tax less Other income and adding back Finance costs (including the interest cost on employee benefits plans) and Depreciation (including impairment on property, plant and equipment) and amortisation.

h Use of Estimates and Judgement

The preparation of financial statements requires management to exercise judgement and make estimates and assumptions that affects the reported amounts of revenue, expenses, assets and liabilities. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the results are known / materialise.

The areas involving significant estimates and judgement include determination of useful life of property, plant and equipment (refer Note 6), measurement of lease liabilities and right of use assets (refer Note 6), measurement of defined benefit obligations (refer Note 32), recognition and measurement of provisions and contingencies (refer Note 34) and recognition of deferred tax assets / liabilities (refer Note 36).

i Approval of financial statements

The financial statements of the Company for the year ended 31st March 2026 were approved for issue by the Board of Directors on 21st April 2026.

B FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees (₹) using the exchange rate at the date of transaction.

Monetary items (i.e. receivables, payables) denominated in foreign currency are reported using the closing exchange rate as on each Balance Sheet date.

The exchange difference arising on the settlement or reporting of monetary items at rates different from rates at which these were initially recorded / reported in previous financial statements, are recognised in the statement of profit and loss in the period in which they arise.

Also refer to accounting policy on 'Derivatives and Hedge accounting'. (refer Note 37 on financial instruments)

C PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions for Contingencies / Contingent liabilities are recognised / disclosed after evaluation of facts and legal aspects of the matter involved, in line with Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

and Ind AS 12 - Income Taxes. Provisions are recognised when the Company has a present obligation (legal/constructive) and on management judgement as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be accrued / realised.

D BORROWING COSTS

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. assets which take substantial period of time to get ready for their intended use) are capitalised as part of the cost of that asset. All other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

E EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

The Company had allotted 964.2 million equity shares of face value of ₹1 each as fully paid-up bonus equity shares, in the ratio 1:1, i.e., one (1) fully paid-up equity share of face value of ₹1 (Rupee one only) each for every one (1) existing fully paid-up equity share of face value of ₹1 (Rupee one only) each, to those eligible members of the Company whose name appeared in the Register of Members/ Beneficial Owners as on the Record Date i.e., 8th August 2025. In accordance with the 'Ind AS 33 - Earnings per Share', the figures of Earnings per Share for previous periods presented have been restated to give effect to the allotment of the equity bonus shares.

F EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

All material events occurring after the Balance Sheet date up to the date of approval of financial statements by the Board of Directors on 21st April 2026, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

3 RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs (MCA) has notified amendments to the Companies (Indian Accounting Standards) Rules, 2015, vide notification number G.S.R. 291 (E) dated 7th May, 2025 and G.S.R. 549(E) dated 13th August, 2025. These amendments are applicable for reporting periods beginning on or after April 1, 2025 but do not have material impact on the financial statements of the Company.

4 EXCEPTIONAL ITEMS

Exceptional items refer to items of income or expense, within the statement of profit and loss from ordinary activities which are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

A Exceptional items of (₹1,207.8 million) in the financial year ended 31st March 2026 comprise of the following:

a) Pursuant to closure of income tax matters related litigation for certain earlier years, provisions amounting to ₹3,120.4 million made in earlier years have been written back. Out of this amount, ₹1,097.2 million is classified under tax expense (refer Note 36(a) on tax expense) and balance ₹2,023.2 million under exceptional items.

b) Restructuring cost charge of ₹401.0 million, comprising of provisions for severance compensation for employees (refer Note 28 on employee benefits expense)

c) The Government of India has consolidated multiple existing labour legislations into a unified framework comprising of four Labour Codes, collectively referred to as the 'New Labour Codes' and notified with effect from 21st November 2025. Based on the analysis of the information available so far and actuarial valuation, the Company has recognised an incremental financial impact of ₹414.4 million as past service cost on post-employment defined benefits for its employees (refer Note 28 on employee benefits expense and Note 32 on employee benefit plans). Considering that this impact is driven by a regulatory change and is non-recurring in nature, it is classified under exceptional items. The Company continues to monitor the developments relating to the implementation of the New Labour Codes and will review the estimates as further clarifications and Rules are notified.

B Exceptional items of ₹2,908.2 million for the previous financial year ended 31st March 2025 comprised of gain on slump sale of the following businesses:

- Nutraceutical Business (“NHSc”) to Dr. Reddy's and Nestlé Health Science Limited.
- Nestlé Business Services (‘NBS’) division to Nestlé Business Services India Private Limited (Formerly known as Purina PetCare India Private Limited).

5 BUSINESS COMBINATION

A. Business Combination under Common Control

In the previous financial year ended, the Company had executed slump sale of Nestlé Business Services ('NBS') Division to Nestlé Business Services India Private Limited (Formerly known as Purina PetCare India Private Limited) on 1st July 2024, which is a related party, being a 100% subsidiary of Nestle S.A, for a net consideration of ₹765.8 million.

B. Business Combination - Others

In the previous financial year ended, the Company had made an investment for 49% stake in Dr. Reddy's and Nestlé Health Science Limited (""Associate Company"") for development of Nutraceutical business. Pursuant to this, the investee entity had become an associate of the Company with effect from 24th July 2024. As part of this transaction, Nutraceuticals Business (‘NHSc Business’) of the Company was transferred to the associate Company for a net consideration of ₹2,231.0 million with effect from 1st August 2024.

Dr. Reddy’s Laboratories Limited (Dr. Reddy’s) holds 51% and the Company holds 49% in the Associate Company with proportionate shareholder rights to voting, dividend distribution, and other economic rights as enshrined in the agreement. Nestlé India will have a call option to increase shareholding up to 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

6 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Owned Assets	57,475.3	49,256.5
Capital work-in-progress	5,069.8	11,725.6
Right of Use Assets	5,428.9	5,479.6
	67,974.0	**66,461.7**

Property, Plant and Equipment - Owned

Items of property, plant & equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at cost less accumulated impairment loss, if any.

Profit or loss on disposal / scrapping / write off / retirement from active use of an item of property, plant and equipment is recognised in the statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation / Amortization

The Company has assessed the useful lives of property, plant and equipment as required by Schedule II to the Companies Act, 2013. Accordingly, depreciation has been computed on useful lives based on technical evaluation of relevant class of assets including components thereof. Useful lives and residual values are reviewed annually. Depreciation is provided as per the straight line method computed basis useful lives of property, plant and equipment as follows:

Category	Useful Life
Leased Assets	Over the period of lease or useful life, whichever is lower
Buildings 25-40 years	25-40 years
Plant & Equipment 5- 25 years	5- 25 years
Office Equipment 5 years	5 years
Furniture and Fixtures 5 years	5 years
Vehicles 5 years	5 years
Information Technology (IT) equipment	3-5 years

Freehold land is not depreciated.

Impairment of Property, Plant and Equipment

At each Balance Sheet date, the company reviews whether there is any indication that an item of property, plant and equipment including capital work in progress, right of use assets or intangible assets (asset / cash generating unit) may be impaired. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). If any impairment indicator exists, estimate of the recoverable amount of the property, plant and equipment /cash generating unit to which the asset belongs is made. An impairment loss is recognised in the statement of Profit and Loss whenever the carrying amount of an asset/ cash generating unit exceeds its recoverable amount. The recoverable amount is the greater of the fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount rate.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset / cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset / cash generating unit in earlier years.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Property, Plant and Equipment - Right of Use Assets

The company's leases mainly comprises of land, buildings, plant & machinery and vehicles. The company leases land and buildings primarily for offices, manufacturing facilities and warehouses.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments with a corresponding adjustment to the carrying value of Right-of-use assets.

Lease liability and Right-of-use assets are separately presented in the Balance Sheet and lease payments are classified as financing cash flows in the Cash Flow Statement.

The company recognizes lease payments as other expense on a straight line basis over the period of lease for short term leases or leases of low value assets.

Particulars	Gross Carrying Value				Depreciation/ Amortisation					Net Carrying Value
	Cost as at 31st March 2025	Additions	Deletions / Adjustments	Cost as at 31st March 2026	As at 31st March 2025	For the year	Impairment loss	On deletions / Adjustments	As at 31st March 2026	As at 31st March 2026
6A. Owned Assets										
Freehold land	175.2	0.7	-	175.9	-	-	-	-	-	175.9
Buildings	18,229.3	1,949.8	3.7	20,175.4	3,930.1	708.1	-	3.6	4,634.6	15,540.8
Plant and equipment	58,626.7	11,865.8	671.8	69,820.7	24,813.9	4,616.0	251.8	661.1	29,020.6	40,800.1
Furniture and fixtures	712.3	40.1	16.9	735.5	553.1	54.4	-	16.9	590.6	144.9
Office equipment	523.0	22.7	5.2	540.5	321.4	78.7	-	5.2	394.9	145.6
IT equipment	1,676.9	365.4	163.5	1,878.8	1,070.4	305.5	-	163.9	1,212.0	666.8
Vehicles	5.2	-	-	5.2	3.2	0.8	-	-	4.0	1.2
Total Owned Assets	**79,948.6**	**14,244.5**	**861.1**	**93,332.0**	**30,692.1**	**5,763.5**	**251.8**	**850.7**	**35,856.7**	**57,475.3**
6B. Capital work-in progress	**11,725.6**	**(6,655.8)#**	**-**	**5,069.8**	**-**	**-**	**-**	**-**	**-**	**5,069.8**
6C. Right of Use Assets										
Leasehold land	1,977.5	11.3	-	1,988.8	134.0	21.6	-	-	155.6	1,833.2
Buildings	5,093.8	818.3	395.0	5,517.1	2,193.7	816.9	-	392.0	2,618.6	2,898.5
Plant and Equipment	692.1	11.2	7.2	696.1	103.7	71.2	-	-	174.9	521.2
Vehicles	248.2	95.8	27.2	316.8	100.6	67.3	-	27.1	140.8	176.0
Total Right of Use Assets	**8,011.6**	**936.6**	**429.4**	**8,518.8**	**2,532.0**	**977.0**	**-**	**419.1**	**3,089.9**	**5,428.9**
Total (6A + 6B + 6C)	**99,685.8**	**8,525.3**	**1,290.5**	**106,920.6**	**33,224.1**	**6,740.5**	**251.8**	**1,269.8**	**38,946.6**	**67,974.0**

Net of amount capitalized and commissioned during the year

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Gross Carrying Value				Depreciation/ Amortisation					Net Carrying Value
	Cost as at 31st March 2024	Additions	Deletions / Adjustments	Cost as at 31st March 2025	As at 31st March 2024	For the year	Impairment loss	On deletions / Adjustments	As at 31st March 2025	As at 31st March 2025
6D. Owned Assets										
Freehold land	175.2	-	-	175.2	-	-	-	-	-	175.2
Buildings	13,741.8	4,567.1	79.6	18,229.3	3,368.0	592.3	0.2	30.4	3,930.1	14,299.2
Investment in Insurance plan (1)	40,461.2	18,349.1	183.6	58,626.7	21,443.0	3,331.6	217.3	178.0	24,813.9	33,812.8
Furniture and fixtures	676.7	85.3	49.7	712.3	549.2	42.1	-	38.2	553.1	159.2
Office equipment	509.3	46.1	32.4	523.0	268.1	77.3	-	24.0	321.4	201.6
IT equipment	1,552.5	255.8	131.4	1,676.9	934.5	256.7	-	120.8	1,070.4	606.5
Vehicles	24.8	-	19.6	5.2	22.0	0.8	-	19.6	3.2	2.0
Total Owned Assets	**57,141.5**	**23,303.4**	**496.3**	**79,948.6**	**26,584.8**	**4,300.8**	**217.5**	**411.0**	**30,692.1**	**49,256.5**
6E. Capital work-in-progress	**17,417.1**	**(5,691.5)#**	**-**	**11,725.6**	**-**	**-**	**-**	**-**	**-**	**11,725.6**
6F. Right of Use Assets										
Leasehold land	1,332.9	644.6	-	1,977.5	110.7	23.3	-	-	134.0	1,843.5
Buildings	4,466.3	1,119.8	492.3	5,093.8	1,906.1	750.0	-	462.4	2,193.7	2,900.1
Plant and equipment	219.7	472.4	-	692.1	56.8	46.9	-	-	103.7	588.4
Vehicles	176.4	109.3	37.5	248.2	75.9	60.7	-	36.0	100.6	147.6
Total Right of Use Assets	**6,195.3**	**2,346.1**	**529.8**	**8,011.6**	**2,149.5**	**880.9**	**-**	**498.4**	**2,532.0**	**5,479.6**
Total (6D + 6E + 6F)	**80,753.9**	**19,958.0**	**1,026.1**	**99,685.8**	**28,734.3**	**5,181.7**	**217.5**	**909.4**	**33,224.1**	**66,461.7**

Net of amount capitalized and commissioned during the year

(1) The Company incurred ₹ 192.7 million (previous financial year ₹ 245.2 million) for the financial year ended 31st Mar 2026 towards expenses related to short term leases, leases of low value assets and variable leases.

(2) Additions during the year include the following expenses related to capital projects- employee benefits expense ₹310.6 million (previous financial year ₹344.8 million), other expenses ₹55.4 million (previous financial year ₹127.0 million) and finance cost ₹ Nil (previous financial year ₹ 82.4 million).

(a) Details regarding CWIP ageing schedule as at 31st March 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress	3,476.3	847.9	705.0	40.6	5,069.8
(ii) Projects temporarily suspended	-	-	-	-	-
Capital work-in-progress	**3,476.3**	**847.9**	**705.0**	**40.6**	**5,069.8**

Details regarding CWIP ageing schedule as at 31st March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress	7,583.3	3,907.2	221.9	13.2	11,725.6
(ii) Projects temporarily suspended	-	-	-	-	-
Capital work-in-progress	**7,583.3**	**3,907.2**	**221.9**	**13.2**	**11,725.6**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(b) Details of CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31st March 2026

Particulars	To be completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress					
Project 1 at Moga Factory	338.3	-	-	-	338.3
Project 1 at Odisha Factory	-	-	-	409.3	409.3
Project 2 at Moga Factory	215.6	-	-	-	215.6
Project 1 at Nanjangud Factory	138.6	-	-	-	138.6
Project 1 at Tahliwal Factory	137.4	-	-	-	137.4
Project 3 at Moga Factory	91.1	-	-	-	91.1
Project 1 at Pantnagar Factory	74.6	-	-	-	74.6
Project 2 at Nanjangud Factory	56.0	-	-	-	56.0
Others	637.6	-	-	-	637.6
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**1,689.2**	**-**	**-**	**409.3**	**2,098.5**

Details of CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31st March 2025

Particulars	To be completed in				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Projects in progress					
Project 1 at Nanjangud Factory	1,335.8	-	-	-	1,335.8
Project 1 at Ponda Factory	274.2	-	-	-	274.2
Project 2 at Ponda Factory	233.7	-	-	-	233.7
Project 3 at Ponda Factory	227.5	-	-	-	227.5
Project 1 at Moga Factory	167.5	-	-	-	167.5
Project 1 at Pantnagar Factory	89.3	-	-	-	89.3
Project 4 at Ponda Factory	71.1	-	-	-	71.1
Project 1 at Samalkha Factory	54.2	-	-	-	54.2
Others	728.7	-	-	-	728.7
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**3,182.0**	**-**	**-**	**-**	**3,182.0**

Note : For capital commitment with respect to property, plant and equipment refer Note 40 (ii)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
7	**INVESTMENTS**		
	A. Non-Current Assets		
	Unquoted		
	a. Investment in Associates		
	Dr.Reddy's and Nestlé Health Science Limited [705,600,000 (31st March'2025 : 705,600,000) fully paid up equity shares of face value ₹10 each]	5,309.2	5,750.3
		5,309.2	**5,750.3**
	B. Current Assets		
	At amortised cost		
	Quoted		
	Investment carried at fair value through profit or loss		
	Investments in Mutual Funds	-	-
	Considered as 'Cash and cash equivalents' for the purpose of 'Statement of Cash Flows'	**-**	**-**
	TOTAL INVESTMENTS (A + B)	**5,309.2**	**5,750.3**
	Aggregate amount of impairment in value of investment	-	-

	Particulars	As at 31st March, 2026	As at 31st March, 2025
8	**LOANS**		
	A. Non Current Assets		
	Unsecured, considered good		
	Loans to employees	90.7	80.9
		90.7	**80.9**
	B. Current Assets		
	Unsecured, considered good		
	Loans to employees	110.0	103.1
		110.0	**103.1**
	TOTAL LOANS (A + B)	**200.7**	**184.0**

There are no loans due from directors or other officers of the Company or any of them either severally or jointly with any other person or loans due from firms or private companies respectively in which any director is a partner or a director or a member.

	Particulars	As at 31st March, 2026		As at 31st March, 2025	
9	**OTHER FINANCIAL ASSETS**				
	A. Non Current Assets				
	Unsecured, considered good				
	Security deposits		599.8		554.0
			599.8		**554.0**
	B. Current Assets				
	Unsecured, considered good				
	Recoverable from related parties		148.9		120.5
	Derivative assets - forward contracts		45.6		23.4
	Interest accrued on bank deposits / tax free long term bonds etc.		14.7		1.6
	Others		47.4		32.9
	Security deposits		65.8		68.8
	Unsecured, credit impaired				
	Security deposits	13.1		9.0	
	Less: Allowance for impairment	(13.1)	-	(9.0)	-
			322.4		**247.2**
	TOTAL OTHER FINANCIAL ASSETS (A + B)		**922.2**		**801.2**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
10	**DEFERRED TAX ASSETS /(LIABILITIES) (NET)** [1]		
	Property, plant and equipment	(2,214.6)	(1,717.8)
	Contingencies	655.4	738.3
	Employee benefits	320.9	295.9
	Others includes temporary differences arising out of right of use assets, expenses deductible on payment basis etc.	597.0	384.0
	NET DEFERRED TAX ASSETS / (LIABILITIES)	**(641.3)**	**(299.6)**

11 OTHER ASSETS

Particulars	As at 31st March, 2026		As at 31st March, 2025	
A. OTHER NON-CURRENT ASSETS				
Considered good				
Investment in Insurance plan [1]		8,726.3		9,975.7
Capital advances		410.0		255.5
Prepaid expense		8.7		15.3
Balances with government authorities		1,304.3		-
Payments under protest with government authorities		1,497.2		1,498.2
		11,946.5		**11,744.7**
B. OTHER CURRENT ASSETS				
Considered good				
Investment in Insurance plan [1]		1,361.2		1,525.3
Advances given to suppliers, employees etc.		424.9		261.5
Balances with government authorities		963.4		1,783.4
Prepaid expenses		327.2		331.7
Credit impaired - unsecured				
Advances given to suppliers, Balances with government authorities etc.	56.0		51.6	
Less: Allowance for doubtful advances	(56.0)	-	(51.6)	-
		3,076.7		**3,901.9**
TOTAL OTHER ASSETS (A + B)		**15,023.2**		**15,646.6**

[1] Investment represents 'Reimbursement Rights' as defined under Ind AS 19 Employee Benefits to cover the defined benefit obligations under the 'Future Ready Plan'. (refer Note 32).

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

12 INVENTORIES

Inventories are stated at cost or net realisable value, whichever is lower. However, raw materials, packing materials and other supplies held for use in the production of inventories are not written down below cost if the finished goods in which they will be included are expected to be sold at or above cost.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

The basis of determining cost for various categories of inventories are as follows:

Raw and packing material	:	First-in-first out
Stock-in-trade (goods purchased for resale)	:	Weighted average
Stores and spare parts	:	Weighted average
Work-in-progress and finished goods	:	Material cost plus appropriate share of production overheads, wherever applicable

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials	8,324.8	13,271.9
[Includes in transit ₹456.4 million (previous financial year: ₹681.6 million)]		
Packing materials	938.0	766.3
[Includes in transit ₹4.9 million (previous financial year: ₹0.6 million)]		
Work-in-progress	3,372.8	4,063.4
Finished goods	9,387.3	7,311.9
Stock-in-trade (goods purchased for resale)	1,535.2	1,237.8
[Includes in transit ₹316.4 million (previous financial year: ₹335.0 million)]		
Stores and spares	2,134.1	1,850.1
[Includes in transit ₹33.1 million (previous financial year: ₹37.8 million)]		
	25,692.2	**28,501.4**

During the year, an amount of ₹1,219.3 million (net of reversals) [previous financial year ₹1,542.2 million] was charged to the statement of profit and loss on account of obsolete, damage and slow moving inventories.

13 TRADE RECEIVABLES

(Unsecured unless otherwise stated)

Trade Receivables considered good [(1)]	3,371.2	3,712.7
Trade Receivables credit impaired	41.5	3.9
	3,412.7	**3,716.6**
Less: Loss allowance for credit impairment	(41.5)	(3.9)
Less: General allowance for expected credit loss (refer Note 37 on financial instruments)	(76.5)	(81.2)
	3,294.7	**3,631.5**

[(1)] Includes receivables from related parties (refer Note 41)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Ageing for Trade receivables from the due date of payment for each of the category as at 31st March 2026

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables Considered Goods	3,156.6	155.3	41.4	14.9	2.0	1.0	3,371.2
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit Impaired	-	0.6	0.2	0.7	17.7	22.3	41.5
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant Increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-	-
Total Trade Receivables	**3,156.6**	**155.9**	**41.6**	**15.6**	**19.7**	**23.3**	**3,412.7**

Ageing for Trade receivables from the due date of payment for each of the category as at 31st March 2025

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables Considered Goods	3,091.3	553.4	34.8	23.8	9.0	0.4	3,712.7
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit Impaired	-	1.2	0.0	0.0	1.9	0.8	3.9
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant Increase in Credit Risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-	-
Total Trade Receivables	**3,091.3**	**554.6**	**34.8**	**23.8**	**10.9**	**1.2**	**3,716.6**

Note :

There are no unbilled receivables as at 31st March 2026 and 31st March 2025.

There are no debts due from directors or other officers of the Company or any of them either severally or jointly with any other person or debts due from firms or private companies respectively in which any director is a partner or a director or a member other than as disclosed in Related Party Note 41.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank balances, cheques and drafts on hand including remittances in transit, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of Statement of Cash flows.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with banks		
on current accounts	593.8	484.6
on deposit accounts *	12,585.7	264.1
Cheques, drafts on hand including remittances in transit	26.2	13.1
	13,205.7	**761.8**

* The above deposits includes deposit of ₹263.6 million (previous financial year ₹264.0 million) held as lien by banks against overdraft facility.

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Earmarked Balances with Banks		
Unpaid dividend accounts	203.0	194.7
	203.0	**194.7**

16 EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Authorised				
Equity shares of face value ₹1 each as on 31st March 2026* (Equity shares of face value ₹1 each as on 31st March 2025)	**2,000,000,000**	**2,000.0**	**1,000,000,000**	**1,000.0**
Issued, subscribed and fully paid up				
Equity shares of face value ₹1 each* (Equity shares of face value ₹1 each as on 31st March 2025)	**1,928,314,320**	**1,928.3**	**964,157,160**	**964.2**

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Shares outstanding as at the beginning of the year	964,157,160	964.2	964,157,160	964.2
Increase in shares on account of bonus issue*	964,157,160	964.2	-	-
Shares outstanding as at the end of the year	**1,928,314,320**	**1,928.3**	**964,157,160**	**964.2**

* Effective 11th August, 2025, the paid-up share capital of the Company stands increased from ₹964.2 million, divided into 964.2 million equity shares of face value of ₹1/- each, to ₹1,928.3 million divided into 1,928.3 million equity shares of face value of ₹1/- each, following the allotment of 964.2 million equity shares of face value of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

₹1 each as fully paid-up bonus equity shares, in the ratio 1:1, i.e., one (1) fully paid-up equity share of face value of ₹1 (Rupee one only) each for every one (1) existing fully paid-up equity share of face value of ₹1 (Rupee one only) each, to those eligible members of the Company whose name appeared in the Register of Members/ Beneficial Owners as on the Record Date i.e., 8th August 2025.

As approved by the shareholders of the Company at the Extraordinary General Meeting held on 24th July 2025, the Authorised Share Capital of the Company was increased from ₹1,000 million divided into 1,000 million equity shares of ₹1/- each to ₹2,000 million by creation of an additional 1,000 million equity shares of ₹1/- each. These bonus equity shares were issued by capitalising ₹964.2 million from retained earnings of the Company.

These bonus equity shares were issued by capitalising ₹964.2 million from retained earnings of the Company, out of the ₹8,374.3 million that was reclassified from the General Reserve and credited to the Retained Earnings during the financial year ended 31st March 2024, in accordance with the Scheme of Arrangement ("Scheme") sanctioned by National Company Law Tribunal, Delhi Bench (Hon'ble NCLT), vide its Order dated 15th September 2023 and which became effective from 19th October 2023 ("Hon'ble NCLT Order"). In terms of the Scheme, the aforesaid amount reclassified to Retained Earnings represents accumulated profits of the Company and is available for distribution to the members, from time to time, at the discretion of the Board of Directors, in such manner, quantum and at such time as the Board may decide, subject to applicable regulatory, fiscal and other relevant considerations, including payment of applicable taxes. A copy of the NCLT Order and the Scheme is available on the Company's website at: https://www.nestle.in/investors/stockandfinancials/scheme-arrangement

In accordance with the 'Ind AS 33 – Earnings per Share', the figures of Earnings per Share for previous periods presented have been restated to give effect to the allotment of the equity bonus shares.

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares with face value of ₹ 1 each, ranking pari passu.

c) Equity shares held by Ultimate Holding Company and its Subsidiaries

Particulars	As at 31st March, 2026	As at 31st March, 2025
	No. of shares	No. of shares
Nestlé S.A. (Ultimate Holding Company)	661,027,980	330,513,990
Maggi Enterprises Limited (Subsidiary of Nestlé S.A.)	549,273,600	274,636,800

d) Shareholders holding more than 5% of equity shares

Serial No.	Name of the shareholder	As at 31st March, 2026		As at 31st March, 2025	
		No. of shares	% of holding	No. of shares	% of holding
1	Nestlé S.A.	661,027,980	34.28	330,513,990	34.28
2	Maggi Enterprises Limited	549,273,600	28.48	274,636,800	28.48
3	Life Insurance Corporation of India	118,462,943	6.14	45,033,003	4.67

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
e)	**Shareholdings by the Promoter's of the Company**		
	Nestlé S.A.		
	Number of shares at the beginning of the year	330,513,990	330,513,990
	Increase in shares on account of bonus issue*	330,513,990	-
	Number of shares at the end of the year	661,027,980	330,513,990
	% of Total shares	34.28	34.28
	% of change during the year	-	-
	Maggi Enterprises Limited		
	Number of shares at the beginning of the year	274,636,800	274,636,800
	Increase in shares on account of bonus issue*	274,636,800	-
	Number of shares at the end of the year	549,273,600	274,636,800
	% of Total shares	28.48	28.48
	% of change during the year	-	-

		As at 31st March, 2026	As at 31st March, 2025
17	**OTHER EQUITY**		
	Retained earnings	49,548.0	39,020.1
	Capital Reserve	99.8	99.8
	Items of Other Comprehensive Income:		
	Effective portion of cash flow hedges	(6.4)	18.0
		49,641.4	**39,137.9**

Nature and description of reserve:

(i) **Retained Earnings -** Retained earnings are the accumulated profits earned by the Company till date, less dividend (including dividend distribution tax) and other distributions made to the shareholders.

(ii) **Capital Reserve -** Capital Reserve is a reserve arising on business combination under common control due to difference between carrying amount of net assets acquired and consideration paid (as adjusted for amount recognized in retained earnings). The amount is not available for distribution to shareholders.

(iii) **Effective portion of cash flow hedges -** The Company uses forward contracts to hedge its risks associated with foreign currency transactions relating to firm commitments and highly probable forecast transactions. This reserve represents the cumulative changes in fair value of forward contracts that are designated as Cash Flow Hedges. These will be reclassified to statement of profit and loss upon occurrence of the underlying forecasted transactions.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	As at 31st March, 2026	As at 31st March, 2025
18	**BORROWINGS**		
	A. Non-Current Liabilities		
	Unsecured loans		
	Deferred VAT liabilities [1]	202.9	224.8
		202.9	**224.8**
	B. Current Liabilities		
	Unsecured loans		
	Deferred VAT liabilities [1])	41.5	51.6
	Short term borrowing from banks [2]	-	7,257.0
		41.5	**7,308.6**
	TOTAL BORROWINGS (A + B)	**244.4**	**7,533.4**

[1] Represents Interest free loan from the state of Karnataka (repayable after 7 years from the date of disbursement in 10 equal installments commencing from the year 2021.Previous financial year also includes Interest free loan from the state of Himachal Pradesh ₹14.8 million which is fully repaid during current financial year.

[2] The Company has availed short term borrowing from banks as at 31st March 2026 Nil (previous financial year ₹7,257.0 million at an interest rate of 6.7% to 7.5%, repayable within 30 days)

19 LEASE LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
A. Non-Current Lease liabilities	3,375.3	3,415.3
B. Current Lease liabilities	821.9	719.8
TOTAL LEASE LIABILITIES (A + B)	**4,197.2**	**4,135.1**

Movement of Lease Liabilities

Balance at the beginning of the year	4,135.1	3,133.9
Add: Increase due to new leases	936.6	1,809.6
Add: Interest accrued on lease liabilities during the year	301.9	270.2
Less: Payment of lease liabilities (including interest)	(1,166.0)	(1,032.0)
Less: Decrease due to early termination of leases	(10.4)	(46.6)
Balance at the end of the year	**4,197.2**	**4,135.1**

20 PROVISIONS

A. Non-Current Liabilities				
Employee benefits:				
Pension (refer Note 32 on employee benefit plans)	18,326.4		18,597.7	
Other incentives and welfare benefits [1]	2,585.1	20,911.5	2,083.9	20,681.6
Contingencies (refer note 34)		7,324.6		10,219.9
		28,236.1		**30,901.5**
B. Current Liabilities				
Employee benefits:				
Pension and Gratuity (refer Note 32 on employee benefit plans)	2,571.9		2,147.7	
Other incentives and welfare benefits [1]	506.0	3,077.9	275.1	2,422.8
		3,077.9		**2,422.8**
TOTAL PROVISIONS (A + B)		**31,314.0**		**33,324.3**

[1] Includes compensated absences, restricted stock unit plans/ performance share unit plans, long service awards and ceremonial gifts.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	As at 31st March, 2026	As at 31st March, 2025
21 OTHER LIABILITIES		
A. Non-Current Liabilities		
Deferred Government Grants	187.3	136.4
	187.3	**136.4**
B. Current Liabilities		
Advance from customers [1]	1,031.3	274.8
Statutory liabilities	509.1	1,761.9
Others	95.8	122.0
	1,636.2	**2,158.7**
TOTAL OTHER LIABILITIES (A + B)	**1,823.5**	**2,295.1**

[1] Goods to be supplied in the next financial year.

22 TRADE PAYABLES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total outstanding dues of micro enterprises and small enterprises	3,280.4	4,170.9
Total outstanding dues of creditors other than micro enterprises and small enterprises [1]	26,386.1	19,564.4
	29,666.5	**23,735.3**

[1] Includes payables to related parties (refer Note 41)

b) AGEING OF TRADE PAYABLES

Ageing for Trade Payables as at 31st March 2026

Particulars	Unbilled Dues / Not Due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	3,239.1	41.3	0.0	-	-	3,280.4
(ii) Others	24,240.3	2,119.1	0.0	5.3	21.4	26,386.1
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-
Trade Payables	**27,479.4**	**2,160.4**	**0.0**	**5.3**	**21.4**	**29,666.5**

Ageing for Trade Payables as at 31st March 2025

Particulars	Unbilled Dues / Not Due	Outstanding for the following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) MSME	3,958.2	212.7	0.0	-	-	4,170.9
(ii) Others	18,715.6	822.0	4.8	2.8	19.2	19,564.4
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-
Trade Payables	**22,673.8**	**1,034.7**	**4.8**	**2.8**	**19.2**	**23,735.3**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

c) SUPPLIER FINANCE ARRANGEMENT

Particulars	As at 31st March, 2026	As at 31st March, 2025
Carrying amount of trade payables that are part of a supplier finance arrangement	8,076.1	6,696.7
Of which suppliers have received payment	1,528.9	2,400.1

The Company has a supplier financing program with external financial institutions in respect of approved trade payables. Under these arrangements, participating suppliers may, at their discretion, elect to receive early payment on approved invoices from the finance providers, subject to the suppliers' separate agreements with such financial institutions. The Company's payment obligation to settle the full invoice amount with the finance providers arises on the contractual maturity date of the invoice. The supplier finance arrangements do not modify the contractual payment terms between the Company and its suppliers or result in an extension of payment terms, hence there is no effect on the Company's obligation to pay amounts due under the supplier contracts. The Company does not provide any collateral, guarantees, or other forms of security in connection with these arrangements.

23 OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Customers' credit balances and payables	4,793.7	3,839.5
Employee costs and reimbursements	3,404.0	2,896.2
Accrued expenses	1,082.5	500.0
Unpaid dividends[1]	203.0	194.7
Security deposits	202.0	77.7
Derivative liabilities - forward contracts	97.8	28.0
Interest accrued but not due on borrowings	-	13.3
Book Overdraft	4.0	3.6
	9,787.0	**7,553.0**

[1] No amount due and outstanding to be credited to Investor Education and Protection Fund.

24 REVENUE FROM OPERATIONS

a) Sale of products

Revenue from sale of goods is recognised on transfer of control of goods to the buyer. Revenue is measured at the price charged to the customer and are recorded net of returns (if any), trade discounts, rebates, other pricing allowances to trade/consumer, when it is probable that the associated economic benefits will flow to the Company. Accumulated experience is used to estimate and provide for sales return, trade discounts and other allowances.

The Performance obligation in contracts is considered as fulfilled in accordance with the terms agreed with the respective customers, which is mainly upon arrival at the customer. The payment terms include advance payment and credit given to certain customers.

Revenue from sale of goods is presented net of Goods and Services Tax (GST).

Particulars	Financial Year ended 31st March, 2026		Financial Year ended 31st March, 2025	
Domestic	221,187.0		192,926.7	
Export	9,527.6	**230,714.6**	7,848.3	**200,775.0**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Class-Wise Details of Sales of Products

Product groups	Financial Year ended 31st March, 2026		Financial Year ended 31st March, 2025	
	Quantity (MT)	Amount (₹ in million)	Quantity (MT)	Amount (₹ in million)
Milk Products and Nutrition	122,958	77,167.7	125,771	76,575.5
(includes dairy whitener, condensed milk, UHT milk, yogurt, maternal and infant formula, baby foods, health care nutrition)				
Prepared Dishes and Cooking Aids	401,695	72,740.1	359,785	61,990.6
(includes noodles, sauces, seasonings, pasta, cereals, pet food)				
Powdered and Liquid Beverages	35,676	36,381.2	30,153	28,881.1
(includes instant coffee, instant tea, ready to drink beverage)				
Confectionery	87,195	44,425.6	69,473	33,327.8
(includes bar countlines, tablets, sugar confectionery)				
Sale of products	**647,524**	**230,714.6**	**585,182**	**200,775.0**

Reconciliation of Revenue from Sale of Products with the Contracted Price

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Contracted Price	240,217.0	208,696.7
Less: Rebates, discounts, allowances etc.	9,502.4	7,921.7
Sale of products	**230,714.6**	**200,775.0**

Contract liabilities are disclosed in Note 21 - other liabilities as advance from customers.

b) Other Operating Revenue

Government Grants in relation to revenue and expenses are recognized when there is reasonable assurance that the entity will comply with the attached conditions and that the grant will be received. Such grants are recognized in Other operating revenues on a systematic basis.

Government grant in relation to property, plant and equipment is treated as deferred income and is recognised in the statement of profit and loss over the useful life of the asset.

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Government grants (export incentive, production linked incentives and capital subsidies)	415.5	711.4
Other operating income (mainly scrap sales)	415.9	529.2
	831.4	**1,240.6**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

25 OTHER INCOME

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Interest on bank deposits, investments etc.	330.7	280.7
Interest on tax free long term bonds	-	286.6
Income from mutual funds	23.9	21.3
Gain on property, plant & equipment sold / scrapped / written off	48.9	41.3
	403.5	**629.9**

Interest income is recognised using effective interest rate (EIR) method.

26 COST OF MATERIALS CONSUMED

Raw materials	84,184.8	71,473.2
Packing materials	13,955.6	12,428.3
	98,140.4	**83,901.5**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Opening stock				
Finished goods	7,311.9		6,814.1	
Work-in-progress	4,063.4		3,616.7	
Stock-in-trade	1,237.7		785.6	
	12,613.0		**11,216.4**	
Closing Stock				
Finished goods	9,387.3		7,311.9	
Work-in-progress	3,372.8		4,063.4	
Stock-in-trade	1,535.2		1,237.7	
	14,295.3		**12,613.0**	
Net (increase)/ decrease in opening and closing stock		**(1,682.3)**		**(1,396.6)**

28 EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus (refer Note 32 on employee benefit plans)	19,700.0	17,992.7
Contribution to provident and other funds (refer Note 32 on employee benefit plans)	1,173.7	1,165.2
Share based payments (refer Note 33 on RSU / PSU plan)	222.5	168.2
Staff welfare expenses	1,687.9	1,294.1
Employee benefit expenses incurred	**22,784.1**	**20,620.2**
Less: Employee benefits expense included in following other lines:		
- Capitalised as directly attributable costs (refer Note 6 on Property, plant and equipment)	(310.6)	(344.8)
- Exceptional items (refer Note 4 (a) and (b) of exceptional items)	(815.4)	-
	21,658.1	**20,275.4**

Employee benefits expense includes ₹42.4 million (previous financial year ₹38.3 million) attributable towards Corporate Social Responsibility expenses (refer Note 35 on Corporate social responsibility).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

	Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
29	**FINANCE COSTS**		
	Interest cost on employee benefit plans (refer Note 32 on employee benefit plans)	743.2	634.1
	Interest on lease liabilities	301.9	270.2
	Interest on litigation cases and contingencies	(1,678.4)	375.4
	Interest on bank overdraft and other financial liabilities	193.2	162.7
		(440.1)	**1,442.4**
	Less: Finance costs included in following other lines:		
	- Capitalised as borrowing costs (refer Note 6 on property, plant and equipment)	-	(82.4)
	- Exceptional items (refer Note 4 (a) on exceptional items)	2,023.2	-
		1,583.1	**1,360.0**
30	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation on property, plant and equipment (refer Note 6 on property, plant and equipment)	5,763.5	4,300.8
	Depreciation on right-of-use- assets (refer Note 6 on property, plant and equipment)	977.0	880.9
	Impairment of property, plant and equipment (refer Note 6 on property, plant and equipment)	251.8	217.5
		6,992.3	**5,399.2**
31	**OTHER EXPENSES**		
	Finished goods handling, transport and distribution	9,618.1	8,770.6
	Advertising and sales promotion	12,242.1	9,658.6
	Power and fuel	5,872.1	5,414.2
	General licence fees (net of taxes)	10,245.2	8,994.1
	Withholding tax on general licence fees	1,024.7	897.1
	Information technology and management information systems	2,005.9	1,802.2
	Corporate social responsibility expense (refer Note 35)	807.7	728.0
	Maintenance and repairs	1,601.1	1,397.6
	Rates and taxes	80.2	91.6
	Travelling	1,254.2	1,314.7
	Rent	192.7	245.2
	Contract manufacturing charges	1,628.9	1,167.6
	Consumption of stores and spare parts	977.3	831.0
	Training	65.3	83.9
	Laboratory (quality testing)	381.5	331.8
	Market research	740.1	665.4
	Milk collection and district development	124.1	108.7
	Security charges	226.2	220.3
	Exchange difference (net)	272.4	146.1
	Loss on property, plant & equipment sold/scrapped/written off	9.0	17.5
	Insurance	205.5	245.1
	Miscellaneous	3,895.5	3,542.2
		53,469.8	**46,673.5**
	Less: expenses included above, capitalised as directly attributable costs (refer Note 6 on property, plant and equipment)	(55.4)	(127.0)
		53,414.4	**46,546.5**

Note : Figures for previous year / period have been regrouped wherever necessary.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

32 EMPLOYEE BENEFIT PLANS

(i) Defined contribution plans: The Company makes contributions to Provident Fund, Employee State Insurance, National Pension System etc. for eligible employees and these contributions are charged to statement of profit and loss on accrual basis. Under these plans, the Company is required to contribute a specified percentage of payroll costs. The Company has recognised ₹1,173.7 million (previous financial year ₹1,165.2 million) as expense in the statement of profit and loss during the year towards contribution to these funds.

(ii) Short-term employee benefits: Short-term employee benefits such as salaries, wages, performance incentives, etc. payable wholly within twelve months of rendering the service are charged to standalone statement of profit and loss on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

(ii) Termination benefits are recognised in the standalone statement of profit and loss at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a related restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets, involving payment of termination benefits.

(iv) Post-employment defined benefit Pension and Gratuity Plans: The Company provides pension and gratuity benefits to eligible employees under post-employment defined benefit plans. Defined benefit pension plans are discretionary and consist of an unfunded defined benefit pension plan and a funded defined benefit pension plan (known as ‘Future ready plan’). The unfunded defined benefit plan exposes the Company to risks, such as interest rate risk, inflation risk, price risk, longevity risk etc.

The gratuity plan provides for a lump sum payment to employees upon vesting at retirement, death while in employment or on termination of employment. Gratuity vesting occurs upon completion of five years of service. The Company makes contributions to the Nestlé India Limited Employees’ Gratuity Trust Fund. The Trustees of Nestlé India Limited Employees Gratuity Trust Fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and the relevant provisions prescribed under the law. Pattern of investment followed by the Gratuity Trust fund is in accordance with the rules prescribed by the Government of India. The Company aims to keep annual contributions to the trust relatively stable at a level such that no significant gap arises between plan assets and liabilities.

Liability for defined benefit plans i.e. gratuity and ‘unfunded pension plan’ is determined based on the actuarial valuation carried out by an independent actuary as at the year-end. As these liabilities are relatively long-term in nature, the actuarial assumptions take into account the requirements of the relevant Ind AS coupled with a long-term view of the underlying variables / trends, wherever required.

Service cost and net interest cost on the defined benefit liabilities / assets are recognized in the statement of profit and loss as employee benefit expense and finance costs respectively. Gains and losses on remeasurement of defined benefits liabilities/plan assets arising from changes in actuarial assumptions and experience adjustments are recognised in the other comprehensive income and are included in retained earnings in the Balance Sheet.

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising of four Labour Codes, collectively referred to as the 'New Labour Codes' and notified with effect from 21st November 2025. Based on the analysis of the information available so far and actuarial valuation, the Company has recognised an incremental financial impact of ₹414.4 million as past service cost on post-employment defined benefits for its employees. Considering that this impact is driven by a regulatory change and is non-recurring in nature, it is classified under exceptional items in these financial results. The Company continues to monitor the developments relating to the implementation of the New Labour Codes and will review the estimates as further clarifications and Rules are notified.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

For funded defined benefit pension plan (Future ready plan), the liability amount determined in 2021 to cover the plan obligations based on actuarial valuation carried out by an independent actuary for past periods, was invested in an appropriate Investment product of an Insurance company and recognized as 'reimbursement rights' as per Ind AS 19 Employee Benefits. This investment earns interest and the corresponding defined benefit liability increases with this interest amount. The amount and timing of the defined benefits payable under the Future ready plan match with the amounts recoverable from the Investment product. The amount recoverable from the investment product is utilized for payment of the defined benefits payable to the employees including purchase of pension annuities from the insurance company as per the Future ready plan. The plan exposes the Company to risks such as credit risk etc.

(v) Other long-term employee benefits such as compensated absences and long service awards are charged to statement of profit and loss on the basis of an actuarial valuation carried out by an independent actuary as at the year-end. Actuarial gains and losses are recognised in full in the statement of profit and loss during the year in which they occur.

a) MOVEMENT IN POST-EMPLOYMENT DEFINED BENEFIT OBLIGATIONS AND PLAN ASSETS

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
(i) Change in defined benefit obligation (DBO):						
Present Value of obligation, as at the beginning of the year	3,260.2	11,501.1	8,999.9	3,038.1	12,236.5	7,537.6
Current service cost	211.8	-	492.2	197.3	-	426.1
Past service cost (1)	492.0	-	(77.6)	-	-	-
Interest cost	210.2	862.5	606.3	205.0	903.3	512.6
Actuarial loss/(gain)	100.8	-	359.5	125.0	-	954.4
Actual benefits paid	(305.1)	(2,276.1)	(89.4)	(220.2)	(1,638.7)	(105.5)
Settlement to Insurance Company for Pensioners	-	-	(322.1)	-	-	(325.3)
Divestitures	6.9	-	-	(85.0)	-	-
Present value of obligation, as at the end of the year	**3,976.8**	**10,087.5**	**9,968.8**	**3,260.2**	**11,501.1**	**8,999.9**
(ii) Change in plan assets:						
Plan assets, as at the beginning of the year	3,015.8	-	-	2,730.1	-	-
Expected return on plan assets	201.5	-	-	194.2	-	-
Contribution by the Company	244.4	-	-	309.0	-	-
Return on plan assets, greater/(lesser) than expected return	(21.8)	-	-	2.7	-	-
Actual benefits paid	(305.1)	-	-	(220.2)	-	-
Plan assets, as at the end of the year	**3,134.8**	**-**	**-**	**3,015.8**	**-**	**-**
Net liability recognised in the Balance Sheet	**842.0**	**10,087.5**	**9,968.8**	**244.4**	**11,501.1**	**8,999.9**
of which accounted as:						
Non-current provisions	-	8,726.3	9,600.1	-	9,975.7	8,622.0
Current provisions	842.0	1,361.2	368.7	244.4	1,525.4	377.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
(iii) Re-imbursement rights						
Opening Balance as at the beginning of the year	-	11,501.1	-	-	12,236.5	-
Investments during the year	-	-	-	-	-	-
Return on Investments	-	862.5	-	-	903.3	-
Benefit payments	-	(2,276.1)	-	-	(1,638.7)	-
Investments as at the end of the year	**-**	**10,087.5**	**-**	**-**	**11,501.1**	**-**
(iv) Constitution of plan assets						
Quoted						
Funding with insurance Companies	3,130.1	-	-	3,014.1	-	-
Unquoted						
Cash at bank and receivables	4.7	-	-	1.7	-	-
Total plan assets	**3,134.8**	**-**	**-**	**3,015.8**	**-**	**-**
(v) Cost recognised in the statement of profit and loss						
Current service cost	211.8	-	492.2	197.3	-	426.1
Past service cost [1]	492.0	-	(77.6)	-	-	-
Interest cost[2]	210.2	862.5	606.3	205.0	903.3	512.6
Expected return on plan assets/re-imbursement rights	(201.5)	(862.5)	-	(194.2)	(903.3)	-
Net cost	**712.5**	**-**	**1,020.9**	**208.1**	**-**	**938.7**
(vi) Re-measurements recognised in other comprehensive income						
Actuarial loss/(gain) :						
Change in financial assumptions	98.3	-	785.1	87.6	-	365.2
Change in demographic assumptions	-	-	-	-	-	-
Experience adjustments	2.5	-	(425.6)	37.4	-	589.2
Return on plan assets, (greater) / lesser than expected return	21.8	-	-	(2.7)	-	-
Net cost	**122.6**	**-**	**359.5**	**122.3**	**-**	**954.4**

[1] Based on the analysis and understanding of the draft rules and other information available so far on the new ""Labour Codes"" implemented effective 21st November 2025, and actuarial valuation, the Company has recognised ₹414.4 million (previous financial year nil) as past service cost arising due to change in the definition of ""wages", and classified the amount under exceptional items (refer note 4 (c) on exceptional items)\

[2] Total Interest cost on employee benefit plans recognised in statement of profit and loss is ₹743.2 million (previous financial year ₹634.1 million). This includes ₹615.0 million (previous year ₹523.4 million) towards pension and gratuity and balance amount ₹128.2 million (previous year ₹ 110.7 million) towards compensated absences and long service awards.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

b) KEY ACTUARIAL ASSUMPTIONS

Particulars	Financial Year ended 31st March 2026		Financial Year ended 31st March 2025	
	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan
Discount Rates (%)	7.00	7.00	6.75	6.75
Expected rate of salary increases (%)[1]				
- First 5 years	4.2 to 14.2		3.4 to 15.9	
- Beyond five years	2.9 to 12.5		2.3 to 11.8	
Expected rate of pension increases (%)	-	3.50	-	3.50
Mortality assumptions:				
in service	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates	Indian Assured Lives Mortality (modified 2006-08) Ultimate rates
in retirement (for pension scheme)		Indian Individual Annuitant's Mortality Table (2012-15) with 10% past improvement and 0.5% future mortality improvement		Indian Individual Annuitant's Mortality Table (2012-15) with 10% past improvement and 0.5% future mortality improvement

[1] Refers to range of average salary escalation rates for different category of employees.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, performance, promotion and other relevant factors such as demand and supply in the employment market.

As defined benefits obligations are of relatively long term in nature, the actuarial assumptions take in account the requirements of the relevant Ind AS coupled with a long term view of the underlying variables / trends, wherever required.

c) SENSITIVITY ANALYSIS

Sensitivity of the defined benefit obligation to changes in key actuarial assumptions

Particulars	Financial Year ended 31st March 2026		Financial Year ended 31st March 2025	
	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan
Present Value of obligation - Reported	3,976.8	9,968.8	3,260.2	8,999.9
Discount rates				
Increase of 50 basis point	3,777.6	9,001.5	3,091.9	8,420.3
Decrease of 50 basis point	4,193.6	11,022.1	3,430.3	9,643.0
Expected rate of salary increases				
Increase of 50 basis point	4,093.6	10,767.9	3,398.7	9,710.4
Decrease of 50 basis point	3,847.4	9,190.3	3,125.7	8,346.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March 2026		Financial Year ended 31st March 2025	
	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Unfunded Plan
Expected rate of Pension increases				
Increase of 50 basis point	-	10,485.9	-	9,469.5
Decrease of 50 basis point	-	9,498.5	-	8,572.7
Life expectancy				
Increase by 1 year	-	9,973.5	-	9,008.1
Decrease by 1 year	-	9,965.2	-	8,993.6

Sensitivities are calculated using the same actuarial method as applied for the calculation of present value of the defined benefit obligation. Sensitivity calculations are based on change in the respective assumption while keeping other assumptions constant.

Particulars	Financial Year ended 31st March 2026			Financial Year ended 31st March 2025		
	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan	Gratuity Scheme Funded Plan	Pension Scheme Funded Future Ready Plan	Pension Scheme Unfunded Plan
d) Weighted average duration of the Defined Benefit Obligation	11.97 years	8.73 years	12.56 years	11.83 years	9.82 years	12.72 years
e) Expected contribution to the Trust (₹ in million)	842.0	-	-	244.4	-	-

33 RESTRICTED STOCK UNIT (RSU) / PERFORMANCE SHARE UNIT (PSU) PLAN

The Company participates in the Nestlé Restricted Stock Unit (RSU) / Performance Share Unit (PSU) Plan of Nestlé S.A., whereby select employees are granted non-tradable units with the right to obtain Nestlé S.A. shares or cash equivalent. Restricted Stock Units (RSU) / Performance Share Units (PSU) granted to employees vest, subject to certain conditions, after completion of three years. Upon vesting Nestlé S.A. determines, whether shares, free of charge or cash equivalent to the value of shares, is to be transferred to the employee. The fair value of these units is charged to the statement of profit and loss over the vesting period. The Company has to pay Nestlé S.A. an amount equivalent to the value of Nestlé S.A. shares on the date of vesting, delivered to the employee.

The details are as under:

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Outstanding, non-vested RSU / PSU grants as at year end	192.6	203.9
RSU / PSU grants vested during the year	233.8	144.7
Recognised in statement of profit and loss	222.5	168.2

The details on number of grants is as under:

Particulars	31st March, 2026	31st March, 2025
Outstanding, non-vested RSU/ PSU grants as at beginning of the year	68,029	59,443
RSU / PSU grants granted during the year	27,373	30,174
RSU / PSU grants vested/reversed during the year	29,375	21,588
Outstanding, non-vested RSU / PSU grants as at year end	66,027	68,029
Share price used for valuation of grants at year end (In ₹)	9,218.5	8,689.8

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

34 NET PROVISION FOR CONTINGENCIES

The Company has created a contingency provision of ₹731.6 million (previous year 759.0 million) for various contingencies resulting mainly from matters, which are under litigation / related disputes and other uncertainties requiring management judgement. The Company has also reversed/utilised contingency provision of ₹3,626.9 million (previous financial year ₹263.9 million) due to the settlement of certain litigations and obligations for which provision is no longer required.

Provisions are reviewed at each Balance Sheet date and adjusted in accordance with applicable accounting standards to reflect the current best estimate of the outflow of resources that would be required to settle the obligation.

The movement of provisions is given below:

Particulars	Financial Year ended 31st March 2026				Financial Year ended 31st March 2025			
	Litigations and related disputes*		Others**	Total	Litigations and related disputes*		Others**	Total
	Indirect Taxes	Other Litigations			Indirect Taxes	Other Litigations		
Opening balance	2,741.8	7,015.7	462.4	10,219.9	2,624.0	6,376.4	724.4	9,724.8
Transfer In / Out	-	-	-	-	-	-	-	-
New provisions	156.4	575.2	-	731.6	117.8	641.2	-	759.0
Reversals/Utilisation during the year	-	(3,164.5)	(462.4)	(3,626.9)	-	(1.9)	(262.0)	(263.9)
Closing balance	**2,898.2**	**4,426.4**	**-**	**7,324.6**	**2,741.8**	**7,015.7**	**462.4**	**10,219.9**

* Litigations and related disputes - represents estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes (i.e. Excise Duty, Service Tax, Entry tax, Income Tax, Labour Laws, Value Added Tax, Sales and Purchase Tax, Goods and Service Tax etc.). This includes positions taken on matters under dispute involving judgements and assumptions to determine the possible outcome. The probability and the timing of the outflow with regard to these matters depend on the ultimate settlement /conclusion with the relevant authorities.

** Others - represents estimates for other uncertainties requiring management judgement. The timing and probability of outflow with regard to these matters will depend on the external environment and the consequent decision/ conclusion by the Management.

35 CORPORATE SOCIAL RESPONSIBILITY EXPENSE

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
(a) Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	847.7	762.8
(b) Actual expenditure incurred during the financial year (1)	850.1	766.2
(c) Paid in Cash (2)		
- pertaining to current financial year	850.1	678.0
- pertaining to previous financial year	-	-
(d) Expenditure incurred during the financial year and remaining unpaid	-	-

(e) At Nestlé India, under CSR we focus our efforts in society on the overarching ambitions that make an impact in the area of nutrition awareness, water, sanitation, education, enhancing livelihood, rural development projects, ensuring environment sustainability, feeding support and disaster management including relief.

(f) Above does not include any related party transactions.

(g) The Company does not propose to avail any set-off, against the excess amount spent in FY 2025-26 for succeeding financial year(s).

(1) FY 2024-25 includes excess spent in previous financial year (FY 2023-24) and were available for set off in FY 2024-25 amounting to ₹88.2 million.

(2) Includes amount paid for acquisition/ construction of assets Nil (previous financial year Nil)."

*The expenditure incurred during the financial year includes allocation of ₹42.4 million (previous year ₹38.3 million) from Employee Benefits expenses towards Corporate Social Responsibility expense (refer note 28 on employee benefits expenses).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

36 (a) TAX EXPENSE

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognised in the statement of profit and loss, except when it relates to items recognised in the other comprehensive income or items recognised directly in the equity. In such cases, the income tax expense is also recognised in the other comprehensive income or directly in the equity as applicable. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation or under dispute with authorities and establishes provisions where appropriate.

Provision for current tax for the year comprises of:

(i) estimated tax expense which has accrued on the profit for the period 1st April 2025 to 31st March 2026

(ii) the residual tax expense for the period 1st April 2024 to 31st March 2025 arising out of the finalisation of fiscal accounts (Assessment Year 2025-2026), under the provisions of the Indian Income tax Act, 1961 and

(iii) tax expense adjustment in respect of prior years.

Deferred taxes are recognised basis the Balance Sheet approach on temporary differences, being the difference between the carrying amount of assets and liabilities in the Balance Sheet and its corresponding tax base, that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised only to the extent it is probable that future taxable profits will be available against which such assets can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
i Recognised in the statement of profit and loss		
Current Tax:		
In respect of the current year	11,410.0	10,951.8
In respect of the prior years (refer Note 4 on exceptional items)	(1,097.2)	-
Total current tax	**10,312.8**	**10,951.8**
Deferred Tax	337.7	133.5
	10,650.5	**11,085.3**
ii Recognised in other comprehensive income		
Current Tax	(121.3)	(305.5)
Deferred Tax	(8.2)	37.6
	(129.5)	**(267.9)**
Of which:		
on re-measurement of post - employment defined benefit plans	(121.3)	(271.0)
on changes in fair value of cash flow hedges	(8.2)	3.1
Total Taxes		
Current Tax	10,191.5	10,646.3
Deferred Tax	329.5	171.1
	10,521.0	**10,817.4**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

iii **Reconciliation of tax expense recognised in the statement of profit and loss with Profit before tax (PBT) multiplied by the Statutory tax rate:**

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Profit before Tax	45,641.3	43,161.2
Statutory Income tax rate	25.168%	25.168%
Tax expense @ Statutory Income tax rate	11,487.0	10,862.8
Tax effect of permanent adjustments made for computing taxable income		
Non-deductible expenses / Write back of non-deductible expense	265.7	263.5
Income exempt from tax or subject to lower rate of tax	-	(466.9)
Prior year items (refer Note 4 on exceptional items)	(1,606.4)	-
Consolidation adjustment	114.6	86.2
Others (primarily related to uncertain tax positions)	389.6	339.7
Tax expense recognised in the statement of profit and loss	**10,650.5**	**11,085.3**

The Company had opted for the new tax regime under Section 115BAA of the Income Tax Act, 1961, accordingly the effective tax rate applicable is 25.168% (22% + surcharge @10% and cess @4%)

(b) MOVEMENT IN DEFERRED TAXES

For the year ended 31st March 2026

Particulars	Opening balance	Recognised in the statement of profit and loss [(2)]	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities)				
Property, plant and equipment and Intangible assets	(1,717.8)	(496.8)	-	(2,214.6)
Contingencies	738.3	(82.9)	-	655.4
Employee benefits	295.9	25.0	-	320.9
Others [(1)]	384.0	204.8	8.2	597.0
Net deferred tax assets / (liabilities)	**(299.6)**	**(349.9)**	**8.2**	**(641.3)**

For the year ended 31st March 2025

Particulars	Opening balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities)				
Property, plant and equipment and Intangible assets	(1,364.3)	(353.5)	-	(1,717.8)
Contingencies	764.0	(25.7)	-	738.3
Employee benefits	346.2	(15.8)	(34.5)	295.9
Others[1]	133.7	253.4	(3.1)	384.0
Net deferred tax assets / (liabilities)	**(120.4)**	**(141.6)**	**(37.6)**	**(299.6)**

(1) Others represent tax impact of temporary differences arising out of right of use assets, gain on business transfer to the extent recognised as intangible asset by associate, expenses deductible on payment basis and other similar items.

(2) Amount includes deferred tax movement recognised under "Share of (profit) / loss of associate accounted for using the equity method (net of tax)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(c) The Government of India enacted the Income Tax Act, 2025, which came into effect from 1st April 2026, replacing the erstwhile Income Tax Act, 1961. Basis preliminary analysis of the provisions, as of now, the company does not foresee any material impact of the changes on company's financial performance. The Company will continue to monitor further notifications, amendments, and judicial developments under the new law.

37 FINANCIAL INSTRUMENTS

a) RECOGNITION AND INITIAL MEASUREMENT

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition except trade receivables which are initially recognised at transaction price as they do not contain a significant financing component. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

b) CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

For the purpose of subsequent measurement, financial assets are classified as follows:

Amortised cost - Financial assets that are held with a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairment, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss.

Fair value through other comprehensive income (FVOCI) - Financial assets that are held with a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognised in the statement of profit and loss.

Fair value through profit or loss (FVTPL) - A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss.

c) CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES

For the purpose of subsequent measurement, financial liabilities are classified as follows:

Amortised cost - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

Fair value through profit or loss (FVTPL) - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

d) DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership.

A financial liability is derecognised when the obligation under the liability is discharged or expires.

e) IMPAIRMENT OF FINANCIAL ASSETS

"Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For Trade receivables, the Company provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset.

f) DERIVATIVES AND HEDGE ACCOUNTING

Derivative instruments used by the company include forward contracts. The Company formally establishes a hedge relationship between such forward contracts ('hedging instrument') and recognized financial asset/ liabilities ('hedged item') through a formal documentation at the inception of the hedge. Forward contracts are designated as hedging instruments against changes in fair value of recognised assets and liabilities (fair value hedges) and against highly probable forecast transactions (cash flow hedges). The effectiveness of hedge instruments is assessed at the inception and on an ongoing basis.

Derivatives instruments such as forward contracts are initially measured at fair value. When a forward contract is designated as a cash flow hedge, the effective portion of change in the fair value of the contract is recognised in the other comprehensive income and accumulated in other equity under "effective portion of cash flow hedges". Amount recognised in other equity is subsequently reclassified to the statement of profit and loss upon occurrence of the related forecasted transaction. Any ineffective portion of the change in the fair value of the contract is recognised immediately in the statement of profit and loss.

Changes in fair value of forward contracts designated as fair value hedge are recognised in the statement of profit and loss.

g) FAIR VALUE MEASUREMENT

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

h) FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
Financial assets			
(i) Measured at Amortised Cost			
Trade receivables	13	3,294.7	3,631.5
Cash and cash equivalents	14	13,205.7	761.8
Bank Balances other than cash and cash equivalents	15	203.0	194.7
Loans	8	200.7	184.0
Other financial assets	9	876.6	777.8
		17,780.7	**5,549.8**
(ii) Measured at Fair Value through Profit & Loss			
Investment in Mutual Funds	7	-	-
Derivative assets - forward contracts	9	45.6	23.4
		45.6	**23.4**
Total Financial Assets (i+ii)		**17,826.3**	**5,573.2**
Financial Liabilities			
(i) Measured at Amortised Cost			
Borrowings	18	244.4	7,533.4
Lease liabilities	19	4,197.2	4,135.1
Trade payables	22	29,666.5	23,735.3
Payables for capital expenditure		1,933.1	2,502.8
Others financial liabilities	23	9,689.2	7,525.0
		45,730.4	**45,431.6**
(ii) Measured at Fair Value through Profit & Loss			
Derivative liabilities - forward contracts	23	97.8	28.0
		97.8	**28.0**
Total Financial Liabilities (i+ii)		**45,828.2**	**45,459.6**

i) FAIR VALUE HIERARCHY

(i) Financial assets/liabilities at amortised cost		
The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values except Investments for which the fair value are as follows:		
Fair value of Investments measured at amortised cost (Level 1)	-	-
(ii) Financial assets at fair value through profit & loss		
Derivative assets - forward contracts (Level 2)	45.6	23.4
(iii) Financial liabilities at fair value through profit & loss		
Derivative liabilities - forward contracts (Level 2)	97.8	28.0

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

There are no transfers between different fair value hierarchy levels in financial year 2025-26 and in the previous financial year 2024-25.

j) FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to a number of financial risks: liquidity risk, credit risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk.

(i) Liquidity risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with various banks to meet the obligations.

Maturities of financial liabilities:

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount	Undiscounted Amount		
		Less than 1 year	Beyond 1 year	Total
For the year ended 31st March 2026				
Borrowings	244.4	41.5	297.9	339.4
Lease liabilities	4,197.2	1,064.3	4,651.5	5,715.8
Trade payables	29,666.5	29,666.5	-	29,666.5
Payables for capital expenditure	1,933.1	1,933.1	-	1,933.1
Others financial liabilities	9,689.2	9,689.2	-	9,689.2
Derivative liabilities - forward contracts	97.8	97.8	-	97.8
	45,828.2	**42,492.4**	**4,949.4**	**47,441.8**

Particulars	Carrying amount	Undiscounted Amount		
		Less than 1 year	Beyond 1 year	Total
For the year ended 31st March 2025				
Borrowings	7,533.4	7,308.6	339.4	7,648.0
Lease liabilities	4,135.1	962.6	4,818.2	5,780.8
Trade payables	23,735.3	23,735.3	-	23,735.3
Payables for capital expenditure	2,502.8	2,502.8	-	2,502.8
Others financial liabilities	7,525.0	7,525.0	-	7,525.0
Derivative liabilities - forward contracts	28.0	28.0	-	28.0
	45,459.6	**42,062.3**	**5,157.6**	**47,219.9**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(ii) Credit risk

Credit risk refers to risk of financial loss to the Company if a customer or a counter-party fails to meet its contractual obligations. The Company has following categories of financial assets that are subject to credit risk evaluation:

Investments

Company invests in bank deposits, liquid mutual funds, tax free long term bonds, treasury bills etc. Funds are invested in accordance with the Company's established Investment policy that includes parameters of safety, liquidity and post tax returns. Company avoids the concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Based on historical experience and credit profiles of counterparties, the company does not expect any significant risk of default.

Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

Movement in expected credit loss allowance on trade receivables:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	81.2	71.2
Movement during the year	(4.7)	10.0
Balance as at the end of the year	**76.5**	**81.2**

Other financial assets

Other financial assets include employee loans, security deposits etc. Based on historical experience and credit profiles of counterparties, the Company does not expect any significant risk of default. The Company's maximum exposure to credit risk for each of the above categories of financial assets is their carrying values as at the reporting dates.

(iii) Market Risk

Interest rate risk

Interest rate risk refers to risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk as its surplus funds are predominantly invested in fixed-rate instruments. Furthermore, any borrowings, when undertaken, are short-term in nature and carry a pre-agreed interest rate.

Price risk

Price risk refers to risk that the fair value of a financial instrument may fluctuate because of the change in the market price. The Company is not exposed to the significant price risk as there are no equity investments other than investment in associate which are measured at cost (refer Note 7).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Foreign currency risk

Foreign currency risk refers to risk that the fair value of future cash flows of an exposure may fluctuate due to change in the foreign exchange rates. The Company is exposed to foreign currency risk arising out of transactions in foreign currency. Foreign exchange risks are managed in accordance with Company's established policy for foreign exchange management. The Company enters into forward contracts as per the hedging policy to hedge against its foreign currency exposures.

Particulars	Currency	As at 31st March 2026		As at 31st March 2025	
		Hedged[1]	Unhedged	Hedged[1]	Unhedged
Against exports	USD	1,229.9	-	854.4	-
	CHF	-	4.3	-	0.0
	EUR	-	9.5	-	-
Against imports	USD	1,156.2	35.4	1,272.2	-
(Including Capital imports)	EUR	851.2	164.7	384.7	989.9
	AUD	306.8	-	215.0	72.3
	CHF	-	214.2	-	257.2
	GBP	-	28.0	-	215.1
	SGD	-	43.6	-	61.0
	JPY	-	6.0	-	26.6
	Others	-	7.3	-	-

[1] All the forward contracts are for hedging foreign currency exposures relating to the underlying transactions and firm commitments or highly probable forecast transactions.

Sensitivity analysis:

The impact of strengthening/weakening of foreign currencies on the outstanding exposure remaining unhedged at the year end is as under :

Particulars	Currency	As at 31st March 2026		As at 31st March 2025	
		Gain on appreciation	Loss on depreciation	Gain on appreciation	Loss on depreciation
5% appreciation/depreciation in Indian Rupees	USD	1.8	(1.8)	-	-
	EUR	7.8	(7.8)	49.5	(49.5)
	AUD	-	-	3.6	(3.6)
	CHF	10.5	(10.5)	12.9	(12.9)
	GBP	1.4	(1.4)	10.8	(10.8)
	SGD	2.2	(2.2)	3.0	(3.0)
	JPY	0.3	(0.3)	1.3	(1.3)
	Others	0.4	(0.4)	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

k) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative instruments used by the Company include forward contracts. All the forward contracts entered into are for the purpose of hedging foreign currency exposures relating to the underlying transactions and firm commitments or highly probable forecast transactions.

Particulars	As at 31st March, 2026	As at 31st March, 2026
(i) Fair value of cash flow hedges		
Derivative assets	45.6	23.4
Derivative liabilities	97.8	28.0
(ii) Notional value of cash flow hedges	5,261.3	3,924.3
(iii) Movement in respect of designated cash flow hedges is summarised below:		
Balance as at the beginning of the year	18.0	8.7
Add: Gain / (loss) recognised in other comprehensive income	(95.2)	(24.0)
Less: Gain / (loss) reclassified to statement of profit and loss	(62.6)	(36.4)
Less: Net deferred taxes on the movement	(8.2)	3.1
Balance as at the end of the year	**(6.4)**	**18.0**

38 CAPITAL MANAGEMENT

The Company's capital management objective is to ensure that a sound capital base is maintained to support long term business growth and optimise returns to shareholders. Capital includes equity share capital and other equity. The Company's operations are funded primarily through internal accruals. Return to shareholders through dividend is monitored as per the laid down dividend distribution policy.

39 AUDITORS REMUNERATION

[included under Miscellaneous expense (refer Note 31)]

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
(i) Statutory auditors' remuneration and expenses in respect of:		
a) Audit fees including limited review	21.1	19.4
b) Tax audit fees	1.2	0.9
c) Certification fees	1.0	1.4
d) Audit of employee trust accounts	0.3	0.3
e) Reimbursement of out-of-pocket expenses	1.0	0.9
	24.6	**22.9**
(ii) Cost auditors' remuneration and expenses in respect of:		
- Cost audit fees	0.3	0.3
	0.3	**0.3**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

40 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Contingent liabilities		
Claims against the Company not acknowledged as debts: Indirect Taxes	42.7	40.8
(ii) Capital commitments		
Capital expenditure commitments remaining to be executed and not provided for [net of advances ₹410.0 million (previous financial year ₹255.5 million)]	6,587.2	4,968.6

41 RELATED PARTY DISCLOSURES

a) RELATED PARTY AND THEIR RELATIONSHIP

(i) Entities exercising control

Nestlé S.A. (Ultimate Holding Company)

Maggi Enterprises Limited (Subsidiary of Nestlé S.A.)

(ii) Fellow subsidiaries with whom the Company had transactions

Nestlé R&D Center (Pte) Ltd
Société des Produits Nestlé S.A.
Nestlé Francé S.A.S.
Nestlé Bangladesh PLC
Nestlé Operational Services Worldwide S.A.
Nestlé USA Inc
Nestlé Waters Management & Technology
Nestlé Singapore (Pte) Ltd
Nestlé Lanka Limited
Nestlé Philippines Inc.
Nestlé Nederland B.V.
Nestlé Manufacturing (Malaysia) Sdn. Bhd.
Nestlé Middle East Manufacturing LLC
Nestlé Suisse S.A.
Nestlé Australia Ltd.
PT Nestlé Indonesia
Nestlé Products Sdn. Bhd.
Nestrade S.A.
Nestlé (Thai) Ltd.
Nestlé Japan Ltd.
Nestlé Middle East FZE
Nestlé Turkiye Gida Sanayi A.S.
Nestlé Vietnam Ltd.
Nestlé Purina Petcare Company
CPW S.A.
Nestlé Enterprises SA
Nestlé Business Services India Private Limited
Nestlé Nespresso S.A.
Nespresso Malaysia
Nestlé R&D Centre India Private Limited
Nestlé (South Africa) (Pty) Ltd
Nestlé Australia Ltd
Nestlé Central And West Africa Limited
Nestlé Nigeria Plc
Nestlé R&D Center, Inc.
Nestlé (Png) Ltd.
Nestlé UK Ltd.
Nestlé ROH (Thailand) LTD.
Nestlé Regional Service Centre (Malaysia) Sdn. Bhd.
Nestec York Ltd
Nestlé Rossiya LLC
Nestlé Espana, S.A.
Nestlé Deutschland AG
Nestlé Taiwan Limited
Nestlé Canada Inc.
Nestlé Korea Yuhan Chaegim Hoesa
Nestlé Ghana Limited
Centre De Recherche Et De Developpement Nestlé Abidjan S.A.
Nestlé Polska S.A.
Nestlé Trinidad And Tobago Limited
Nestlé Jamaica Ltd.
Nestlé New Zealand Limited
Nestlé Global Svcs UK Ltd
NHS U.S., LLC
Nestlé Global Services Spain, S.L.
Cereal Partners (Malaysia) Sdn Bhd
Nestlé Kenya Limited
Nestlé Egypt S.A.E.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

(iii) Associate

Dr. Reddy's and Nestlé Health Science Limited

(iv) Entities controlled by Key Management Personnel with whom the Company had transactions

Apollo Healthco Limited

Apollo Hospitals Enterprises Ltd

Apollo Pharmacies Limited

Apollo Health and Lifestyle Limited

Lifetime Wellness Rx

(v) Key Management Personnel

Executive Directors

Manish Tiwary, Chairman and Managing Director (w.e.f. 1st August 2025); previously Managing Director (Designate) (w.e.f. 24th April 2025 to 31st July 2025)

Suresh Narayanan, Chairman and Managing Director (upto 31st July 2025)

Edouard Dominique Jean Mac Nab, Executive Director - Finance & Control and CFO (w.e.f. 1st March 2026)

Svetlana Boldina, Executive Director - Finance & Control and CFO (upto 31st January 2026)

Satish Srinivasan, Executive Director-Technical

Non-Executive Director

Mandeep Chhatwal (w.e.f. 1st January 2026)

Independent Non-Executive Directors

P R Ramesh

Anjali Bansal

Alpana Parida

Suneeta Reddy (w.e.f. 5th April 2024)

Sidharth Kumar Birla (w.e.f. 12th June 2024)

R. V. Kanoria (upto 12th May 2024)

Close member of KMP

Pooja Sharma (spouse of Manish Tiwary)

(vi) Employees benefit trusts where control exists

Nestlé India Limited Employees Gratuity Trust Fund

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

b) NATURE OF TRANSACTIONS

The transactions with the related parties have been entered in the ordinary course of business and are at arm's length.

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Entities exercising control:		
(a) Dividends		
- Nestlé S.A.	7,932.3	8,428.1
- Maggi Enterprises Limited	6,591.3	7,003.2
(b) Expenses incurred		
- Nestlé S.A.	233.8	144.6
Fellow subsidiaries:		
(a) Sale of finished and other goods (3)		
- Nestlé Enterprises SA	5,362.8	3,796.3
- Nestlé Bangladesh PLC	1,013.7	503.9
- Nestlé Lanka Limited	35.8	10.6
(b) Purchase of property, plant & equipment		
- Nestlé R&D Centre India Private Ltd.	-	17.6
- Nestrade S.A.	31.9	-
(c) Purchase of raw and packing materials		
- Nestrade S.A.	144.6	83.8
- Nestlé Enterprises SA	423.5	361.2
(d) Purchase of finished goods		
- Nestlé Lanka Limited	1,996.4	1,185.0
- Nestlé Enterprises SA	1,969.7	1,424.5
- Nestrade S.A.	-	123.6
- Others	36.1	0.5
(e) General license fees (net of taxes)		
- Société des Produits Nestlé S.A.	10,226.1	8,978.9
- CPW S.A.	19.1	15.2
(f) Expenses recovered		
- Nestlé Business Services India Private Limited	150.3	172.0
- Société des Produits Nestlé S.A.	80.8	115.2
- Nestlé Operational Services Worldwide SA	65.2	118.5
- Nestlé R&D Centre India Private Limited	45.3	63.8
- Others	246.1	248.1
(g) Expenses incurred		
- Nestlé Business Services India Private Limited	763.9	601.5
- Nestlé R&D Center (Pte) Limited	68.5	61.7
- Nestlé Operational Services Worldwide SA	34.0	29.5
- Société des Produits Nestlé S.A.	35.5	47.5
- Others	126.1	74.2

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
(h) Information technology and management information systems		
- Nestlé Australia Ltd	1,391.3	1,303.9
(i) Slump sale of Nestlé Business Services ('NBS') Division		
- Nestlé Business Services India Private Limited	-	765.8
Associate		
Slump sale of Health science business		
- Dr. Reddy's and Nestlé Health Science Limited	-	2,231.0
Sale of finished and other goods		
- Dr. Reddy's and Nestlé Health Science Limited	291.2	255.8
Entities Controlled by Key Management Personnel:		
(a) Sale of finished and other goods		
- Apollo Healthco Limited	5,643.0	4,891.5
(b) Expenses incurred	0.2	2.9
Key Management personnel		
(a) Remuneration to Key Management personnel [1]		
Executive directors:		
- Short term employee benefits	474.1	294.8
- Post employment benefits	37.6	91.8
- Share based payments	110.2	25.8
Non - Executive directors:		
- Short term employee benefits (sitting fee and commission)	26.9	26.3
(b) Dividend paid to Key Management personnel or close member	0.0	-
Contribution to Employee related trusts		
- Nestlé India Limited Employees' Gratuity Trust Fund	244.4	309.0
Balance outstanding as at the year end [2]		
Receivables from fellow subsidiaries	1,278.5	941.5
Payables to fellow subsidiaries	2,434.9	2,193.9
Receivables from associates	53.3	63.5
Receivables from entities controlled by Key management personnel	133.0	252.7
Payables to entities controlled by Key management personnel	0.0	0.4
Payables to Key management personnel	20.0	17.7

Notes:

[1] As the liabilities for defined benefit obligations are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included except actual payment done, if any.

[2] All outstanding balances are unsecured and are payable/receivable in cash. Amounts are interest free as receivable / payable in short term. There have been no guarantees provided or received for any related party payables or receivables

[3] Excludes variable consideration - discounts and rebates accrued on sales of finished goods but not yet to be passed on to the customer. (Already netted off from revenue reported in note 24 as per Ind AS 115).

[4] Company has not recorded any expense or provision for bad and doubtful debts relating to amounts owed by related parties.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

42 SEGMENT REPORTING

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely Food. The food business incorporates product groups viz. Milk Products and Nutrition, Prepared Dishes and Cooking Aids, Powdered and Liquid Beverages and Confectionery (refer Note 24 on revenue from operations).

a) Information by Geographies

(i) Revenue from external customers

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
India	221,187.0	192,926.7
Outside India	9,527.6	7,848.3
	230,714.6	**200,775.0**

(ii) The Company has business operations only in India and does not hold any assets outside India.

b) Revenue from major customers

There is no single customer that accounts for more than 10% of the Company's revenue for the financial year ended 31st March 2026 and previous year ended 31st March 2025 .The other disclosure requirements of Ind AS 108 are not applicable.

43 DIVIDENDS

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
a) Dividend paid during the year		
Interim Dividend of ₹7 per share (Face Value ₹1) for 2025-26* [for previous year 2024-25 : ₹17 per share (Face Value ₹1)]	13,498.2	16,390.7
Final Dividend of ₹10.0 per share for previous year 2024-25 (Face Value ₹1) [for previous year January 2023 - March 2024 : ₹8.5 per share] (Face Value ₹1)	9,641.6	8,195.3

*Interim dividend of ₹7 per share for FY 2025-26 is on increased number of shares post issue of Bonus shares in the ratio of 1:1 (refer Note 16 on equity share capital)

Note - On and from the Record date of 5th January 2024, the equity shares of the Company have been sub-divided such that 1(one) equity share having face value ₹10/- each, fully paid-up stands subdivided into 10 (ten) equity shares having face value of ₹1/- each, fully paid-up.

b) Proposed Final Dividend

The Board of Directors have recommended a final dividend of ₹5.00 per equity share (Face Value of ₹1 per share) amounting to ₹9,641.6 million for the financial year 2025-26 after the Balance Sheet date. The same is subject to approval by the shareholders at the ensuing Annual General Meeting of the Company and therefore proposed final dividend has not been recognised as a liability as at the Balance Sheet date in line with Ind AS 10 on 'Events after the Reporting Period'.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

44 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
(i) Principal amount remaining unpaid	3,506.5	4,601.2
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

45 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 :

S. No.	Name of Struck off Company	Nature of Transactions	Relationship with Struck off Company	Balance outstanding	
				As at 31st March 2026	As at 31st March 2025
1	Vaishno Enterprises Private Ltd	Sale of Goods	Customer	N/A	(0.1)
2	Southern Star Private Limited	Purchase of Services	Supplier	(0.1)	(0.3)
3	Ananya Outsourcing Services Private Limited	Purchase of Services	Supplier	-	*
4	Shivani Enterprises	Purchase of Services	Supplier	-	N/A
5	Siddha Papers Private Limited	Shares held	Shareholder	N/A	N/A
6	Kala Holdings Private Limited	Shares held	Shareholder	N/A	N/A
7	Gateway Financial Services Limited	Shares held	Shareholder	N/A	N/A
8	Dss Enterprises Private Limited	Shares held	Shareholder	N/A	N/A
9	Jyoti Securities Pvt Ltd	Shares held	Shareholder	N/A	N/A
10	Amar Investments Limited	Shares held	Shareholder	N/A	N/A
11	Nangalia Fiscal Services Private Limited	Shares held	Shareholder	N/A	N/A
12	Jannhavi Investment Private Limited	Shares held	Shareholder	N/A	N/A
13	Orbit Udyog Private Limited	Shares held	Shareholder	N/A	N/A
14	Devendra Enterprises Private Ltd	Shares held	Shareholder	N/A	N/A
15	Rajdeep Automation Private Limited	Shares held	Shareholder	N/A	N/A
16	Popular Stock & Share Services Ltd	Shares held	Shareholder	N/A	N/A
17	Tashi Dake Investments Pvt Ltd	Shares held	Shareholder	N/A	N/A
18	Tower Capital and Financial Services Pvt Ltd	Shares held	Shareholder	N/A	N/A
19	Rajesh Motors (Rajasthan) Private Limited	Shares held	Shareholder	N/A	N/A
20	Hotz Industries Ltd	Shares held	Shareholder	N/A	N/A
21	Radiant Organics Private Limited	Shares held	Shareholder	N/A	N/A
22	Al-Falah Investments Private Limited	Shares held	Shareholder	N/A	N/A
23	Akarsh Portfolio Services Private Limited	Shares held	Shareholder	N/A	N/A
24	Opus Advisory Private Limited	Shares held	Shareholder	N/A	N/A
25	Fresh N Pure Retails Private Limited	Shares held	Shareholder	N/A	N/A

* Represents amounts payable/ recoverable less than ₹ 50,000 as on reporting date

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

46 ACCOUNTING RATIOS

S. No.	Ratio	Numerator	Denominator	Financial Year ended 31st March 2026	Financial Year ended 31st March 2025	% Variance	Reason for variance
I	Current Ratio *(in times)*	Current Assets	Current Liabilities	1.0	0.8	20%	
II	*Debt-Equity Ratio (in times)*	Total Debt [1]	Equity	0.1	0.3	-69%	Previous year short-term borrowing was taken for meeting working capital requirement. During current FY it is repaid.
III	Debt Service Coverage Ratio *(in times)*	Earnings available for Debt Service [2]	Total Debt Service [3]	5.0	34.2	-85%	Short-term borrowing repaid during current FY.
IV	Return on Equity Ratio *(%)*	Profit after Tax	Average Shareholder Equity	76.3%	87.3%	-13%	
V	Inventory Turnover Ratio *(in times)*	Net Sales	Average Inventory	8.5	8.1	5%	
VI	Trade Receivables Turnover Ratio *(in times)*	Net Sales	Average Trade Receivables	66.6	60.5	10%	
VII	Trade Payables Turnover Ratio *(in times)*	Purchases [4]	Average Trade Payables	5.8	6.1	-6%	
VIII	Net Capital Turnover Ratio *(in times)*	Net Sales	Working Capital [5]	(41.1)	(28.4)	45%	Negative average working capital
IX	Net Profit Ratio *(%)*	Profit after Tax	Net Sales	15.2%	16.0%	-5%	
X	Return on Capital Employed *(%)*	Earning before Interest and Taxes [6]	Average Capital Employed [7]	80.5%	80.8%	0%	
XI	Return on Investment *(%)*	Earnings from Invested Funds [8]	Average Invested Funds [9]	5.2%	11.6%	-55%	Previous year gain on sale of tax free long term bonds impacted higher return.

Notes

1	Total Debt	Borrowings + Lease Liabilities
2	Earnings Available for Debt Service	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
3	Total Debt Service	Finance Costs + Lease Payments + Principal Repayments
4	Purchases	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of Raw Material, Packing Material and Stores and Spares + Other expenses
5	Working Capital	Current Assets - Current Liabilities
6	Earnings before Interest and Taxes	Profit before Exceptional Items and Tax + Finance Costs - Other Income
7	Capital Employed	Equity + Total Debt + Deferred Tax Liability (Deferred Tax Assets)
8	Earnings from Invested Funds	Interest on Bank Deposits + Interest on Tax Free Long Term Bonds + Dividend on Mutual Funds (if any)
9	Invested Funds	Non-Current Investments + Current Investments + Balances with Banks on Deposit Accounts

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

47 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and previous financial year.

(iv) The Company does not have any such transactions which has not been recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(v) The Company has not been declared as wilful defaulter by any bank, financial institution or other lender.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries), or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received funds from any person(s) or entity(ies), including foreign entities, with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, (a) lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party, or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) Quarterly returns or statements of current assets filed by the Company with the banks in connection with the working capital limit sanctioned are in agreement with the books of accounts.

(viii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

48 INTEREST IN ASSOCIATE COMPANY CONSOLIDATED USING EQUITY METHOD OF ACCOUNTING

A.

S. No.	Name of the Company	Country of Incorporation	% of ownership Interest 31st March 2026	Principal activities	Carrying amount as at 31st March 2026	Carrying amount as at 31st March 2025
1	Dr. Reddy's and Nestlé Health Science Limited [705,600,000 (31st March 2025 : 705,600,000) fully paid up equity shares of face value ₹10 each)]	India	49%	Nutritional health solutions in - categories such as metabolic,general wellness.	5,309.2	5,750.3

Note: Investment in Associate Company was made on 24th July 2024

B. **Summarised financial information of Associate**

The table below provides summarised financial information of Associate. The information disclosed reflects the amounts presented in the financial statements of Associate and not Nestlé India Limited's share of those amounts.

Summarised Balance Sheet	As at 31st March 2026	As at 31st March 2025
Total current assets	2,594.9	4,701.8
Total non - current assets	5,869.8	4,329.5
Total current liabilities	1,237.1	1,127.7
Total non-current liabilities	47.5	17.3
Net assets	**7,180.1**	**7,886.3**

Reconciliation to carrying amounts	As at 31st March 2026	As at 31st March 2025
Opening net assets	7,886.3	-
Profit /(loss) for the year	(715.0)	1,607.9
Other comprehensive income	4.0	(0.6)
Issue of equity shares	-	14,400.0
Adjustment on account of Business Combination	4.8	(8,121.0)
Closing net assets	**7,180.1**	**7,886.3**
Company's share in %	49%	49%
Company's share in ₹ million	3,518.3	3,864.3
Consolidation adjustments [charge / (credit)]	1,790.9	1,886.0
Carrying amount	**5,309.2**	**5,750.3**

Summarised profit and loss	Financial Year ended 31st March, 2026	Financial Year ended 31st March, 2025
Revenue	3,163.0	2,148.8
Other Income	143.0	112.0
Total Income (A)	3,306.0	2,260.9
Total Expenses (B)	(4,232.0)	(2,700.5)
Profit before Tax (C) = A-B	**(926.0)**	**(439.6)**
Income tax expenses (D)	(211.0)	2,047.5
Profit(loss) for the period E = (C-D)	**(715.0)**	**1,607.9**
Other comprehensive income (F)	4.0	(0.6)
Total comprehensive income/ (loss) (G)= (E+F)	**(711.0)**	**1,607.3**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(All amounts in ₹ million, unless otherwise stated)

C. Additional Information required by Schedule III

Particulars	Net Assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company:								
Nestlé India Limited								
31st March 2026	**103.0%**	**53,092.4**	**101.3%**	**35,446.0**	**100.5%**	**(385.2)**	**101.3%**	**35,060.8**
31st March 2025	102.7%	41,171.5	103.3%	33,145.0	100.0%	(796.4)	103.4%	32,348.6
Associate:								
Dr. Reddy's and Nestlé Health Science Limited								
31st March 2026	**-3.4%**	**(1,746.8)**	**-1.3%**	**(455.2)**	**-0.5%**	**1.9**	**-1.3%**	**(453.3)**
31st March 2025	-3.3%	(1,313.8)	-0.7%	(239.5)	0.0%	(0.3)	-0.8%	(239.8)
Consolidation adjustments :								
31st March 2026	**0.4%**	**224.1**	**0.00%**	**-**	**0.0%**	**-**	**0.0%**	**-**
31st March 2025	0.6%	244.4	-2.6%	(829.6)	0.0%	-	-2.7%	(829.6)
Total:								
31st March 2026	**100%**	**51,569.7**	**100%**	**34,990.8**	**100%**	**(383.3)**	**100%**	**34,607.5**
31st March 2025	100%	40,102.1	100%	32,075.9	100%	(796.7)	100%	31,279.2

49 AUDIT TRAIL

Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 has become applicable to the Company with effect from April 1, 2024. Accordingly, it is mandatory for the company to use only such accounting software for maintaining its books of accounts which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date when such changes were made and ensure that the audit trail cannot be disabled. The Company has migrated to upgraded version of ERP (SAP S4 HANA) from legacy version of ERP (SAP ECC) during the year. The Company and its associate have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting softwares used by the Company and its associate. Further, there were no instance of audit trail feature being tampered with, in respect of such accounting softwares.

Additionally, the audit trail has been preserved by the Company and its associate as per the statutory requirements for record retention to the extent it was enabled in prior year.

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
Firm's Registration No. - 301003E/E300005

PANKAJ CHADHA
Partner
Membership No.- 091813

21st April 2026
Gurugram

For and on behalf of the Board of Directors

MANISH TIWARY
Chairman and Managing Director
(DIN - 02572830)

EDOUARD DOMINIQUE JEAN MAC NAB
Executive Director - Finance & Control and CFO
(DIN - 11511070)

PRAMOD KUMAR RAI
Company Secretary
Membership No. - FCS 4676
(PAN - ABVPR5131P)

21st April 2026
Gurugram

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

Sl No.	(Information in respect of each subsidiary)	Remarks
1	Name of the subsidiary	N/A

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl No.	Particulars	
1	Name of Associates	Dr. Reddy's and Nestlé Health Science Limited
2	Latest audited Balance Sheet date	31.03.2026
3	Shares of Associate held by the company on the year end:	
	Number of shares	705,600,000
	Amount of Investment in Associate (₹ in million)	7,056.0
	Extent of Holding %	49%
4	Description of how there is significant influence	Associate
5	Reason why the associate is not consolidated	N/A
6	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in million)	5,309.2
7	Profit / (loss) for the year :	
	i. Considered in Consolidation (₹ in million)	(455.2)
	i. Not Considered in Consolidation (₹ in million)	-

Notes:

1. Names of Associates or joint ventures which are yet to commence operations N/A
2. Names of Associates or joint ventures which have been liquidated or sold during the year. N/A

ANNEXURE - 1 TO THE BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

NESTLÉ'S PHILOSOPHY ON CODE OF GOVERNANCE

Nestlé India Limited ("the Company"), as part of the Nestlé Group, Switzerland, has consistently upheld high standards of Corporate Governance by aligning its practices with the globally established governance framework of the Nestlé Group. Over the years, the Company has embedded these best practices across its operations. The key documents that guide and define the Company's standards of conduct and ethical behaviour include "The Nestlé Corporate Business Principles", "The Nestlé Management and Leadership Principles", and "The Nestlé India Code of Business Conduct."

The Company's overarching business objective and that of its management and employees is to manufacture and market its products in a manner that creates sustainable long term value for consumers, shareholders, employees, business partners and the national economy. Your Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavours to ensure that the highest standards of ethical and responsible conduct are met throughout the organisation. The Company's governance procedures, which aim to maintain an efficient, knowledgeable, and impartial Board of Directors ("the Board"), are a reflection of this belief. The Board is in charge of the Company's management, general affairs, strategic direction and performance and is supported by the Board Committees, Managing Director, Key Managerial Personnels and the Management Committee.

BOARD OF DIRECTORS

Composition and category of Directors, attendance of each Director at the Board Meetings and the last Annual General Meeting, number of other Board or Committees in which a Director is a member or Chairperson, name of the other listed companies where such director is a Director and category of Directorship.

Above information as on 31st March 2026, or for the financial year 2025-26 as applicable, is tabulated hereunder:

Category and Name of the Directors	DIN	No. of Board Meetings attended	Attendance at the last AGM held on 26th June 2025	No. of outside Directorship held[A]	No. of Membership/ Chairpersonship in other Board Committees[B]		Category of Directorship and name of the other listed companies as on 31st March 2026
					Member	Chairperson	
Executive							
Mr. Manish Tiwary[C]	02572830	2	Not Applicable	1	Nil	Nil	-
Mr. Suresh Narayanan[D]	07246738	4	Yes	-	-	-	-
Mr. Edouard Dominique Jean Mac Nab[E] ("Mr. Edouard Mac Nab")	11511070	0	Not Applicable	Nil	Nil	Nil	-
Ms. Svetlana Boldina[F]	10044338	6	Yes	Nil	Nil	Nil	-
Mr. Satish Srinivasan	10173407	6	Yes	Nil	Nil	Nil	-

Category and Name of the Directors	DIN	No. of Board Meetings attended	Attendance at the last AGM held on 26th June 2025	No. of outside Directorship held[A]	No. of Membership/ Chairpersonship in other Board Committees[B]		Category of Directorship and name of the other listed companies as on 31st March 2026
					Member	Chairperson	
Independent Non-Executive							
Mr. Prathivadi-bhayankara Rajagopalan Ramesh ("Mr. PR Ramesh")	01915274	6	Yes	9	7	4	**Independent Director** - Cipla Limited - Crompton Greaves Consumer Electricals Limited - Tejas Networks Limited - Larsen and Toubro Limited - ITC Hotels Limited - Cyient Limited
Ms. Anjali Bansal	00207746	6	Yes	4	4	Nil	**Independent Director** - Piramal Finance Limited - The Tata Power Company Limited - Maruti Suzuki India Limited
Ms. Alpana Parida	06796621	6	Yes	5	2	1	**Independent Director** - Cosmo First Limited
Ms. Suneeta Reddy	00001873	6	Yes	10	2	Nil	**Executive Director** - Apollo Hospitals Enterprise Limited **Non-Executive Director** - Indraprastha Medical Corporation Limited - Indo-National Limited
Mr. Sidharth Kumar Birla	00004213	6	Yes	6	1	Nil	**Executive Director** - Xpro India Limited **Independent Director** - Kanoria Chemicals & Industries Limited
Non-Independent Non-Executive							
Mr. Mandeep Singh Chhatwal[G]	11387157	1	Not Applicable	Nil	Nil	Nil	-

[A] Directorship in companies registered under the Companies Act, 2013 ("the Act") or any earlier enactments, excluding companies under Section 8 of the Act.

[B] Only covers membership/ chairpersonship of Audit Committee and Stakeholders Relationship Committee of public limited companies other than Nestlé India Limited.

[C] Mr. Manish Tiwary (DIN: 02572830), was appointed as Chairman and Managing Director with effect from 1st August 2025.

[D] Mr. Suresh Narayanan (DIN: 07246738), Chairman and Managing Director, retired from his office with effect from 31st July 2025.

[E] Mr. Edouard Mac Nab (DIN: 11511070) was appointed as Whole-time Director, designated as "Executive Director - Finance & Control and Chief Financial Officer", for a term of five consecutive years with effect from 1st March 2026.

[F] Ms. Svetlana Boldina (DIN: 10044338), Whole-time Director, designated as "Executive Director - Finance & Control and Chief Financial Officer", relinquished her office of Whole-time Director with effect from 31st January 2026.

[G] Mr. Mandeep Singh Chhatwal (DIN: 11387157) was appointed as a Director (non-executive) with effect from 1st January 2026.

The Board of your Company has a good and diverse mix of Executive Directors and Non-Executive Directors with majority of the Board Members comprising Independent Non-Executive Directors and the same is in line with the provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31st March 2026, the Board consisted of nine directors comprising of Executive Chairman, five Independent Non-Executive Directors, two Executive Directors and one Non-Independent Non-Executive Director. Out of the nine directors, three are women directors which are Independent Non-Executive Directors. None of the Independent Non-Executive Directors of the Company serves as an Independent Director in more than seven listed companies and where any Independent Non-Executive Director is serving as a whole-time director in any listed company, such director is not serving as an Independent Director in more than three listed companies. Further, none of the Directors had any relationships inter-se.

Mr. PR Ramesh, Independent Non-Executive Director of the Company, serves as Lead Independent Director and is the senior-most and highly experienced Independent Non-Executive Director on the Board.

Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance, is designated as the Compliance Officer under the provisions of the Listing Regulations, and reports to the Board of Directors through Chairman and Managing Director of the Company.

All Directors are expected to attend each Board Meeting and Committee Meeting of which they are members, unless there are reasons preventing them from participating. Other Directors who are not members of the Committees are also invited to attend such Committee Meetings.

A tentative annual calendar of the meetings of Board and Committees is circulated to the Directors well in advance. In addition to this, your Company also circulated the full year Board meeting calendar to the stock exchanges in advance. The Board meets at least once a quarter to review the quarterly financial results and other agenda items. Additional meetings are also held as and when required. The Committees of the Board usually meet the day before or on the day of the Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approvals and noting. All Committee recommendations placed before the Board during the financial year ended 31st March 2026, were accepted by the Board.

During the financial year ended 31st March 2026, the Board met six times on 23rd April 2025, 24th April 2025, 26th June 2025, 24th July 2025, 16th October 2025 and 30th January 2026. The Directors participated in the meetings of the Board and Committees either in-person or through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility. All Directors attended all the meetings of the Board. Mr. Suresh Narayanan attended Board meetings held on 23rd April 2025, 24th April 2025, 26th June 2025 and 24th July 2025 and thereafter upon his retirement, he ceased as the Chairman and Managing Director of the Company with effect from 31st July 2025. Mr. Manish Tiwary attended Board meetings held on 16th October 2025 and 30th January 2026, upon his appointment as the Chairman and Managing Director of the Company with effect from 1st August 2025. Mr. Mandeep Singh Chhatwal attended Board meeting held on 30th January 2026 as Non-Executive Director of the Company. The meetings and agenda items taken up during the meetings complied with the requirements of the Act and the Listing Regulations read with various circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI"). The maximum gap between any two consecutive Board meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of sub-regulation 7 of Regulation 17 of the Listing Regulations.

A secured cloud-based Board Portal is used by the Company which gives the Directors immediate access to the board books and other meeting materials, through any standard web browser or through any device with internet access.

Independent Non-Executive Directors

During the financial year ended 31st March 2026, two separate meetings of the Independent Non-Executive Directors were held on 24th April 2025 and 15th October 2025 without the presence of other Directors and members of the Management. All Independent Non-Executive Directors attended these meetings either in-person or through VC/ OAVM facility.

None of the Independent Non-Executive Directors or their relatives held any equity share(s) of the Company during the financial year ended 31st March 2026 except the spouse of Ms. Anjali Bansal who holds 640 equity shares of the

Company. The Independent Non-Executive Directors have provided an annual confirmation that they meet the criteria of independence. Further, the Independent Non-Executive Directors confirmed that they have enrolled themselves in the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs and their enrollment is valid.

Based on the confirmations and disclosures received from the Independent Non-Executive Directors in terms of Regulation 25(9) of the Listing Regulations and a certificate obtained from M/s. S.N. Ananthasubramanian & Co., Company Secretaries (Firm Registration No. P1991MH040400), Secretarial Auditors of the Company, the Board is of the opinion that the Independent Non-Executive Directors fulfil the criteria or conditions specified under the Act and the Listing Regulations and are independent of the Management.

The Company issues formal letter of appointment to the Independent Non-Executive Directors at the time of their appointment/ re-appointment. The terms and conditions of the appointment of Independent Non-Executive Directors, as part of their letter of appointment/ re-appointment, are available on the website of the Company at https://www.nestle.in/about-us/our-leadership-team. The Independent Non-Executive Directors at the time of appointment/ re-appointment have confirmed that they will devote the time as required to discharge their duties as an Independent Non-Executive Directors of the Company. The Company has in place a Directors and Officers insurance for all its Directors.

During the financial year ended 31st March 2026, Mr. PR Ramesh (DIN: 01915274), was re-appointed as an Independent Non-Executive Director of the Company for second term of five consecutive years from 1st July 2025 to 30th June 2030, upon completion of his first term of five consecutive years on 30th June 2025.

During the financial year ended 31st March 2026, none of the Independent Non-Executive Director(s) of the Company resigned before the expiry of their tenure.

Skills/ Expertise/ Competencies Matrix

During the financial year ended 31st March 2026, the matrix of core skills/ expertise/ competencies as identified by the Board and as required in the context of the Company's business(es) and sector for it to function effectively and those actually available with the Board are given below:

Key Skill Area	Skills/Expertise/ Competencies	Mr. Manish Tiwary	Mr. PR Ramesh	Ms. Anjali Bansal	Ms. Alpana Parida	Ms. Suneeta Reddy	Mr. Sidharth Kumar Birla	Mr. Edouard Mac Nab	Mr. Satish Srinivasan	Mr. Mandeep Singh Chhatwal
Business & Strategy	Consumer insight & marketing	Yes	-	-	Yes	Yes	-	Yes	-	Yes
	Technical & R&D (including nutrition & food science)	-	-	-	-	Yes	-	-	Yes	-
	Economic issues/ Macro Economic Trends/ Interpreting national policies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
	E-commerce, digital & new technologies and M&A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Operations	Sales & Customer Management	Yes	-	-	Yes	Yes	-	Yes	-	Yes
	Operation Management & Risk Mitigation	Yes	Yes	-	-	Yes	-	Yes	Yes	Yes
	Finance, Treasury & Audit	-	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
	Information technology	-	-	Yes	-	-	-	Yes	-	Yes

Key Skill Area	Skills/Expertise/ Competencies	Mr. Manish Tiwary	Mr. PR Ramesh	Ms. Anjali Bansal	Ms. Alpana Parida	Ms. Suneeta Reddy	Mr. Sidharth Kumar Birla	Mr. Edouard Mac Nab	Mr. Satish Srinivasan	Mr. Mandeep Singh Chhatwal
Environment	Sustainability (water, sanitation, community development, nutrition) under Creating Shared Value/ CSR	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
	Scientific & Regulatory Affairs	-	Yes	-	-	-	Yes	-	Yes	-
	Media, local interaction & environment assessment	Yes	-	-	Yes	Yes	-	-	Yes	Yes
	Climate change	Yes	-	Yes	-	Yes	-	-	Yes	Yes
Other enablers	Innovation Management	-	-	Yes	Yes	Yes	-	-	Yes	Yes
	Human Resource & Talent	Yes	Yes	Yes	Yes	Yes	-	-	Yes	Yes
	Communications	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes
	Board Governance & General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board membership criteria and selection process

The Nomination and Remuneration Committee of the Board ("NRC") is responsible for identifying and evaluating a suitable candidate for the Board, based on the criteria laid down in the Nomination and Remuneration Policy as available on the website of the Company at https://www.nestle.in/investors/policies. For the purpose of identifying suitable candidates from different sources, the NRC evaluates the Board's composition and diversity to ensure that the Board and its Committees have an appropriate mix of skills, knowledge, experience on the Board, independence, wide range of backgrounds, having regard to the diversity, and the ability to fulfil required time commitments. On identifying a suitable candidate, the NRC reviews and recommends their appointment to the Board for its approval and its further recommendation to the members of the Company for their approval.

In accordance with the provisions of the Act, all the Directors, except the 'Managing Director' and 'Independent Non-Executive Directors', of the Company, are liable to retire by rotation at the Annual General Meeting ("AGM") each year and, if eligible, offers their candidature for re-appointment. The Whole-time Directors on the Board have been appointed as per the applicable provisions of the Act and the Listing Regulations and serve in accordance with the terms of employment with the Company.

The period of office of the Whole-time Directors shall be liable to determination by retirement of directors by rotation. If the Whole-time Director(s) is/ are re-appointed as a Director, immediately on retirement by rotation, he/ she shall continue to hold office as a Whole-time Director(s) and such re-appointment shall not be deemed to constitute break in his/ her appointment as a Whole-time Director of the Company.

Training and Familiarisation Programme of Board Members

All Directors inducted to the Board undergo comprehensive orientation sessions that introduce them to the Company's culture. They are acquainted with the organizational structure, Nestlé Group's structure and its support provided to the Company under the General Licence Agreements(s), Board procedures, matters reserved for the Board, risk management strategy, business and operations, competitive landscape, sustainability and societal initiatives, governance framework for listed entities, Nestlé Corporate Business Principles, Nestlé Code of Business Conduct, and other policies of the Company.

The Company has a comprehensive familiarisation programme for all independent non-executive directors. In addition to the aforesaid areas, this programme covers their roles, rights and responsibilities. Executive Directors, Key Managerial Personnel and other Senior Management, provide an overview of vision, mission, strategy, objectives, plans, budgets, operations and familiarize the independent non-executive directors with the Company's values and commitments. The familiarisation programme along with details of the same imparted to the Independent Non-Executive Directors during the financial year ended 31st March 2026, are available on the website of the Company at https://www.nestle.in/about-us/our-leadership-team.

Regular updates are given to the Directors on business-related issues and new initiatives. Additionally, training and awareness programmes are conducted for the Directors on topics such as ethics, transparency, human rights and code of conduct through both on-line and off-line modes.

Succession planning

Succession planning at Nestlé is a meticulous process that focuses on the smooth transition of roles so as to ensure the stability and future leadership of the Company. The Company follows the Nestlé's global principles of Functional Leadership and Strategic Management. It is a collaborative approach involving various key corporate functions and leadership roles. Also, the NRC collaborates with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board, Key Managerial Personnel and in the Senior Management. During the financial year ended 31st March 2026, the Board and the NRC have discussed and reviewed Board composition and succession planning to ensure that the successors for key leadership roles including the Managing Director of the Company, are identified, and their performance is also assessed. The Company strives to maintain an appropriate balance of skills and experience within the organization, endeavor to introduce new perspectives while maintaining continuity.

Compliance with the Code of Conduct

Your Company has adopted the 'Nestlé India Code of Business Conduct' ("the Code"). The Code is available on the website of the Company at https://www.nestle.in/investors/policies.

The Board Members, Key Managerial Personnel and other Senior Management Personnel of the Company have adhered to the Code and have affirmed compliance therewith for the financial year ended 31st March 2026.

The declaration of the Chairman and Managing Director affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during the financial year ended 31st March 2026, is enclosed as "Annexure – I" and forms an integral part of this Report.

Compliance Monitoring System

The Company has in place a comprehensive Compliance Monitoring System to ensure compliance with the provisions of all applicable laws. The system is regularly reviewed and updated to ensure its continued relevance and effectiveness.

Compliance is monitored through several layers of oversight, including designated Owners, Approvers, Reviewers, Internal Auditors, Secretarial Auditors, and the Board.

All compliance activities are documented within a reporting system, with periodic confirmations provided by designated Owners and Approvers and are consolidated into reports submitted to the Board on a half yearly basis.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The powers, role and terms of reference of the Audit Committee of the Board covers the areas as contemplated under Section 177 of the Act and Regulation 18 of the Listing Regulations, as applicable, besides other terms as referred by the Board.

The powers include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtain professional advice from external sources, secure attendance of outsiders with relevant expertise, if required and have full access to information contained in the records of the Company.

The role includes oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for its approval; approval or any subsequent modification of any transactions of the Company with related parties; reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; scrutiny of inter-corporate loans and investments, if any; evaluation of internal financial controls and risk management system; reviewing the functioning of the vigil mechanism/ whistle blower policy; approving the appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate; reviewing the internal controls to ensure compliance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), verifying that the system for internal control under PIT Regulations are adequate and are operating effectively and such other roles as prescribed under the Act and the Listing Regulations.

The Audit Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, any management letters/ letters of internal control weaknesses issued by the statutory auditors; the appointment, removal and terms of remuneration of the internal auditor and such other matters as prescribed under the Act and the Listing Regulations.

As on 31st March 2026, the Audit Committee comprised of Mr. PR Ramesh as the Chairman, and Ms. Anjali Bansal, Ms. Alpana Parida and Mr. Sidharth Kumar Birla as Members, all Independent Non-Executive Directors. All members of the Audit Committee possess financial literacy and bring relevant financial management expertise, supported by their extensive experience and professional backgrounds. The Managing Director and the Executive Director - Finance & Control and CFO are permanent invitees to the meetings of the Audit Committee. The Chief Internal Auditor, the concerned partners/ authorized representatives of Statutory Auditors and the Cost Auditors were invited to the meetings of the Audit Committee. The Secretarial Auditors were also invited to the meeting of the Audit Committee to present the Secretarial Audit Report and their findings, if any. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

During the financial year ended 31st March 2026, the Audit Committee met four times on 23rd April 2025, 23rd July 2025, 15th October 2025 and 30th January 2026 and Members of the Audit Committee participated in the aforesaid meetings in-person or through VC/ OAVM facility. All Members attended all the meetings of the Audit Committee.

The maximum gap between any two consecutive meetings of the Audit Committee was less than one hundred and twenty days. On 30th January 2026, the Audit Committee had a meeting with the auditors without the presence of the Management. The Independent Non-Executive Directors also have access to the auditors and the management for discussions and questions, if any.

Further, based on the recommendation of the Audit Committee, the Board, at its meeting held on 21st April 2026, has adopted a formal communication framework between Those Charged With Governance and the Statutory Auditors, *inter-alia* to enable timely and effective two-way communication on audit scope, significant findings, if any, and auditor independence.

NOMINATION AND REMUNERATION COMMITTEE

The powers, role and terms of reference of the Nomination and Remuneration Committee of the Board ("NRC") covers the areas as contemplated under Section 178 of the Act and Regulation 19 of the Listing Regulations, besides other terms as referred by the Board. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the nomination and remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Non-Executive Directors and the Board as a whole; devising a policy on diversity of Board; and identification of persons who are qualified to become director and who may be appointed in the senior management in accordance with the criteria laid down, and recommending to the Board their appointment, removal and noting their cessation; recommendation on extension or continuation of the terms of appointment of the independent non-executive directors; recommendation to the Board of all remuneration, in whatever form, payable to the senior management; and evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for appointment of an independent non-executive director and recommending to the Board.

As on 31st March 2026, the NRC comprised of Ms. Anjali Bansal as the Chairperson, and Mr. PR Ramesh, Ms. Alpana Parida and Mr. Sidharth Kumar Birla as Members, all Independent Non-Executive Directors. The Managing Director is permanent invitee to the meetings of the NRC. The Company Secretary of the Company acts as the Secretary to the NRC.

During the financial year ended 31st March 2026, the NRC met four times on 23rd April 2025, 23rd July 2025, 15th October 2025 and 30th January 2026 and Members of the NRC participated in the aforesaid meetings either in-person or through VC/ OAVM facility. All Members attended all the meetings of the NRC except Mr. PR Ramesh who was granted leave of absence for the meeting held on 23rd July 2025.

Performance Evaluation

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board, its Committees and the Directors, was undertaken which included the evaluation of the Board as a whole, Board Committees and peer evaluation of the Directors. The criteria for performance evaluation covers the areas relevant to the functioning of the Board and its Committees such as its composition and operations, Board as a whole and group dynamics, oversight and effectiveness, performance, skills and structure etc. The performance of individual directors was evaluated on the parameters such as preparation, participation, flow of information, conduct, independent judgement and effectiveness. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation of the Directors, the Directors being evaluated had not participated. An independent global HR and Risk advisory firm finalised the evaluation framework, gathered feedback in a confidential manner on the assessment framework from all Board members using an online survey comprising of rating-based questionnaire, analysed the inputs received from the Directors and provided the results of the annual performance evaluation.

As an outcome of the evaluation, the Board noted that, as a collective body, it has a well balanced composition with diversity of experience, skills, expertise, competence and gender, which fosters open, objective, and transparent discussions. The Directors acknowledged the culture of trust and mutual respect, strong operational discipline, clarity of roles and responsibilities within the Board, appropriate constitution of Board Committees, and the timeliness and accuracy of minutes of meetings. The Board also noted that the Directors are regularly provided with relevant industry and business updates to keep them abreast of developments in the external environment. Presentations made periodically by Senior Management and their teams during meetings of the Board and its Committees continue to provide meaningful insights into specific business segments and key operational matters. It was further observed that the Board Committees function effectively and professionally. In addition to matters covered under their respective terms of reference as prescribed by applicable laws and regulations, key issues are proactively tabled and discussed in an open and candid manner. Committee members actively engage with diverse viewpoints, exercise independent judgement, and contribute to informed and balanced decision making.

The Board provided constructive feedback aimed at further strengthening the Company's overall effectiveness and governance framework. The Board underscored the importance of enhancing the quality and depth of background materials made available for deliberations, to ensure that Directors are supported by comprehensive, relevant, and timely information for informed decision making. The feedback also highlighted sharper focus on critical and strategic matters, including deeper business familiarisation and strengthened oversight of strategy and performance. In addition, the Board emphasized the importance of appropriate time allocation for Board and Committee meetings to enable meaningful and in-depth discussions on key issues, with particular emphasis on identifying and addressing inherent risks and uncertainties that could impact business performance.

Remuneration of Directors for the financial year 2025-26

(₹ in million)

Name of the Director	Sitting fees	Salaries and allowance	Perquisites	Company's Contribution to Provident Fund	Commission and performance linked incentive	Total
Mr. Manish Tiwary[A#]	-	99.5^	18.7	6.4	136.0[$$]	260.6
Mr. Suresh Narayanan[B#]	-	46.1^	104.3	1.8	28.6	180.8
Mr. Edouard Mac Nab[C#]	-	2.9	4.2	0.1	-	7.2
Ms. Svetlana Boldina[D#]	-	40.4	17.5	1.3	14.6	73.8
Mr. Satish Srinivasan[#]	-	21.3	8.9	-	11.9	42.1
Mr. PR Ramesh	1.4	-	-	-	4.0[@]	5.4
Ms. Anjali Bansal	1.6	-	-	-	4.0[@]	5.6
Ms. Alpana Parida	1.4	-	-	-	4.0[@]	5.4
Ms. Suneeta Reddy	1.0	-	-	-	4.0[@]	5.0
Mr. Sidharth Kumar Birla	1.6	-	-	-	4.0[@]	5.6
Mr. Mandeep Singh Chhatwal[E]	-	-	-	-	-	-

[#] The Company enters into service contracts with all Executive Directors for a period of 5 years. The notice period is of three months and the severance fee is the sum equivalent to remuneration for the notice period or part thereof in case of a shorter notice.

^ Includes cost recharge for Employer Pension Scheme.

[@] Represents Commission for the financial year ended 31st March 2026, which will be paid after adoption of the accounts by the members of the Company at the ensuing 67th Annual General Meeting, subject to deduction of applicable tax.

$$ Includes payment of a lump sum amount upon completion of the first year of employment of Mr. Manish Tiwary with the Company, towards compensation for long term incentives loss, in accordance with the terms approved by the Nomination and Remuneration Committee, the Board of Directors and the members of the Company.

[A] Mr. Manish Tiwary (DIN: 02572830), was appointed as the Chairman and Managing Director with effect from 1st August 2025.

[B] Mr. Suresh Narayanan (DIN: 07246738), retired from his office of Chairman and Managing Director with effect from 31st July 2025.

[C] Mr. Edouard Mac Nab (DIN: 11511070) was appointed as a Whole-time Director, designated as "Executive Director - Finance & Control and Chief Financial Officer", with effect from 1st March 2026.

[D] Ms. Svetlana Boldina (DIN: 10044338), Whole-time Director, designated as "Executive Director - Finance & Control and Chief Financial Officer", relinquished her office of Whole-time Director with effect from 31st January 2026.

[E] Mr. Mandeep Singh Chhatwal (DIN: 11387157), was appointed as a Director (non-executive) with effect from 1st January 2026.

Sitting fees indicated above also includes payment for Board-level Committee meetings. No sitting fee or commission are paid or payable to Mr. Chhatwal.

The above remuneration of Executive Director(s) does not include payment of leave encashment, pension and gratuity, and provision for incremental liability on account of pension, gratuity, compensated absences and long service awards since actuarial valuation is done for the Company as a whole. The terms of employment of Executive Directors are governed by the applicable policies of the Company at the relevant point in time. Commission is subject to adequate profits being earned. A fair portion of the Executive Director's performance linked incentive is connected to the Company's performance. This creates alignment with the strategy and business priorities to enhance shareholder's value. The total reward package for Executive Directors is intended to be market competitive with strong linkage to performance in line with Company's Nomination and Remuneration Policy, which is available on the website of the Company at https://www.nestle.in/investors/policies.

The Non-Executive Directors are paid remuneration based on their contribution and current trends. Sitting fee is paid for attending each meeting of the Board and Committees thereof. Additionally, the Non-Executive Directors are entitled to remuneration upto an aggregate limit of one percent per annum of the net profits of the Company, provided that none of the Non-Executive Directors shall receive individually a sum exceeding ₹1,00,00,000/- (Rupees one crore only) in a financial year, as approved by the members at the 64th Annual General Meeting held on 12th April 2023 and within the aforesaid limit, the commission payable is determined by the Board and equal amount of commission is payable to Independent Non-Executive Directors. During the financial year ended 31st March 2026, remuneration of Independent Non-Executive Directors was approved by the Board with the interested Independent Non-Executive Directors, not participating and voting. Further, none of the Non-Executive Directors had any material pecuniary relationship or transaction *vis-a-vis* the Company during the financial year ended 31st March 2026, other than payment of sitting fee and commission, as mentioned in the table above.

The Company does not have any stock option scheme. The Company participates in the Performance Share Unit Plan/ Restricted Stock Unit Plan of Nestlé S.A., whereby selected employees are granted non-tradable Performance Share Units/ Restricted Stock Unit of Nestlé S.A. Perquisites of the Whole-time Director/ Managing Director include, *inter-alia*, Leave Travel and payments for the Restricted Stock Units/ Performance Stock Units of Nestlé S.A. vested during the financial year equal to the market value of the underlying shares on the date of vesting.

A brief profile and other particulars of the Director retiring by rotation is given in the Notice of the 67th AGM.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The roles and responsibilities of the Stakeholders Relationship Committee of the Board ("SRC") are as prescribed under Section 178 of the Act and Regulation 20 of the Listing Regulations, as amended. The SRC oversees, *inter-alia*, adherence to the service standards adopted by the Company, investor-friendly initiatives taken by the Company, redressal of shareholder and investor grievances, transmission/ transposition of shares, non-receipt of declared dividend or physical copy of annual report, issue of letter of confirmation in lieu of duplicate shares, reviewing dematerialization of shares and other related matters.

During the financial year ended 31st March 2026, the SRC was re-constituted as Mr. Manish Tiwary, Chairman and Managing Director and Mr. Edouard Mac Nab, Executive Director – Finance & Control and CFO, were appointed as Members with effect from 1st August 2025 and 1st March 2026, respectively. They replaced Mr. Suresh Narayanan and Ms. Svetlana Boldina, who ceased to be Members on 31st July 2025 and 31st January 2026, respectively.

As on 31st March 2026, the SRC comprised of Ms. Alpana Parida as the Chairperson, and Mr. Manish Tiwary, Mr. Sidharth Kumar Birla and Mr. Edouard Mac Nab as Members. Mr. Pramod Kumar Rai, Company Secretary and Head of Governance & Compliance acts as the Secretary and Compliance Officer to the SRC.

During the financial year ended 31st March 2026, the SRC met three times on 23rd April 2025, 23rd July 2025 and 15th October 2025. All Members of the SRC participated in the aforesaid meetings in-person or through VC/ OAVM facility. Mr. Suresh Narayanan attended SRC meeting held on 23rd April 2025 and 23rd July 2025, and thereafter, he ceased as Member of the SRC on 31st July 2025.

During the financial year ended 31st March 2026, twenty six (26) complaints were received from the shareholders. All the complaints have been resolved to the satisfaction of the complainants and no complaint was pending at the beginning or at the end of the financial year.

RISK MANAGEMENT AND SUSTAINABILITY INITIATIVES COMMITTEE

The roles and responsibilities of the Risk Management and Sustainability Initiatives Committee of the Board ("RMSI Committee") are as prescribed under Regulation 21 of the Listing Regulations and includes formulating and periodically reviewing the detailed Risk Management Policy, monitoring and reviewing of risk management plan and reporting the same to the Board periodically as it may deem fit, in addition to any other terms as may be referred by the Board from time to time. The terms of reference of the RMSI Committee include review of the Company's sustainability initiatives and how its long term strategy relates to its ability to create shared value. The RMSI Committee also oversees compliance of all the policies and disclosures requirements under the Listing Regulations for the purpose of Business Responsibility and Sustainability Report.

During the financial year ended 31st March 2026, the RMSI Committee was re-constituted as Mr. Sidharth Kumar Birla, Independent Non-Executive Director was appointed as Chairman with effect from 1st April 2025, in place of Mr. Suresh Narayanan, Chairman and Managing Director of the Company, who ceased to be Chairman and as a Member of RMSI Committee on 31st March 2025 and 31st July 2025, respectively. Mr. Manish Tiwary, Chairman and Managing Director was appointed as Member of the RMSI Committee with effect from 1st August 2025, in place of Mr. Suresh Narayanan.

As on 31st March 2026, RMSI Committee comprised of Mr. Sidharth Kumar Birla as the Chairman, and Mr. Manish Tiwary, Mr. PR Ramesh, Ms. Anjali Bansal and Ms. Suneeta Reddy, as Members. The Executive Director - Finance & Control and CFO and Executive Director - Technical are permanent invitees to the meetings of the RMSI Committee. The Company Secretary of the Company acts as the Secretary to the RMSI Committee.

During the financial year ended 31st March 2026, the RMSI Committee met three times on 23rd April 2025, 23rd July 2025 and 30th January 2026. All the Members attended these meetings either in-person or through VC/ OAVM facility. Further, Mr. Suresh Narayanan attended RMSI Committee meeting held on 23rd April 2025 and 23rd July 2025, and thereafter, he ceased as Member of the RMSI Committee on 31st July 2025. The maximum gap between any two consecutive meetings of the RMSI Committee was less than two hundred and ten days.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ("CSR") Committee of the Board oversees, *inter-alia*, corporate social responsibility activities and other related matters as may be referred by the Board and discharges the roles as prescribed under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, ("CSR Rules"), which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; the amount of expenditure to be incurred; and monitoring the CSR activities of the Company. The CSR Committee had formulated an Annual Action Plan for the financial year ended 31st March 2026 pursuant to the CSR Rules and the CSR Policy of the Company and recommended the amendments therein to the Board of Directors from time to time.

During the financial year ended 31st March 2026, the CSR Committee was re-constituted as Mr. Manish Tiwary, Chairman and Managing Director and Mr. Edouard Mac Nab, Executive Director – Finance & Control and CFO, were appointed as Members with effect from 1st August 2025 and 1st March 2026, respectively. They replaced Mr. Suresh Narayanan and Ms. Svetlana Boldina, who ceased as Members on 31st July 2025 and 31st January 2026, respectively.

As on 31st March 2026, the CSR Committee comprised of Ms. Suneeta Reddy as the Chairperson, and Ms. Anjali Bansal, Mr. Manish Tiwary and Mr. Edouard Mac Nab, as Members. The Executive Director - Technical is a permanent invitee to the meetings of the CSR Committee. The Company Secretary of the Company acts as the Secretary to the CSR Committee.

During the financial year ended 31st March 2026, the CSR Committee met four times on 23rd April 2025, 23rd July 2025, 15th October 2025 and 30th January 2026. All the Members attended these meetings in-person or through VC/ OAVM facility. Further, Mr. Suresh Narayanan attended CSR Committee meeting held on 23rd April 2025 and 23rd July 2025, and thereafter, he ceased as a Member on 31st July 2025.

ALLOTMENT COMMITEE FOR THE PURPOSE OF BONUS ISSUE

Pursuant to the approvals of the Board of Directors and the members of the Company for the issue of bonus equity shares in the ratio of 1:1, the Board had constituted an Allotment Committee comprising Ms. Alpana Parida as Chairperson, and Mr. Manish Tiwary and Ms. Svetlana Boldina as Members, to effect the allotment of bonus equity shares and to undertake all actions incidental thereto. The Allotment Committee, at its meeting held on 11th August 2025, approved the allotment of 96,41,57,160 bonus equity shares of face value of ₹1/- each, fully paid-up, in the ratio of 1:1, i.e., one (1) bonus equity share for every one (1) fully paid-up equity share held by the members as on the record date of 8th August 2025. All the Members of the Allotment Committee attended this meeting in-person or through VC/ OAVM facility.

The Board of Directors, at its meeting held on 16th October 2025, noted the completion of the aforesaid allotment of bonus equity shares and its listing on the stock exchanges with effect from 12th August 2025 and dissolved the Allotment Committee as it was no longer required.

Particulars of Executive Directors and Senior Management of the Company as on 31st March 2026

Name	Functional Head/ Area of responsibility
Mr. Manish Tiwary	Chairman and Managing Director (Key Managerial Personnel)
Mr. Satish Srinivasan	Whole time Director, designated as Executive Director - Technical
Mr. Edouard Mac Nab	Whole time Director, designated as Executive Director - Finance & Control and CFO (Key Managerial Personnel)
Mr. Pramod Kumar Rai	Company Secretary and Compliance Officer (Key Managerial Personnel)
Ms. Dhwani Rao	Legal
Mr. Gopichandar Jagatheesan	Confectionery & Cereals
Mr. Himmat Singh	Corporate Affairs, Sustainability and CSR
Ms. Krishna Guha Roy	IS/IT and Nestlé Business Excellence
Ms. Nitu Bhushan	Human Resources
Ms. Pallavi Anand	Pet Foods
Ms. Rupali Rattan	Foods
Mr. Saurabh Makhija	Nestlé Professional
Mr. Sunayan Mitra	Coffee & Beverages
Mr. Sushrut Nallulwar	Sales
Mr. Varun Gupta	Supply Chain, Imports & Exports
Mr. Varun Sethuraman	Marketing Communications
Mr. Vineet Singh	Milk Products and Nutrition

During the financial year ended 31st March 2026, Mr. Suresh Narayanan and Ms. Svetlana Boldina ceased to be Directors of the Company. During the same period, Mr. Chandan Mukherji, Mr. Manav Sahni, Ms. Taruna Saxena, Mr. T. S. Venkateswaran and Mr. Vasudevan Krishnan ceased to be Senior Management Personnel of the Company. Further, during the financial year ended 31st March 2026, Mr. Anurag Patnaik resigned as Head of Human Resources (Senior Management Personnel) with effect from 31st December 2025, to pursue professional opportunities outside Nestlé. Additionally, Mr. Prateek Tripathi was appointed as Head of IS/IT and Nestlé Business Excellence (Senior Management Personnel) with effect from 1st April 2026, succeeding Ms. Krishna Guha Roy, who ceased to be Head of IS/IT and Nestlé Business Excellence (Senior Management Personnel) with effect from 31st March 2026, upon taking up a new assignment with a Nestlé affiliate.

GENERAL BODY MEETINGS

Required details of General Meetings held during last three years:

<table>
<tr><th>AGM/ EGM</th><th>Date & Time</th><th>Venue</th><th>Special Resolution(s)</th></tr>
<tr><td>EGM</td><td>24th July 2025 at 3.00 P.M. (IST)</td><td rowspan="4">Through Video Conferencing/ Other Audio-Visual Means
[Deemed Venue for the meeting: Registered Office: 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001</td><td>Nil</td></tr>
<tr><td>66th AGM</td><td>26th June 2025 at 10:30 A.M. (IST)</td><td>Re-appointment of Mr. PR Ramesh (DIN: 01915274), as an Independent Non-Executive Director of the Company, not liable to retire by rotation, with effect from 1st July 2025, and to hold office for a second term of five consecutive years i.e., upto 30th June 2030.</td></tr>
<tr><td>65th AGM</td><td>8th July 2024 at 10:30 A.M. (IST)</td><td>- Authorisation to borrow any sum of money by the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained, in the ordinary course of business, shall not be in excess of ₹2,000 Crores over and above the aggregate of the paid-up equity share capital, free reserves and securities premium of the Company.
- Appointment of Mr. Sidharth Kumar Birla (DIN: 00004213) as an Independent Non-Executive Director of the Company, with effect from 12th June 2024, to hold office for a term of five consecutive years i.e., upto 11th June 2029.</td></tr>
<tr><td>64th AGM</td><td>12th April 2023 at 10:00 A.M. (IST)</td><td>Payment of remuneration under Section 197 of the Companies Act, 2013 to the non-executive directors a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, subject to the condition that none of the aforesaid directors shall receive individually a sum exceeding ₹1,00,00,000/- (Rupees one crore only) in a financial year, commencing from 1st January 2023.</td></tr>
</table>

POSTAL BALLOT

During the financial year ended 31st March 2026, no special resolution was passed through Postal Ballot. However, members of the Company vide ordinary resolution passed through Postal Ballot on 13th March 2026 approved, with requisite majority, the appointment of Mr. Mandeep Singh Chhatwal (DIN: 11387157) as a Non-Executive Director with effect from 1st January 2026 (vide Resolution 1), Mr. Edouard Mac Nab (DIN: 11511070) as a Whole-time Director, designated as "Executive Director – Finance & Control and Chief Financial Officer" with effect from 1st March 2026, to hold the office for a term of five consecutive years i.e., up to 28th February 2031 (vide Resolution 2) and Mr. Jagdeep Singh Marahar (DIN: 09121056) as a Whole-time Director, designated as "Executive Director – Technical" with effect from 1st June 2026, to hold the office for a term of five consecutive years i.e., up to 31st May 2031 (vide Resolution 3).

The details of the voting pattern are given below:	**Particulars % of Voting**		
	Resolution 1	**Resolution 2**	**Resolution 3**
Votes in favour of the Resolution	99.92%	99.49%	99.43%
Votes against the Resolution	0.08%	0.51%	0.57%

In respect of the above Postal Ballot conducted by the Company during the financial year ended 31st March 2026, the Board had appointed Mr. Abhinav Khosla (Membership No. 087010) Partner, M/s. SCV & Co. LLP, Chartered Accountants (Firm Registration No. 000235N/N500089), as Scrutinizer to scrutinize the Postal Ballot voting process in a fair and transparent manner. The voting period for remote e-voting commenced on Thursday, 12th February 2026 at 9.00 A.M. (IST) and ended on Friday, 13th March 2026 at 5.00 P.M. (IST). The report on the result of the Postal Ballot through remote e-voting for approving the aforementioned resolutions was provided by the Scrutinizer on Friday, 13th March 2026. There is no special resolution proposed to be conducted through Postal Ballot.

Procedure for Postal Ballot

The aforesaid Postal Ballot was conducted by the Company as per the provisions of Section 110 and Section 108 of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") and the General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 3/2025 dated 22nd September 2025 and other relevant circulars issued by the Ministry of Corporate Affairs, Government of India, Regulation 44 of the Listing Regulations, Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, each as amended and pursuant to other applicable laws and regulations.

MEANS OF COMMUNICATION

Your Company follows various channels of communication with shareholders and other stakeholders for ensuring fair disclosure and comprehensive and transparent reporting of the Company's performance and activities to safeguard shareholder's and other stakeholder's interests.

The quarterly/ annual financial results of the Company were widely published in leading newspapers such as Financial Express and Jansatta and also hosted on the website of the Company at https://www.nestle.in/investors/stockandfinancials/financialresults. The quarterly/ annual financial results were also sent to the members of the Company, individually to their e-mail address registered with the Company/ depository participant(s). All official press releases, presentations made to analysts and institutional investors and other general information about the Company are also available on the Investor's section of the website of the Company.

The presentations made to the analyst(s) and institutional investor(s), if any, were not communicated individually to the members of the Company. However, such presentations were uploaded in advance on the website of the Company at https://www.nestle.in/investors/analystsmeet and were also submitted to Stock Exchanges for further dissemination.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Day, Date and Time	Friday, 3rd July 2026 at 10:30 A.M. (IST)
Venue	Annual General Meeting through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM) facility [Deemed Venue for the meeting: Registered Office: 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001]

Financial Year

The Company follows a financial year commencing 1st April and ending on 31st March.

Financial Calendar, 2026-27

The tentative dates of meeting of Board for consideration of financial results (standalone and consolidated) during the financial year 2026-27 are as follows:

First Quarter Results	3rd/ 4th week of July 2026
Second Quarter Results	3rd/ 4th week of October 2026
Third Quarter Results	4th/ 5th week of January 2027
Annual Results	3rd/ 4th week of April 2027

Dividend payments

The Board has recommended a final dividend of ₹5.00 per equity share of face value of ₹1.00 each for the financial year ended 31st March 2026, subject to the approval of the members at the ensuing 67th Annual General Meeting. The dividend, if approved, shall be paid on and from Thursday, 30th July 2026 to those members whose names appear in the Register of Members/ beneficial owners as on Friday, 10th July 2026, being the record date for determining entitlement of the members to the said dividend.

For the financial year ended 31st March 2026, an interim dividend of ₹7.00 per equity share of face value of ₹1.00 each, was paid on and from 26th February 2026.

Shareholders' Rights

Your Company has "Investor Grievance and Redressal Policy" which provides mechanism for redressal of investor complaints/ grievances received by the Company/ RTA/ SEBI Complaints Redressal System ("SCORES")/ Stock Exchanges. The status of receipt, redressal and pendency of all the investors complaints as recorded are placed before the Stakeholders Relationship Committee meetings and the Board meetings of the Company. The said Policy is available on the website of the Company at https://www.nestle.in/investors/policies.

Your Company has provided link to access the Online Dispute Resolution ("ODR") Portal on the website of the Company at https://www.nestle.in/investors/investorservices. ODR portal is introduced by SEBI, which is in addition to the existing SCORES 2.0 platform.

The rights of the shareholders are provided under the Articles of Association. Shareholder(s) representing at least one-tenth of the paid-up share capital of the Company of all the shareholders having a right to vote at general meetings may, request the Board to convene an extraordinary general meeting by requisition, by stating the general nature of the business to be dealt at a general meeting and depositing the signed requisition at the registered office of the Company for the attention of the Company Secretary in hard copy form, within the timelines as stipulated in law. A copy of Memorandum of Association and Articles of Association is available on the website of the Company at www.nestle.in.

Listing on the Stock Exchanges and Stock Code/ Symbol

Shares of the Company are listed on the following Stock Exchanges:

- BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001. The Company's Stock Code is 500790.
- National Stock Exchange of India Limited ("NSE"), Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. The Company's Symbol is 'NESTLEIND'.

The ISIN of equity shares of the Company is INE239A01024.

The Company had paid Annual Listing Fees to both the Stock Exchanges for the financial year ended 31st March 2026.

Shareholding Pattern as on 31st March 2026

Category of Shareholder	Number of shares	% of total shares
Promoter and Promoter Group (A)	**1,210,301,580**	**62.76**
Public Shareholding		
Mutual Funds	81,680,997	4.24
Alternate Investment Fund	346,401	0.02
Foreign Portfolio Investor (Category I and II)	187,730,493	9.74
Financial Institutions/ Banks	956,589	0.05
Insurance Companies	142,059,206	7.37
Central/ State Government(s)	58,931	0.00
Individuals	232,907,001	12.07
NBFCs	80,564	0.00
Any Other		
- Bodies Corporate	37,197,611	1.93
- Overseas Corporate Body	10,000	0.00
- NRIs	22,339,751	1.16
- Trust	487,164	0.03
- IEPF Authority	2,946,648	0.15
- HUF	4,709,675	0.24
- Clearing Members	2,804,568	0.15
- Foreign Portfolio Investor (Category III)	4,000	0.00
- Unclaimed or Suspense or Escrow Account	1,693,141	0.09
Total Public Shareholding (B)	**718,012,740**	**37.24**
Total Shareholding (A + B)	**1,928,314,320**	**100**

Distribution of shareholding as on 31st March 2026

Category (on the basis of shareholding)	Number of shareholders	Number of shares	% of total shares
1 – 500	472,688	24,935,432	1.29
501 - 1000	11,930	9,272,051	0.48
1001 - 2000	8,265	13,063,186	0.68
2001 - 3000	3,031	7,851,901	0.41
3001 - 4000	2,386	8,709,486	0.45
4001 - 5000	1,021	4,691,139	0.24
5001 - 10000	3,249	23,674,343	1.23
10001 - 20000	2,003	28,797,727	1.49
20001 and above	2,296	1,807,319,055	93.73
TOTAL	**506,869**	**1,928,314,320**	**100**

Top 10 shareholders as on 31st March 2026

Name of the Shareholder	Number of shares	% of total shares
Nestlé S.A.	661,027,980	34.28
Maggi Enterprises Ltd	549,273,600	28.48
Life Insurance Corporation of India	118,462,943	6.14
SBI NIFTY 50 ETF	17,397,709	0.90
NPS Trust	13,857,087	0.72
ICICI Prudential	13,118,203	0.68
Mira Pradeep Singh	12,642,000	0.66
UTI NIFTY 50 ETF	11,861,888	0.62
Vanguard Total International Stock Index Fund	10,517,008	0.55
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	9,949,983	0.52

Note: *The above represents consolidated shareholding based on Permanent Account Number (PAN) of the shareholders.*

Registrar to an Issue and Share Transfer Agent

Name:	Alankit Assignments Limited
Address:	4E/2, Jhandewalan Extension, New Delhi - 110 055
Email:	rta@alankit.com
Telephone:	+ 91-11-4254 1234, + 91-11-2354 1234
Website:	www.alankit.com

Share Transfer System

In terms of the Listing Regulations and notifications/ circulars/ guidelines issued by SEBI from time to time, transfer, transmission and transposition of equity shares of the Company shall be effected only in dematerialised form. Requests for dematerialisation of shares are processed, and confirmation thereof is given to the respective depositories i.e., NSDL and CDSL, within the statutory time.

In terms of Circulars issued by SEBI, a special window is opened to facilitate transfer and dematerialization of physical shares that were sold/ purchased before 1st April 2019 or for share transfer request(s) which were rejected/ returned/ not attended due to deficiency in the documents/ process/ or otherwise.

During the financial year ended 31st March 2026, the Company allotted bonus equity shares in the ratio of 1:1. The said shares were credited in dematerialised form to the respective beneficiary demat accounts of the shareholders with their Depository Participant(s) or, where applicable, to a separate Suspense Escrow Demat Account ("Suspense Account") maintained by the Company.

In respect of bonus equity shares held in the Suspense Account, the Company, upon receipt of valid requests and/ or completion of KYC updation by the shareholders, facilitates credit of the corresponding shares to their respective beneficiary demat accounts in accordance with applicable regulatory requirements.

The Company had, from time to time, issued notices to the shareholders requesting them to claim the said bonus equity shares.

Demat suspense account/ unclaimed suspense account

In accordance with the applicable provisions of the Listing Regulations, the details of shares lying in the Demat Suspense Account/ Unclaimed Suspense Account ("Suspense Escrow Demat Account") as on 31st March 2026 are set out below.

The shares credited to the Suspense Escrow Demat Account primarily pertain to shareholders who did not complete the mandatory dematerialisation process within 120 days from the date of issuance of the Letter of Confirmation ("LOC"). The said balance also includes bonus equity shares credited during the financial year ended 31st March 2026 in respect of shares lying in the Suspense Escrow Demat Account as on 31st March 2025.

Particulars	Number of shareholders	Number of shares
Shares lying as on 31st March 2025	3	2,590
Bonus equity shares credited in respect of shares lying in the Suspense Escrow Demat Account as on 31st March 2025	-	2,590
Shares credited during the financial year ended 31st March 2026	1	4,500*
Shares claimed and released during the financial year ended 31st March 2026	-	-
Shares lying as on 31st March 2026	4	9,680*

* includes bonus equity shares issued and allotted on 11th August 2025.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares.

As a proactive measure, during the financial year ended 31st March 2026, the Company sent communications, including e-mails and letters, to all four shareholders whose shares are lying in the Suspense Escrow Demat Account. However, none of the said shareholders claimed the aforesaid shares.

Further, with a view to reducing the time gap between the issuance of the LOC and dematerialisation of shares, and to avoid transfer of shares to the Suspense Escrow Demat account, SEBI has dispensed with the requirement of issuance of LOC. Accordingly, with effect from 2nd April 2026, upon receipt of a valid service request, the Company shall directly credit the shares to the respective demat accounts of the shareholders.

The Company has not transferred any equity shares to any other demat suspense account or unclaimed suspense account.

Dematerialisation of shares and liquidity

99.91% equity shares of the Company are in dematerialised form as on 31st March 2026. The Company's shares are liquid and actively traded on both the recognized stock exchanges in India i.e., BSE and NSE, Mumbai.

Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

No GDRs/ ADRs/ Warrants or any convertible instruments have been issued by the Company during the financial year ended 31st March 2026.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure hedged through commodity derivatives. During the financial year ended 31st March 2026, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 37 to the standalone financial statements for the financial year ended 31st March 2026.

Plant Locations

The Company's plants are located at Moga, Samalkha, Nanjangud, Choladi, Ponda, Bicholim, Pantnagar, Tahliwal and Sanand. Tenth food processing unit is proposed at Mundaamba, Block - Jankia in the district of Khordha (Odisha).

Address for correspondence

Nestlé India Limited
Investor Relations Department
100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001
Telephone No.: 011-23418891
Designated e-mail address for Investor Services: investor@in.nestle.com
Designated Person for Investor Services: Ms. Priyansha Bajpai
Contact Number: +91-74280 85563
E-mail address for queries on IEPF related matters: nodal.officer@in.nestle.com
Website: www.nestle.in

All correspondence by the members related to the investor service request(s) may be forwarded to Alankit Assignments Limited, the Registrar to an Issue and Share Transfer Agent of the Company or to the Investor Relations Department at the Registered Office of the Company at the address mentioned above.

FAQs on important shareholder matters are available in the investor section on the website of the Company at https://www.nestle.in/investors/faqs.

SEBI toll-free helpline service for investors: 1800 22 7575 or 1800 266 7575 (available on all days from 9:00 A.M. to 6:00 P.M. excluding declared holidays)*.

SEBI investors' contact for feedback and assistance: Tel. No.: 022-26449000, e-mail address: sebi@sebi.gov.in.* For investors' contact and feedback and assistance, you may kindly submit your query/ suggestion at https://www.sebi.gov.in/contact-us.html.

*Source: www.sebi.gov.in

Credit Rating

Your Company has been given AAA credit rating for its bank credit facilities by CRISIL. It is the highest rating and indicates a stable outlook for your Company. The rating reflects that your Company has serviced its financial obligations on time. As regards the short-term facility provided by the bank, your Company has been given the credit rating of A1+. The rating reflects strong degree of safety and lowest credit risk. The details of the Credit Rating are available on the website of the Company at https://www.nestle.in/investors/stockandfinancials/credit-rating.

CEO/ CFO CERTIFICATION

The Chairman and Managing Director and the Executive Director - Finance & Control and CFO of the Company have certified to the Board, *inter-alia*, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the financial year ended 31st March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis is presented in various sections of this Annual Report (refer pages 14 to 51, 58 to 61 and 66 to 68).

GENERAL DISCLOSURES

During the financial year ended 31st March 2026, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note no. 41 to the standalone financial statements for the financial year ended 31st March 2026. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions ("RPT Policy"). The updated Policy is available on the website of the Company at https://www.nestle.in/investors/policies.

The equity shares of the Company are listed on BSE and NSE and the Company has complied with all the applicable Regulations of capital market. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

During the financial year ended 31st March 2026, equity shares of the Company were not suspended from trading.

The standard of behaviour of Nestlé India is governed by significant documents "The Nestlé Corporate Business Principles", "The Nestlé Management and Leadership Principles" and "The Nestlé India Code of Business Conduct". Employees can report to the Company Secretary, on a confidential basis, any practices or actions believed to be inappropriate or illegal under Nestlé India Code of Business Conduct ("the Code"). The Company has established vigil mechanism/ whistle blower policy ("Policy"), which is available on the website of the Company at https://www.nestle.in/investors/policies.

The Code/ Policy provides for adequate safeguards against victimization of director(s)/ employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee. Your Company provides an independent third party operated toll-free phone, mobile application and web-based platform, namely, "SpeakUp", to all internal and external stakeholders including directors and employees with a dedicated communication channel for reporting potential instances of non-compliance with Nestlé Corporate Business Principles or for reporting, on a confidential basis, any practices or actions believed to be inappropriate or illegal under the Code. Link to access "SpeakUp Platform" is available on the website of the Company at https://www.nestle.com/about/how-we-do-business/report-compliance-concerns.

Further, your Company has appointed Ombudsman for Infant Code, under which employees can report Infant Code violations directly to the Ombudsman, with adequate safeguard to protect the employee reporting.

During the financial year ended 31st March 2026, your Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

During the financial year ended 31st March 2026, your Company has obtained a certificate from M/s. S.N. Ananthasubramanian & Co., Practicing Company Secretary (Firm Registration No. P1991MH040400), Secretarial Auditors of the Company, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI/ MCA or any such Statutory Authority. The said Certificate is enclosed as "Annexure – II" and forms an integral part of this Report.

During the financial year ended 31st March 2026, total fees for all services has been paid by the Company to the Statutory Auditors, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, and all the entities forming part of the same network, aggregated to ₹24.6 million.

During the financial year ended 31st March 2026, the Board accepted all recommendations of the Committees of the Board, which were mandatorily required to be made.

As per the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH"), the Company has a policy which is available on the website of the Company at https://www.nestle.in/investors/policies and robust mechanism in place to redress complaints reported under it. The Company has complied with provisions relating to the constitution of Internal Committee under POSH. The Internal Committee is comprised of internal members and an external member who has extensive experience in the field. During the financial year ended 31st March 2026, the Company has received four (4) complaints on sexual harassment, the said complaints were investigated and resolved as per the provisions of the POSH and as on 31st March 2026, no case was pending for investigation and resolution.

During the financial year ended 31st March 2026, your Company has not provided any loans and advances in the nature of loans to firms/ companies in which Directors are interested.

The Company does not have any subsidiary company.

The Company has *inter-alia* complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

The Corporate Governance Report of the Company for the financial year ended 31st March 2026 or as on 31st March 2026 is in compliance with all the applicable requirements of the Listing Regulations.

The status of adoption of the discretionary requirements as specified in sub-regulation 1 of Regulation 27 of the Listing Regulations are as follows:

(a)The Board: The Company has an Executive Chairman; (b) Shareholder Rights: the Company publishes its financial results in newspapers and disseminates the same on the website of the Company at www.nestle.in. The financial results are also sent electronically to shareholders at their e-mail addresses registered with the Company/ depository participants; (c) Modified Opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. There are no qualifications, reservations, adverse remarks or disclaimers in the audit reports issued by the Statutory Auditors; (d) Reporting of Internal Auditor: the Chief Internal Auditor reports administratively to the Executive Director – Finance & Control and Chief Financial Officer and has functional independence with direct access to the Audit Committee, which reviews and oversees the effectiveness of the internal audit function; (e) Independent Directors: two separate meetings of the Independent Directors were held during the financial year ended 31st March 2026, without the presence of management or non-independent directors. All Independent Non-Executive Directors attended these meetings.

On behalf of the Board of Directors

Date: 21st April 2026

Place: Gurugram

Manish Tiwary

Chairman and Managing Director

Annexure – I

Declaration of compliance with Nestlé India Code of Business Conduct

I, Manish Tiwary, Chairman and Managing Director of the Company do hereby confirm that all the Board Members and Senior Management Personnel of the Company have complied with the Nestlé India Code of Business Conduct during the financial year ended 31st March 2026.

This declaration is made on the basis of affirmations furnished by the members of the Board of Directors and the Senior Management Personnel of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 21st April 2026

Place: Gurugram

Manish Tiwary

Chairman and Managing Director

Annexure – II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Nestlé India Limited
CIN: L15202DL1959PLC003786
100/ 101, World Trade Centre,
Barakhamba Lane,
New Delhi - 110 001

We have examined the following documents:

i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');

ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents').

as submitted by the Directors of Nestlé India Limited ('the Company') bearing CIN: L15202DL1959PLC003786 and having its registered office at 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001, to the Board of Directors of the Company ('the Board') for the financial year ended 31st March 2026 and financial year ending 31st March 2027 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended 31st March 2026, have been debarred or disqualified from being appointed or continuing as Directors of Companies, by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1.	Mr. Suresh Narayanan	07246738	01-08-2015	31-07-2025
2.	Mr. Manish Tiwary	02572830	01-08-2025	-
3.	Ms. Svetlana Boldina	10044338	01-03-2023	31-01-2026
4.	Mr. Edouard Dominique Jean Mac Nab	11511070	01-03-2026	-
5.	Mr. Satish Srinivasan	10173407	01-07-2023	-
6.	Mr. Prathivadibhayankara Rajagopalan Ramesh	01915274	01-07-2020	-
7.	Ms. Anjali Bansal	00207746	01-05-2022	-
8.	Ms. Alpana Parida	06796621	01-06-2022	-
9.	Ms. Suneeta Reddy	00001873	05-04-2024	-
10.	Mr. Sidharth Kumar Birla	00004213	12-06-2024	-
11.	Mr. Mandeep Singh Chhatwal	11387157	01-01-2026	-

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the financial year ended 31st March 2026.

For **S. N. ANANTHASUBRAMANIAN & CO.**
Company Secretaries
ICSI Unique Code P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian
Founding Partner
FCS: 4206 I COP No. : 1774
ICSI UDIN: F004206H000158745

Date: 21st April 2026
Place: Thane

CORPORATE GOVERNANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Nestlé India Limited
CIN: L15202DL1959PLC003786
100/ 101, World Trade Centre,
Barakhamba Lane,
New Delhi – 110 001

1. Background

We have been engaged by Nestlé India Limited ("the Company") to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, for the financial year ended 31st March 2026.

2. Management's Responsibility

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. Our Responsibility

Our responsibility is limited to conducting an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Methodology

4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.

4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

5. Opinion

Based on our examination as aforesaid, the information, explanations and representations provided by the management, we certify that, the Company has complied with the conditions of the Corporate Governance stipulated in the Listing Regulations, for the financial year ended 31st March 2026.

6. Disclaimer

6.1. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6.2. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs.

For **S. N. ANANTHASUBRAMANIAN & Co.**
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian
Founding Partner
FCS No. : 4206 | COP No. : 1774
UDIN: F004206H000158778

Date: 21st April 2026
Place: Thane

ANNEXURE - 2 TO THE BOARD'S REPORT

Annual Report on Corporate Social Responsibility ("CSR") Activities for the financial year ended 31st March 2026

1. Brief outline on CSR Policy of the Company:

Driven by the purpose, 'We unlock the power of food and beverages to enhance quality of life for everyone, today and for generations to come', the Company is mindful of the needs of the communities and strives to make a positive difference and create maximum value for the society. The Company's initiatives in society are focussed on three pivotal ambitions of enabling healthier and happier lives for individuals and families, on helping to develop thriving and resilient communities, and on stewarding the planet's natural resources for the future generations. It is firmly rooted in a robust set of principles and values based on respect.

Your Company believes that the biggest opportunity is partnerships. It continues to engage with stakeholders including communities, academia, civil society, expert organisations and takes up such CSR activities that are in line with national priorities such as health, nutrition, education, livelihood, water and sanitation, environment, feeding programme etc.

Your Company's commitment to the society is sincere and longstanding. The CSR Policy of the Company is available on the website at www.nestle.in/investors/policies. While the focus of CSR efforts will be in the areas around Company operations, the Company also undertakes projects where societal needs are high or in special situations (such as in the case of natural calamities/ disasters etc.).

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the financial year 2025-26	Number of meetings of CSR Committee attended during the financial year 2025-26
1.	Ms. Suneeta Reddy	Chairperson (Independent Non – Executive Director)	4	4
2.	Mr. Suresh Narayanan*	Member (Chairman & Managing Director)	4	2
3.	Mr. Manish Tiwary**	Member (Chairman & Managing Director)	4	2
4.	Ms. Anjali Bansal	Member (Independent Non – Executive Director)	4	4
5.	Ms. Svetlana Boldina***	Member (Executive Director – Finance & Control and CFO)	4	4
6.	Mr. Edouard Mac Nab****	Member (Executive Director - Finance & Control and CFO)	4	Not Applicable

** Ceased as Chairman and Managing Director of the Company and Member of CSR Committee with effect from 31st July 2025.*
*** Appointed as Chairman and Managing Director of the Company and Member of CSR Committee with effect from 1st August 2025.*
**** Ceased as member of CSR Committee with effect from 31st January 2026.*
***** Appointed as a Whole-time Director of the Company and Member of CSR Committee with effect from 1st March 2026.*

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Keeping with the intent of CSR Policy, the Company has a tradition of executing CSR projects that achieve demonstrable outcomes having a significant impact on society. The projects include nutrition, health and breastfeeding awareness programmes; plastic waste management awareness programmes; creating access to hand-on science education; setting up libraries in schools to promote reading culture; providing access to clean drinking water and sanitation; enhancing the livelihood of street food vendors; feeding support programme and the initiative of village adoption for sustainable development. Building on these efforts, your Company joined hands with credible NGOs, implementing partners and authorities engaged in providing relief efforts in the communities across various states in India.

The web-links are as follows:

- Composition of CSR Committee: https://www.nestle.in/about-us/our-leadership-team
- CSR Policy and Projects: https://www.nestle.in/investors/policies

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company in line with the provision of the Companies Act, 2013 ("the Act") sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, conducted impact assessment through an independent agency in the financial year 2025-26 for the applicable projects.

Your Company's societal initiatives Project Vriddhi, Project Serve Safe Food, Clean Drinking Water Programme, and Sanitation facilities were assessed for impact assessment. The impact assessment study was carried by an external agency Soul Ace Consultancy Pvt. Ltd.

Project Vriddhi contributed towards strengthening community development outcomes in rural communities. The impact assessment findings highlighted improved access to essential infrastructure and services, positive behavioural changes, enhanced health and hygiene practices, better student well-being, and increased community awareness and participation across the project locations. Water and Sanitation projects focused on improving access to clean drinking water and sanitation facilities in schools, strengthening hygiene practices, overall well-being and improved attendance of school students. Project Serve Safe Food improved food safety practices amongst street food vendors and steered street food vendors towards positive behavioural changes.

The Impact Assessment Report is available on the website of your Company at https://www.nestle.in/csv.

5. a) **Average net profit of the Company as per sub-section (5) of section 135 of the Act:** ₹42,386.2 million.

b) **Two percent of average net profit of the sub-section (5) of section 135 of the Act:** ₹847.7 million.

c) **Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years:** Nil

d) **Amount required to be set-off for the Financial Years, if any:** Nil

e) **Total CSR obligation for the Financial Years [(b)+(c)-(d)]:** ₹847.7 million

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹805.6 million

b) **Amount spent in Administrative Overheads:** ₹42.4 million

c) **Amount spent on Impact Assessment, if applicable:** ₹2.1 million

d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹850.1 million

e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the financial year 2025-26 (₹ in million)	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
850.1	Not Applicable				

f) **Excess amount for set-off, if any:**

Sr. No.	Particulars	Amount (₹ in million)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act	847.7
ii.	Total amount spent for the Financial Year	850.1
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	2.4
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil*

*The Company will not carry forward any excess amount spent during the financial year 2025-26.

Note: Details provided under clause 6(a) to (f) are for the financial year 2025-26.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 of the Act (₹ in million)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 of the Act (₹ in million)	Amount Spent in the Financial Year (₹ in million)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135 of the Act, if any	Amount remaining to be spent in succeeding Financial Years (₹ in million)	Deficiency, if any
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135 of the Act: Not Applicable

On behalf of the Board of Directors

	Suneeta Reddy	**Manish Tiwary**
Date: 21st April 2026	Chairperson	Chairman and Managing Director
Place: Gurugram, Haryana	Corporate Social Responsibility Committee	

ANNEXURE - 3A TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

SECTION: A GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L15202DL1959PLC003786
2.	Name of the listed entity	Nestlé India Limited
3.	Year of incorporation	28/03/1959
4.	Registered office address	100/ 101, World Trade Centre, Barakhamba Lane, New Delhi – 110001, India
5.	Corporate address	"Nestlé House", Jacaranda Marg, 'M' Block, DLF City, Phase - II, Gurugram - 122 002, Haryana, India
6.	E-mail id	investor@in.nestle.com
7.	Telephone	011-23418891
8.	Website	www.nestle.in
9.	Financial year for which reporting is being done	1st April 2025 to 31st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited, Mumbai National Stock Exchange of India Limited, Mumbai
11.	Paid-up Capital	₹ 1,928,314,320
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Himmat Singh, Head of Corporate Affairs, Sustainability and CSR Himmat.Singh1@in.nestle.com 011-23418891
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made in this report are on a standalone basis for Nestlé India Limited
14.	Name of assurance provider	S.R. Batliboi & Co. LLP, Chartered Accountants (Reg. No: 301003E/E300005)
15.	Type of assurance obtained.	Reasonable assurance for BRSR Core Indicators as per SSAE 3000

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Food Processing Industry	Food Processing Industry	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Milk Products and Nutrition	10509	33.4%
2.	Prepared dishes and cooking aids	10750	31.5%
3.	Confectionery	10732 & 10733	19.3%
4.	Powdered and Liquid Beverages	10792	15.8%

As per NIC list 2008

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	9	4 Sales Branches, 1 Head Office, 1 Registered Office	15
International	Not Applicable	-	-

Your Company's nine manufacturing facilities are located at Moga (Punjab), Choladi (Tamil Nadu), Nanjangud (Karnataka), Samalkha (Haryana), Ponda (Goa), Bicholim (Goa), Pantnagar (Uttarakhand), Tahliwal (Himachal Pradesh) and Sanand (Gujarat).

The Registered Office of your Company is located at New Delhi. Four Sales Branch offices located at Gurugram, Mumbai, Chennai and Kolkata help facilitate the sales and marketing activities of the Company. The Head Office is located at Gurugram, Haryana.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	PAN India 36 (28 states and 8 UTs)
International (No. of Countries)	28*

* Your Company exported products to 28 countries during the financial year ended 31st March 2026.

b. Contribution of exports as a percentage of the total turnover of the Company:

4.1%

c. A brief on types of customers

Leveraging an integrated manufacturing and distribution ecosystem, your Company optimizes its resilient network of nine state-of-the-art factories alongside an extensive tapestry of co-manufacturers and trade partners to deliver uncompromising quality to the market. Your Company drives market leadership in most of the product categories through a dynamically refined product portfolio, utilizing data-driven insights to pivot its offerings in alignment with shifting consumer and nutritional preferences.

Technology-led, omnichannel distribution infrastructure

encompassing

- **Traditional Trade** reaching **~5.3 million** retail outlets
- **Organized Modern Trade**
- **E-commerce and vertical** high-growth channel
- **Pharmacies**
- **Canteen Stores Departments (CSDs)**
- **Nestlé Professional** for the institutional segment

Your Company's distribution network helps successfully reach **200,000+ villages**

apart from **all towns** in urban India

Your Company operates in a complex customer ecosystem that seamlessly bridges a nationwide network of strategic trade and channel partners which help the company reach millions of end consumers across the country.

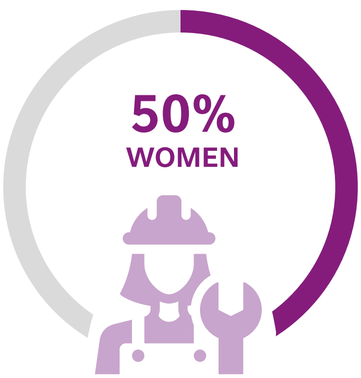
IV. Employees

20. Details at the end of Financial Year

a. Employees and workers (including differently abled):

Your Company's workforce is the cornerstone of the ability to deliver nutrition and wellness. Your Company's ecosystem comprises a diverse talent pool of 19,000+ individuals, each playing a pivotal role in its "Creating Shared Value" (CSV) journey. Your Company is committed to the "Balance for Better" philosophy, where the data reflects a steady progress in gender representation, particularly within its management and office cadres, where women constitute ~24% of its permanent employees.

Your Company treats its "Other than Permanent" workforce with the same commitment to safety and human rights as the permanent staff. Your Company reaffirms its unwavering commitment to safety within its operations. It ensures that every single worker—permanent, temporary, or contractual—receives thorough safety induction and technical training. This standard is non-negotiable as your Company believes that a safe work environment is the foundation of its success. Beyond training, your Company also places a strong emphasis on compliance. To reinforce these standards and drive continuous improvement, your Company has conducted seven (7) comprehensive CARE audits. These audits spanned critical areas including Work Employment, Business Integrity, Safety & Health, Security, Local Communities, and Labor Accommodations.



WOMEN

as part of the **Technical Trainees program** by ensuring a pipeline for **manufacturing leadership**

Building a diverse, future-ready pipeline for manufacturing leadership.

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
Employees						
1.	Permanent (D)	3,424	2,571	75%	853	25%
2.	Other than Permanent (E)	347	294	85%	53	15%
3.	**Total employees (D + E)**	**3,771**	**2,865**	**76%**	**906**	**24%**
Workers						
1.	Permanent (F)	4,932	4,663	95%	269	5%
2.	Other than Permanent (G)	10,454	9,279	89%	1,175	11%
3.	**Total Workers (F + G)**	**15,386**	**13,942**	**91%**	**1,444**	**9%**

Note: Definition of employee and worker categorization is as under:

Permanent Employees include white collar employees • Other than Permanent Employees include Temporary, Contractual & Third-party employees. Permanent Workers include technicians, associates, staff, and collaborators • Other than Permanent Workers include Contractual Labour, Temporary Fixed Term Contractual.

b. Differently abled employees and workers:

Guided by your Company's values rooted in respect of fostering an inclusive culture where "Ability over Disability" is a cornerstone of its human capital strategy, your Company provides meaningful employment to 37 persons with disabilities across its locations. Your Company is actively enhancing an inclusive framework through targeted infrastructure modifications and accessibility audits to drive further diversity. To elevate its Creating Shared Value (CSV) impact, your Company has completed accessibility audits across its manufacturing locations and is enhancing its' infrastructures in the factories and offices and conducting sensitization workshops to ensure that its talent pool finds a workplace designed for equity, dignity, and professional growth.

~86% of its differently abled colleagues hold permanent positions

who benefit from your Company's robust social security framework

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	9	8	89%	1	11%
2.	Other than Permanent (E)	2	2	100%	0	0%
3.	**Total differently abled employees (D + E)**	**11**	**10**	**91%**	**1**	**9%**
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	23	21	91%	2	9%
2.	Other than Permanent (G)	3	1	33%	2	67%
3.	**Total Workers (F + G)**	**26**	**22**	**85%**	**4**	**15%**

21. Participation/Inclusion/Representation of Women:

	Total(A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	9	3	33%
Key Management Personnel	1	0	0.00%

As of the opening in April 2025, 4 out of 8 directors on the Board were women. During the period, there were a couple of movements: Ms. Svetlana Boldina ceased to be a director as of 31st January 2026, and Mr Mandeep Chhatwal was appointed from 1st January 2026. As of the closing on March 2026, the Board comprised 9 directors, with 3 being women.

22. Turnover rate for permanent employees and workers. (Trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24* (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.3%	15.0%	12.9%	4.4%	7.3%	5.1%	8.6%	15.0%	10.2%
Permanent Workers	0.5%	7.4%	0.9%	0.2%	3.2%	0.3%	1.0%	7.4%	1.6%

* 15 Months FY ended 31st March 2024 (Jan 2023 to Mar 2024)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

S.No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nestlé S.A.	Holding	-	No
2	Maggi Enterprises Limited	Holding	-	No
3	Dr. Reddy's and Nestlé Health Science Limited	Associate (Joint Venture)	49%	No

Note: Nestlé SA and Maggi Enterprises Limited holds 34.28% and 28.48%, respectively, in the share capital of the Company.

VI. CSR Details

24. Provide the following CSR details:

i) **Whether CSR is applicable as per section 135 of Companies Act, 2013 -** Yes

ii) **Turnover (in Rs.) –** 230,714.6 million

iii) **Net worth (in Rs.) –** 53,092.4 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	26	0	-	18	0	-
Employees and workers	Yes	102	19	Under investigation	69	14	Under investigation
Customers	Yes	5,701	0	-	14,064	0	-
Value Chain partners	Yes	18	3	Under investigation	26	7	Under investigation
Other (please specify)	-	-	-	-	-	-	-

Your Company has a grievance redressal platform known as SpeakUp that allows all the stakeholders to raise any concerns or grievances. Refer: https://www.nestle.com/about/how-we-do-business/report-compliance-concerns.

26. Overview of the entity's material responsible business conduct issues. Indicated below are the material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

S.No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Ppositive or negative implications)
1	Climate Change Resilience	R	Addressing systemic climate risks is critical for long-term business continuity. Volatile weather patterns (physical risks) and evolving carbon regulations (transitional risks) directly impact agricultural productivity and raw material costs.	Your Company continues to invest in climate-smart agriculture by advocating for sustainable farming including soil health management, water conservation, managed use of fertilizers etc. Your Company is strengthening its' value chain resilience with continued engagement with ~80,000 farmers across key commodities.	While initial investments in sustainable sourcing may increase short-term costs, they mitigate the risk of severe supply chain disruptions and long-term cost volatility.
2	Energy and Emissions Management	R&O	Energy consumption, rising costs, and evolving emission regulations present both challenges and opportunities. Effectively managing direct emissions and those across the supply chain is critical to safeguarding brand reputation and ensuring long-term sustainability.	Your Company continues to focus on reducing environmental impact and operational costs through a structured transition to renewable energy, improving energy efficiency, and advancing sustainable packaging solutions. These efforts are reinforced by partnerships with suppliers and farmers to promote sustainable agricultural practices.	Although investments in renewable energy and sustainable packaging require upfront capital, they deliver significant long-term benefits—lowering operating costs, enhancing brand value, and reducing emissions. Collaborations across the supply chain strengthen resilience and help maintain consistent product quality.
3	Circular Economy and Waste Management	R&O	Increasing regulatory requirements and evolving consumer expectations pose challenges to operations and brand reputation. Embracing circular economy principles, however, offers opportunities to reduce costs, enhance brand value, and build supply chain resilience, thereby supporting long-term sustainability.	Your Company remains committed to investing in sustainable materials, ensuring full compliance with Extended Producer Responsibility (EPR), and driving consumer education on environmental stewardship.	While transitioning to sustainable materials involves upfront investment, it delivers long-term benefits through innovation in alternatives, regulatory compliance, and enhanced brand trust. These efforts contribute to stronger consumer confidence and potential growth in sales.
4	Water Management	R	Operating in water-stressed regions increases stress on limited resources, which can disrupt production schedules and impact business continuity. Unsustainable water withdrawal and discharge practices risk damaging local ecosystems and negatively affecting surrounding communities.	Your Company has implemented measures such as Zero Liquid Discharge (ZLD) systems across multiple manufacturing sites to recycle wastewater and minimize discharge. Additionally, investments in advanced water-saving technologies and process optimization help reduce water consumption in production.	Although these initiatives require significant upfront investment and may temporarily increase operational costs, they deliver long-term benefits. These include reduced water-related expenses, improved production efficiency, and avoidance of regulatory penalties.

S.No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Ppositive or negative implications)
5	Employee Health and Safety	R	Inadequate safety protocols and non-adherence to standards can heighten the risk of workplace injuries and health-related concerns, impacting employee well-being and operational continuity.	Your Company undertakes regular risk assessments to identify and mitigate hazards, complemented by comprehensive safety training and continuous monitoring of practices. Additionally, initiatives to promote employee well-being such as mental health programs and stress management workshops are prioritized.	Limited safety and wellbeing measures can lead to higher costs from medical claims, legal issues, and reduced productivity.
6	Human Rights	R	Your Company interacts with a diverse set of stakeholders including employees, workers, suppliers, customers, and local communities which may give rise to potential human rights risks. These risks can stem from internal operations or through engagements with business partners. Proactively identifying and managing these risks is crucial to uphold ethical business conduct and protect stakeholder well-being.	Your Company has a Supplier Code of Conduct that mandates adherence to ethical labor and environmental standards, serving as a cornerstone of broader policies to ensure human rights alignment across the supply chain. Furthermore, your Company's grievance redressal mechanisms offer effective channels for addressing any violations promptly and thoroughly.	Human rights violations can result in substantial financial consequences, including regulatory penalties, legal liabilities, and reputational harm. Such incidents may also erode consumer trust and loyalty, adversely affecting brand value and sales performance. Strengthening human rights practices helps mitigate these risks, supports stakeholder confidence, and contributes to long term value creation.
7	Talent Attraction, Development and Retention	R	A well designed talent strategy is essential to maintain employee engagement, enhance efficiency, and support long term organizational stability.	Your Company strengthens talent attraction and retention through competitive rewards, an inclusive and supportive workplace environment, and structured development programmes. Regular engagement surveys help understand employee expectations and guide continuous improvements.	Challenges in attracting or retaining skilled employees may increase operational costs and reduce organizational effectiveness. Strong talent practices, on the other hand, support productivity, reduce turnover related expenses, and help maintain competitiveness.
8	Product Quality and Safety	R	Strong product quality and safety practices help enhance brand reputation and build customer trust and loyalty.	Your Company maintains quality and safety systems across sourcing, manufacturing, and distribution. Regular audits, staff capability building, regulatory collaboration, and consumer feedback mechanisms support continuous improvement and adherence to evolving standards.	Investments in strengthened quality and safety processes help reduce defects, returns, and potential compliance related costs over time. High quality products also support consumer preference and can contribute to improved market performance.

S.No.	Material issue identified	Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Ppositive or negative implications)
9	Sustainable Supply Chain	R&O	Your Company's dependence on diverse raw materials presents sustainability related risks, making responsible sourcing important for long term supply stability and business growth.	Your Company follows the Nestlé Responsible Sourcing Core Requirements and collaborates with suppliers to advance ethical and sustainable practices. Investments in traceability systems and support for certifications help strengthen oversight and resilience across the value chain.	While responsible sourcing may involve initial investments in certification and traceability, it enhances supply chain reliability and helps reduce potential disruptions associated with sustainability issues. Over time, these practices support operational continuity and contribute to long term financial value.
10	Corporate Governance and Business Ethics	R	Strong governance systems—covering risk management, internal controls, and oversight structures are essential for identifying and addressing potential risks. Gaps in governance can increase exposure to regulatory scrutiny, legal penalties, and reputational challenges.	Your Company maintains a robust governance framework supported by compliance monitoring, guided by Nestlé's Business Principles and Code of Conduct. This includes diverse board level oversight, regular audits, stakeholder engagement, and ongoing training to reinforce transparency and integrity.	Weak governance or ethical lapses may lead to financial consequences such as fines, legal expenses, and reputational impact. Strong governance practices, however, help build investor confidence, enhance operational reliability, and support long term financial resilience.

SECTION: B MANAGEMENT AND PROCESS DISCLOSURES

Policy and management processes

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Refer to Note 1								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

<table>
<tr><th colspan="2">Disclosure Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td>4.</td><td>Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</td><td colspan="9">P1 : ISAE 3000
P2 : FSSC 22000 Food Safety System Certification
ISO 17025:2017: Testing and Calibration Laboratories
Responsible Sourcing Certification: 4C and AAA for Coffee, Bonsucro for Sugar, Roundtable on Sustainable Palm Oil for Palm (RSPO) and UTZ and Rain Forest Alliance for Cocoa
P3: ISO 45001: 2018, Occupational Health and Safety Management System
P4: Materiality assessment and Stakeholder Engagement in line with GRI Standards and Accountability's AA1000 principles
P5: United Nations Guiding Principles on Business and Human Rights, International Labour Organization Guidelines, Rain Forest Alliance, Bonsucro Certification
P6: ISO 14001: 2015- Environmental Management System P9:
ISO 27001- Information Security Management System
ISO 9001- Quality Management System</td></tr>
<tr><td>5.</td><td>Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9">As a cornerstone market within the Nestlé global network, your Company is accelerating its transition towards the Group's Net Zero by 2050 ambition. Your Company has institutionalized a localized decarbonization roadmap that aims to contribute towards the global roadmap of 20% absolute reduction in GHG emissions by 2025, scaling to a 50% reduction by 2030 (relative to the 2018 baseline).

Your Company's strategic approach moves beyond operational boundaries to address emissions across the entire value chain—fundamentally transforming how it sources, produces and distributes. By prioritizing ecosystem restoration and the development of climate-resilient food systems, your Company is ensuring that its business growth is decoupled from its environmental footprint, fostering a sustainable future for the communities it serves and the natural systems it depends upon.</td></tr>
<tr><td>6.</td><td>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td><td colspan="9">Your Company's commitment to contributing towards the global target of Net-Zero emissions by 2050 serves as the definitive blueprint for its business transformation, ensuring it remains a resilient, future-ready enterprise in an evolving global landscape. To institutionalize this ambition, your Company is executing an integrated, multi-faceted strategy that aggressively tackles emissions across its entire value chain, structured around four strategic pillars of impact:

1. Decarbonizing the Value Chain (Climate Action)
By fostering climate-resilient food systems, your Company addresses upstream agricultural and livestock emissions- working with ~70,000 farmers across key commodities. This operational decarbonization is further bolstered by the focus on energy efficiency, which realized ~59,000 Gigajoules in annualized savings through targeted reduction projects.

2. Advancing Circularity (Sustainable Packaging)
Your Company's vision is clear: ensuring that no plastic packaging ends its life in a landfill. Your Company has maintained its status as a 100% plastic neutral organization while simultaneously pivoting toward a circular model. This involves a dual strategy of significantly reducing its reliance on virgin plastics and accelerating the transition to alternate materials.

3. Optimizing Water Security (Water Stewardship)
Water is a shared and vital resource. Your Company continues to drive radical efficiency within its gates and expand clean water access in the communities it serves. Currently, seven of its nine factories are Zero Liquid Discharge (ZLD) facilities, representing a closed-loop system where 100% of treated effluent is repurposed for internal processes or land maintenance.

4. Strengthening Supply Chain Resilience (Responsible Sourcing)
Your Company is committed to procuring its key ingredients—rice, wheat, sugar, coffee, cocoa, and palm oil—with a continued emphasis on sustainable agriculture practices, human rights and rural livelihoods. In the reporting year, approximately 68% of the key ingredients were sustainably sourced, ensuring that your Company's growth is intrinsically linked to the well-being of the ecosystems and communities that sustain it.</td></tr>
</table>

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):	Our ambition is to be the 'Leader in Sustainability' and a 'Solution Provider' is woven into the very fabric of the corporate identity. Your Company recognizes that in a rapidly shifting global landscape, enduring business success is inseparable from its commitment to environmental stewardship and social equity. Guided by the core principles of **Purpose, People, Planet, Partnerships, and Performance,** your Company has moved beyond viewing sustainability as a target; it is now the foundational lens through which it executes every operational and strategic decision. The fundamental purpose—**to unlock the power of food and beverages to enhance quality of life for everyone, today and for generations to come**—serves as its strategic anchor in nurturing both the communities we serve and the planet we inhabit. Your Company's steadfast journey is defined by focus on four strategic imperatives: **Climate Change, Sustainable Packaging, Responsible Sourcing, and Water Stewardship**. By fostering deep collaboration across its entire value chain—from farmers and suppliers to employees and consumers—it is driving a culture of collective responsibility. Your Company has achieved significant milestones in decarbonizing its manufacturing footprint by scaling renewable energy integration and optimizing thermal efficiencies. In its pursuit of a water-secure future, it continues to institutionalize cutting-edge conservation and recycling measures, while R&D and operational teams relentlessly innovate to deliver packaging solutions that minimize virgin plastic usage. Beyond our operations, your Company's commitment to social responsibility remains a powerful catalyst for change. Through targeted initiatives in nutrition, sanitation, and rural development, it has positively impacted approximately ~1.3 million lives (direct beneficiaries), reinforcing the resilience of the marginalized communities within our ecosystem. By combining advanced technology with a deep-seated dedication to quality and nutrition, your Company ensures that its products contribute to a healthier society. As it navigates the complexities of our time, Your Company pledges to maintain a transparent and inclusive dialogue with all stakeholders. Together, we are paving a resilient path toward a sustainable future, striving to leave behind a healthier planet for generations that follow.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The strategic stewardship of your Company's Business Responsibility (BR) performance is anchored at the apex of its governance structure. Under the leadership of the Chairman and Managing Director, the Board of Directors exercises robust oversight to ensure that sustainability is integrated into your Company's corporate strategy, safeguarding long-term value creation. A key pillar of this framework is the Risk Management and Sustainability Initiatives (RMSI) Committee, which provides dedicated governance over the ESG roadmap. The Committee conducts periodic deep-dives into material priorities—most notably climate resilience, water stewardship, circular packaging, and sustainable sourcing. Beyond strategic guidance, the RMSI Committee ensures compliance with the SEBI (LODR) Regulations, 2015, upholding the highest standards of transparency and accountability in the Business Responsibility and Sustainability Reporting (BRSR).									

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:

To ensure sustainability is embedded across your Company's operations, your Company has institutionalized a tiered governance framework that guarantees accountability at every level. Cascading from the Board's oversight via the RMSI Committee, Sustainability Governance Council—chaired by the Chairman and Managing Director—serves as the strategic engine for the ESG agenda.

This Council brings together the Management Committee and specialized leads to orchestrate five Strategic Taskforces, each dedicated to a critical pillar of your Company's roadmap.

By facilitating a continuous feedback loop, the Governance Council reviews the milestones achieved by these Taskforces and reports progress to the RMSI Committee and the Board. This structure ensures that your Company's ground-level initiatives are aligned with the long-term vision of achieving the net zero roadmap.

CRITICAL PILLARS OF THE ROADMAP

01 Sustainable Sourcing
Building resilient and ethical supply chains.

02 Sustainable Packaging
Accelerating the transition to circularity.

03 Sustainable Manufacturing, Logistics & Water Stewardship
Optimizing operational footprint.

04 Brands, Recipes & Portfolio
Integrating sustainability into the product portfolio.

05 Advocacy & Communication
Engaging stakeholders and driving industry-wide change.

Driving long-term value for people, planet and communities

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	C^	C^	C^	C^	C^	C^	C^	C^	C^	A*	A*	A*	A*	A*	A*	A*	Q#	A*
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	C^	C^	C^	C^	C^	C^	C^	C^	C^	A*	A*	A*	A*	A*	A*	A*	Q#	A*

A - Annually, C^- Committee of the Board: Q# -Quarterly*

Note: There were no follow-up actions by the Committee of the Board.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency:

S. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Note 1: Policies aligned to NGRBC Principles

Principle 1: Ethics, Transparency and Accountability: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable:

- Nestlé Corporate Business Principles
- Nestlé India Code of Business Conduct

Principle 2: Product Life Cycle Sustainability: Businesses should provide goods and services in a manner that is sustainable and safe:

- Nestlé Responsible Sourcing Core Requirements
- Nestlé Quality Policy
- Safety, Health & Environmental Sustainability Policy
- The Nestlé Policy on Environmental Sustainability

Principle 3: Employee Well Being: Businesses should respect and promote the well-being of all employees, including those in their value chains:

- Safety, Health & Environmental Sustainability Policy
- Equal Opportunity Policy
- Whistle Blower Policy
- Nestlé Corporate Business Principles
- ISO 45001: 2018: Occupational Health and Safety Management System

Principle 4: Stakeholder Engagement: Businesses should respect the interests of and be responsive to all its stakeholders:

- Nestlé Corporate Business Principles
- Nestlé Stakeholder Engagement Approach

Principle 5: Businesses should respect and promote human rights:

- Nestlé Human Rights Policy
- Nestlé POSH Policy
- Nestlé Corporate Business Principles
- Nestlé Responsible Sourcing Core Requirements

Principle 6: Environment: Businesses should respect and make efforts to protect and restore the environment:

- Safety, Health & Environmental Sustainability Policy
- The Nestlé Policy on Environmental Sustainability
- Nestlé Responsible Sourcing Core Requirements

Principle 7: Policy Advocacy: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent:

- Nestlé Corporate Business Principles
- Nestlé Code of Business Conduct
- Antitrust Law Policy
- **Transparency on advocacy, lobbying and industry associations**

Principle 8: Inclusive Growth: Businesses should promote inclusive growth and equitable development:

- Nestlé Corporate Social Responsibility Policy

Principle 9: Customer/Consumer Value: Businesses should engage with and provide value to their consumers in a responsible manner:

- Nestlé Marketing Communication to Children Policy
- Nestlé Consumer Communication Principles

Note: The policies have been derived and adopted from the Nestlé Global Policies and are aligned as per local requirements to safeguard the interests of all its stakeholders

SECTION: C PRINCIPLE WISE PERFORMANCE DISCLOSURE

01 Principle:

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of directors	1	Ethics, transparency, human rights	100%
Key Managerial personnel	1	Integrity, ethics, transparency	100%
Employees other than BoD and KMPs	2,970	All NGRBC Principles	87%
Workers	3,850	Integrity, ethics, transparency	72%

Nestlé's Corporate Business Principles articulates the values and ethical standards that guide your Company's operations globally. These principles are embedded across the organisation, with all directors and employees expected to reflect them in their day to day responsibilities, recognizing that the Company's reputation is one of its most critical assets.

These commitments are further reinforced through the Company's Code of Business Conduct, which sets out clear, non negotiable minimum standards of behaviour across key areas of business operations. Complementing this, your Company has adopted relevant policies and guidelines that address material sustainability issues relevant to its business and stakeholders, providing a structured and consistent framework for responsible decision making.

Recognizing that strong policies are effective only when well understood and applied, your Company places significant emphasis on continuous capacity building and awareness. Regular training programmes are delivered to employees across functions and levels to support effective implementation of these principles and policies.

Trainings cover core areas including

- Business Ethics
- Regulatory Compliance
- Health and Safety
- Human Rights
- Diversity and Inclusion
- Information Security
- Data Privacy
- Customer Service Excellence

Ensuring a high level of **awareness, accountability** and **consistent adherence** across the organisation.

Together, these measures reflect your Company's commitment to strong governance, ethical conduct and responsible business practices, supporting a culture of integrity and reinforcing trust with employees, partners, consumers and wider stakeholders.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, *(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)*:**

Monetary

Sr. No.	NGRBC Principle	Date of Order	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
1	Principle 1	23-05-25	Adjudicating Officer cum Additional District Magistrate Mahasamund, Chattisgarh	1,00,000	As per the Order, the Company's product has been held to be Misbranded and penalty of ₹1,00,000/- has been imposed.	Yes
2	Principle 1	09-06-25	Commissioner of Customs (Appeals II), 60 Rajaji Salai, Customs House, Chennai - 600001	2,00,000	As per the appeal Order, the demand of ₹2,00,000/- confirmed by the adjudicating authority regarding classification of Company's Product is upheld.	Yes
3	Principle 1	08-07-25	Adjudicating Officer cum Additional District Magistrate Jaipur	2,00,000	As per the Order, the Company's product has been held to be substandard and and imposed a penalty of ₹2,00,000/-.	Yes
4	Principle 1	23-07-25	Food Safety Appellate Tribunal, Kolkata, West Bengal	2,00,000	As per the Order, the Company's product has been held to be Misbranded and imposed a penalty of ₹2,00,000/-.	Yes
5	Principle 1	25-07-25	The Joint Commissioner of Commercial Taxes (Appeals-06) located at TTMC Complex, Shanthinagar, Bangalore - 27	687,760	The Company had filed an appeal against a show cause notice and participated in the appellate proceedings. The appellate authority has upheld the adjudication order confirming the demand comprising: (i) tax liability of ₹68,77,597/-; (ii) interest amounting to ₹49,51,870/-; and (iii) penalty of ₹6,87,760/-.	Company is in process of filing appeal before relevant authorities within the statutory timelines
6	Principle 1	29-10-25	Joint Collector, Adjudicating Officer cum Additional District Magistrate, Kakinada	33,000	As per the Order, Company's product has been held to be substandard and imposed a penalty of ₹33,000/-.	Yes
7	Principle 1	01-12-25	Office of the Commissioner of GST and Central Excise, Chennai – Outer Commissionerate, Newry Tower, No.2054 – I : II Avenue, Anna Nagar, Chennai – 600 040.	8,28,36,108	The Company has received an Order confirming demand for Tax, Interest and Penalty: (i) tax amounting to ₹8,28,36,108/-; (ii) applicable interest thereon; and iii) penalty to the tune of ₹8,28,36,108/-.	Yes

Sr. No.	NGRBC Principle	Date of Order	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
8	Principle 1	04-12-25	The Deputy of Commercial Taxes (LTU-2) Large Taxpayers located at Unit-2, 6th Floor, Yeshwanthpur TTMC, Yeshawantpur, Bengaluru - 560057	3,60,590	The Company received the Order for demand of: (i) IGST/CGST/ SGST Act, 2017, amounting to ₹34,98,760/-; (ii) Â interest of ₹22,81,002 and (iii) imposing a penalty amounting of ₹3,60,590/-	Yes
9	Principle 1	11-12-25	Office of the Assistant Commissioner, Central GST Division, Rudrapur, Commissionerate – Dehradun, 16 Avasvikas, Nainital Road, Uttarakhand – 263153.	66,60,359	The Company has received an Order confirming demand for Tax, Interest and Penalty: (i) tax amounting to ₹66,60,359/-; (ii) applicable interest thereon; and iii) penalty to the tune of ₹66,60,359/-.	Yes
10	Principle 1	12-12-25	Adjudicating Officer cum Additional District Magistrate, Gwalior	50,000	As per the order, the Company's product has been held to be substandard and imposed a penalty of ₹50,000/-.	Yes
11	Principle 1	10-02-26	Adjudicating Officer cum Additional District Magistrate Vadakara	18000	As per the Order, the Company's product has been held to be misbranded and penalty of Rs.18,000/- has been imposed.	Yes
12	Principle 1	28-03-26	Adjudicating Officer cum Additional District Magistrate Champawat	25,000	As per the Order, the Company's product has been held to be substandard and penalty of Rs.25,000/- has been imposed.	Yes
13	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
14	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
15	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
16	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes

Sr. No.	NGRBC Principle	Date of Order	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
17	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
18	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
19	Principle 1	30-03-26	Adjudicating Officer cum Additional District Magistrate Churu	10,000	As per the Order, the Company's product has been held to be substandard and misbranded and penalty of Rs.10,000/- has been imposed.	Yes
20	Principle 1	30-03-26	Office of the Assistant Commissioner of Central Tax, Mysuru Rural Division, GST Bhavan, Vinaya Marga, Siddhartha Nagar, Mysuru - 570011	50,000	As per the appeal Order, a penalty of ₹50,000 was imposed for wrong classification of Company's Product is upheld.	Company is in process of filing appeal before relevant authorities within the statutory timelines
21	Principle 1	31-03-26	Office of the Assistant Commissioner of Central Tax, Vijayanagar Division, GST Bhavan, Vinaya Marga, Siddhartha Nagar, Mysuru - 570011	50,000	As per the appeal Order, a penalty of ₹50,000 was imposed for wrong classification of Company's Product is upheld.	Company is in process of filing appeal before relevant authorities within the statutory timelines

Non-Monetary

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	**Name of the regulatory/ enforcement agencies/ judicial institutions**
Order passed by Adjudicating Officer cum Additional District Magistrate Mahasamund, Chattisgarh holding the Company's product to be substandard and imposing a fine of ₹1,00,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Mahasamund, challenging the said Order.
Appeal order upholding demand under Section 28AA of Customs Act, 1962 passed by Commissioner of Customs (Appeals II), 60 Rajaji Salai, Customs House, Chennai-600001. Demand confirmed regarding classification of Company's Product. Amount of Fine/Penalty: ₹2,00,000/-. Appeal Status: Appeal Filed before the Customs Tribunal.	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
Order passed by Adjudicating Officer cum Additional District Magistrate Jaipur holding the Company's product to be substandard and imposing a fine of ₹2,00,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Jaipur, challenging the said Order.
Order passed by Food Safety Appellate Tribunal, Kolkata, West Bengal holding the Company's product to be substandard and imposing a fine of ₹2,00,000/-.	The Company filed an appeal before the Calcutta High Court, challenging the said Order.
Order passed by Joint Collector, Adjudicating Officer cum Additional District Magistrate Kakinada holding the Company's product to be substandard and imposing a fine of ₹33,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Rajamahendravaram, challenging the said Order.
Order passed under Section 74 of the Central Goods and Services Tax Act, 2017 by Office of the Commissioner of GST and Central Excise, Chennai – Outer Commissionerate, Newry Tower, No.2054 – I : II Avenue, Anna Nagar, Chennai – 600 040. Demand confirmed for: (i) Tax of ₹8,28,36,108/- (ii) Applicable interest thereon (iii) Penalty of ₹8,28,36,108/-.	Writ filed before the High Court of Judicature At Madras; interim stay granted.
Order of Adjudication under Section 73(9) read with Section 75, Section 122, Section 50 of GST Act, 2017 by The Deputy of Commercial Taxes (LTU-2), Large Taxpayers Unit-2, 6th Floor, Yeshwanthpur TTMC, Bengaluru – 560 057. Demand for: (i) Tax (IGST/CGST/SGST) of ₹34,98,760/- (ii) Interest of ₹22,81,002/- (iii) Penalty of ₹3,60,590/-.	The Joint Commissioner of Commercial Taxes (Appeals-06), TTMC Complex, Shanthinagar, Bangalore-27
Order passed under Section 74 of the Central Goods and Services Tax Act, 2017 by Office of the Assistant Commissioner, Central GST Division, Rudrapur, Commissionerate – Dehradun, Uttarakhand – 263153. Demand confirmed for: (i) Tax of ₹66,60,359/- (ii) Applicable interest thereon (iii) Penalty of ₹66,60,359/-.	Commissioner (Appeals), Central Goods And Services Tax, Second And Third Floor, Shri Palace, Natthanpur, Dehradun

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Order passed by Adjudicating Officer cum Additional District Magistrate, Gwalior holding the Company's product to be substandard and imposing a fine of ₹50,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Gwalior, challenging the said Order.
Order passed by Adjudicating Officer cum Additional District Magistrate Vadakara holding the Company's product to be substandard and imposing a fine of ₹18,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Thiruvananthpuram, challenging the said Order.
Order passed by Adjudicating Officer cum Additional District Magistrate Churu holding the Company's product to be substandard and imposing a fine of ₹10,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Jaipur, challenging the said order.
Order passed by Adjudicating Officer cum Additional District Magistrate Churu holding the Company's product to be substandard and imposing a fine of ₹10,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Jaipur, challenging the said Order.
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Order passed by Adjudicating Officer cum Additional District Magistrate Churu holding the Company's product to be substandard and imposing a fine of ₹10,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Jaipur, challenging the said Order.
Order passed by Adjudicating Officer cum Additional District Magistrate Churu holding the Company's product to be substandard and imposing a fine of ₹10,000/-.	The Company filed an appeal before the Food Safety Appellate Tribunal, Jaipur, challenging the said Order.
Order passed by Adjudicating Officer cum Additional District Magistrate Champawat holding the Company's product to be substandard and imposing a fine of ₹25,000/-.	The Company filed a review application before Adjudicating Officer cum Additional District Magistrate Champawat.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes. The Nestlé Corporate Business Principles (NCBP) anchors every facet of your Company's operations to ensure integrity. This commitment is operationalized through a robust governance framework—including the Nestlé Purpose and Values and Responsible Sourcing Core Requirements—which translates your Company's principles into actionable standards for its employees and value chain partners alike.

A central pillar of this framework is your Company's Code of Business Conduct, which enforces non-negotiable mandates against corruption and bribery. Your Company maintains a zero-tolerance policy toward any form of improper advantage or preferential treatment, ensuring that its business success is built solely on merit and ethical excellence. To safeguard this culture of accountability, your Company provides multiple, secure channels for grievance redressal, including the internal Whistleblower Policy/Vigil Mechanism and 'Speak Up'—an independent, third-party operated platform. By strictly prohibiting retaliation and ensuring total confidentiality, your Company fosters an environment of psychological safety where employees and directors can report concerns in good faith, reinforcing your Company's reputation as a trust-led enterprise.

Read more:

website-nestle-india-code-of-business-conduct.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	Current Financial Year	Previous Financial Year
Directors	None	None
KMPs	None	None
Employees	None	None
Workers	None	None

6. Details of complaints with regard to conflict of interest:

Category	Current Financial Year		Previous Financial Year	
	Number - FY 2025-26	Remarks - FY 2025-26	Number - FY 2024-25	Remarks - FY 2024-25
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not Applicable	0	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Not Applicable	0	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not applicable

8. Number of days of accounts payables (Accounts payable × 365) / Cost of goods/services procured):

Particulars	Current Financial Year	Previous Financial Year
Number of days of accounts payables	71	61

9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2025-26	FY 2024-25#
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	4%	2%
	b. Number of trading houses from which purchases are made	17	15
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	98.2%	99.6%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	94.6%	95.3%
	b. Number of dealers / distributors to whom sales are made	2,358	2,212
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	19.3%	16.9%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	10.8%	8.9%
	b. Sales (Sales to related parties / Total Sales)	5.4%	4.7%
	c. Loans & advances (to related parties / total loans & advances)	0	0
	d. Investments (in related parties / total investments)	100%*	100%*

*Based on the closing balance at year-end.

#The figures of previous year have been regrouped / restated to make them comparative with those of current year wherever considered necessary, in light of the evolving guidances such as the Industry Standards Note on BRSR. The impact of such reclassification/restatement is not material to the BRSR report.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

S. No.	Value chain partner	Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered under the awareness programmes
1	Dairy farmers	577	Environment Sustainability and Responsible Sourcing (Fresh Milk Quality, Food Safety, Aflatoxin & CFM management Animal Nutrition, Animal Health, Cow Comfort and Animal Welfare)	55%
2	Coffee farmers	5589	Sustainability, Regenerative Agriculture, Traceability, Apiculture (Beekeeping), Soil test & Nutrition management, 4C code of conduct, Intercropping, Waste management	100%
3	Sugar farmers	2	Fertilizer management, water management	28%
4	Rice farmers	3	Soil management, water management, fertilizer management	100%
5	Wheat farmers	3	Soil management, water management, fertilizer management	100%
6	Spice farmers	614	Soil Health & Sustainable Crop Management; Integrated Pest & Disease Management (IPM), Good Agricultural Practices & Input Optimization, Post-Harvest Management & Quality Health, Safety & Labor Practices, Farmer Organization & Livelihood Diversification; Certification, Compliance & Traceability	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Your Company has institutionalized a framework to uphold the standards of ethical conduct through the adoption of the Nestlé India Code of Business Conduct ("the Code"). The Code sets clear expectations for Directors, senior management and employees to proactively identify and avoid situations where personal interests may conflict, or appear to conflict, with the interests of the Company. The Code is publicly accessible on the Company's website (https://www.nestle.in/investors/policies) and is reviewed and approved by the Board of Directors on an annual basis, reinforcing sustained leadership oversight. In line with this framework, Directors, Key Managerial Personnel (KMP) and senior management are required to make annual declarations to the Board confirming whether they have, directly or indirectly, or on behalf of third parties, any material interest in transactions or matters impacting your Company. This process strengthens transparency and enables timely identification and management of potential risks.

Further, consistent with the Nestlé Corporate Business Principles (NCBP), all employees are mandated to disclose any actual or potential conflicts of interest, including but not limited to external engagements, employment of relatives, or the giving or receiving of gifts. To operationalize this requirement at scale, your Company has implemented a structured digital disclosure tool, applicable to relevant employees, which facilitates annual and event based conflict of interest declarations, including updates for any new or evolving situations.

Disclosures submitted through the tool are subject to a systematic review process by line managers, who are supported by a standardized ready reckoner to assess risk, determine materiality, and define appropriate mitigation actions. Where required, matters are escalated to the Compliance Officer, ensuring independent oversight and consistent resolution. Over time, insights from disclosures are used to strengthen internal guidance, enhance managerial capability, and reinforce a culture of ethical decision making. Collectively, these measures reflect your Company's progressive strengthening of governance controls, supported by digitalization, clear accountability, and continuous improvement, to proactively manage conflicts of interest and safeguard stakeholder trust.

02 Principle:

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

Particulars	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Refer to the Note below		
Capex	7.4%	5.1%	Your Company's environmental sustainability investments are guided by the principles of Reduce, Rethink, and Replace. 'Reduce and Rethink' focus on optimizing energy and water use through process enhancements and lower-emission fuel alternatives. 'Replace' emphasizes the adoption of advanced technologies and green energy solutions to drive long-term impact.

Note 1: R&D: As part of the Nestlé group, your Company, under the General License Agreement(s) with Société des Produits Nestlé S.A., leverages global R&D resources, while also focusing on local testing and adaptation, ensuring product quality and efficient operations through innovation. Nestlé group dedicates significant resources and effort towards R&D in order to gain comprehensive industrial expertise, which allows your Company to customize products for local conditions, manufacture quality and safe products, improve yields, and adopt sustainable sourcing, packaging, and logistics. Access to Nestlé's R&D network also allows your company to use new technologies that lower emissions and develop lower-carbon recipes by substituting ingredients, while maintaining key product attributes.

This collaboration also helps to minimize food waste and nutrient loss while creating additional income opportunities for farmers. Sustainable Packaging: The Nestlé Institute of Packaging Science of Nestlé group works alongside Nestlé R&D network to help the Nestlé group move towards paper packaging, increasing use of recycled, biodegradable content, simplifying packaging, piloting refillable and reusable systems and developing sustainable packaging solutions that are both cost-effective and environment friendly.

Note 2: Capex: During the year, 7.4% of total capital expenditure was directed toward strengthening environmental and social performance, translating into measurable operational efficiencies. Investments in waste heat recovery, condensate management and boiler efficiency improvements delivered ~59,000 GJ of annualised energy savings, while digital process optimisation further reduced thermal losses across production lines. Water stewardship initiatives—including RO installation, reuse of reject and backwash streams, and optimisation of CIP and non process water use—resulted in ~141,000 m^3 of freshwater savings over the reporting period. In parallel, solar power PPAs (Power Purchase Agreements) continue to decarbonize the electricity mix, with renewables now accounting for ~60% of total energy consumption, reinforcing the link between strategic capex investments and long term resource resilience.

7.4%
of total capital expenditure directed toward strengthening environmental and social performance

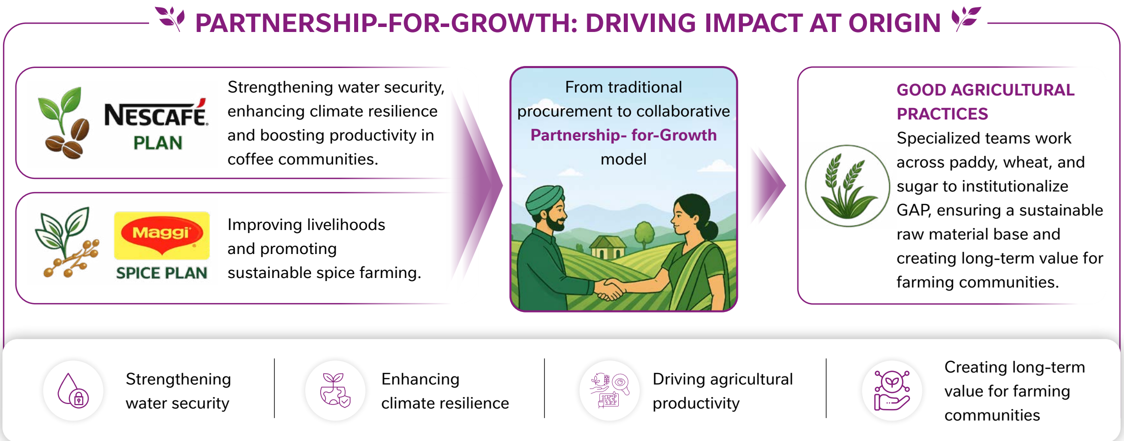
59,000 GJ
of annualised energy savings

141,000 m^3
of freshwater savings

60%
of total energy consumption from renewable sources

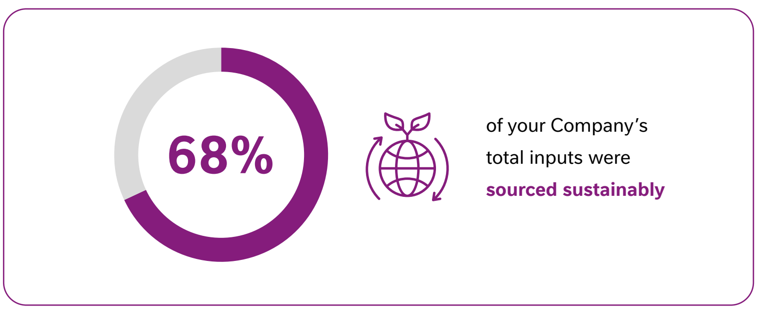
2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, your Company has established a robust framework for sustainable procurement, designed to ensure that practices across the supply chain are aligned with its global standards on ethics and responsible business conduct. Your Company's selection process is anchored in the Nestlé Responsible Sourcing Core Requirements, a set of non-negotiable standards that mandate integrity across human rights, labor practices, occupational health, and environmental stewardship. To further validate impact, your Company prioritizes agricultural commodities that adhere to premier international benchmarks, including 4C for Coffee, Bonsucro for Sugar, RSPO (Roundtable on Sustainable Palm Oil) for Palm Oil, and Rainforest Alliance for Cocoa.



2. b. If yes, what percentage of inputs were sourced sustainably?

In the reporting period, 68% of your Company's total inputs were sourced sustainably, reflecting continued focus on transitioning towards a sustainable, responsible and resilient value chain. This achievement is anchored in the Nestlé Responsible Sourcing Core Requirements, which mandate strict adherence to sourcing guidelines across tiers of your Company's supply chain. Beyond compliance, your Company has continued to increase its sourcing from certified commodities—including RSPO-certified Palm Oil, 4C Coffee, Bonsucro for Sugar and Rainforest Alliance Cocoa. Your Company's progress this year is characterized by the scaling of Regenerative Agriculture pilots and enhanced digital traceability, ensuring that its procurement practices not only mitigate risk but actively contribute to soil health, water security, and the socio-economic empowerment of its farming communities.



3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life for the following:

Your Company is committed to advancing towards a future where none of its packaging ends up in landfills. This ambition is guided by a circular economy approach, anchored in the reduce–reuse–recycle–recover hierarchy, and aligned with national regulations and global best practices.

Reduce: Your Company continued to focus on lowering virgin plastic consumption through optimized packaging design, source reduction, and value engineering initiatives. These efforts included measures such as downsizing coffee sachets, the continued use of thermoformed cups for MAGGI Cuppa, and the introduction of recycled content in secondary packaging. Collectively, these actions reduce material intensity while maintaining product safety and quality.

Recycle: Your Company actively encourages the integration of recycled materials in its packaging wherever it is technically feasible and legally permitted. Your Company's efforts include the continued use of 50% recycled polyethylene (PE) in coffee secondary bags, 30% recycled PE in ketchup shrink films, 100% recycled PET (Polyethylene terephthalate) in coffee secondary containers, and 70%–100% recycled PET in chocolates and confectionery (C&C) secondary containers. These initiatives play a vital role in strengthening recycling markets and reducing reliance on virgin materials. Your Company remains committed to identifying additional opportunities to further increase recycled content, while consistently ensuring compliance with food safety, quality, and regulatory standards.

Recover / Extended Producer Responsibility (EPR): Having achieved plastic neutrality in 2020, your Company has maintained this status throughout the reporting period via active engagement with Central Pollution Control Board (CPCB)–authorized vendors and approved recovery channels. Adhering to EPR targets on collection and processing (recycling and end of life), your Company responsibly managed approximately 25,000 MT of plastic packaging. These targets were met with successful collaboration between CPCB authorized plastic waste processors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. Extended Producer Responsibility (EPR) is a core pillar of your Company's commitment to environmental stewardship. Your Company's waste collection plan is fully aligned with the EPR guidelines set out by the Central Pollution Control Board (CPCB). Your Company continues to lead by example, having achieved 100% collection and management of plastic packaging used since 2020. This is executed for all categories of plastic by engaging with registered CPCB waste processors across India. Beyond regulatory compliance, your Company integrates a strong social dimension into its waste management strategy through the CSR Project Hilldaari, in partnership with the Plan Foundation. This initiative streamlines waste systems in 10 key tourist destinations, including the recent addition of Shimla in 2026. Your Company's approach creates a holistic ecosystem that extends its efforts with its communities:

Diversion from Landfills: By supporting Urban Local Bodies (ULBs), Project Hilldaari has diverted over 14,000 MT of waste away from landfills in the reporting period.

Empowering Sanitation Workers: Your Company recognizes sanitation workers as the backbone of the EPR value chain. In the reporting period your Company has engaged over 1,500 workers through training sessions. These sessions focused on occupational safety, improved collection methods, and providing critical linkages to government welfare and benefit opportunities, ensuring that environmental targets drive inclusive social progress.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details:

S. No.	NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
-						

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
1	-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

S. No.	Indicate input material	Recycled or re-used input material to total material	
		FY 2025-26	FY 2024-25
1	rPET (recycled polyethylene terephthalate), rPE (recycled polyethylene)	2%	1.5%

4. Of the products and packaging reclaimed at end of life of products, disclose the amount (in metric tonnes) reused, recycled, and safely disposed:

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	11,509	13,549	0	14,162	10,483
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

S. No.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-	-

03 Principle:

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	2,571	2,571	100%	2,571	100%	-	-	2,571	100%	2,571	100%
Female	853	853	100%	853	100%	853	100%	-	-	853	100%
Total	**3,424**	**3,424**	**100%**	**3,424**	**100%**	**853**	**25%**	**2,571**	**75%**	**3,424**	**100%**
Other than permanent Employees											
Male	294	277	94%	286	97%	-	-	41	14%	151	51%
Female	53	44	83%	48	91%	44	83%	-	-	37	70%
Total	**347**	**321**	**93%**	**334**	**96%**	**44**	**13%**	**41**	**12%**	**188**	**54%**

Your Company is committed to the well-being of its workforce, implementing measures to ensure their health and safety. Your Company provides regular safety and skill-upgradation training, and offer programs focused on mental health, stress management, and physical wellness. Additionally, your Company strictly adheres to rigorous safety standards and certifications, thereby fostering a safe and supportive work environment. Recognizing the integral role that physical health plays in overall wellness, your Company ensures that employees have access to resources, programs, and facilities aimed at promoting a healthy lifestyle. Your Company conducts regular awareness sessions addressing overall well-being, alongside strengthening its policies to promote work-life balance and incorporate wellness and self-care days in leave policies, thus helping employees to prioritize personal health.

Additionally, during the reporting period, your Company took steps forward in how we understand, address, and lead on mental health. The year marked a clear shift, from raising awareness to building capability. Mental health awareness workshops were organized across the organization, reaching frontline employees, sales and nutrition teams, and leadership forums alike. These engagements moved beyond theory, addressing real pressures faced by its people and equipping them with practical tools to recognize stress, build resilience, and seek support early.

Empowering Leadership Capability

A defining pillar of your Company's journey was the emphasis on leadership capability. Mental health capability was embedded into the First-Time Line Manager journey and reinforced through targeted sessions for branch leadership and functional heads.

1. b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	4,663	4,663	100%	4,663	100%	-	-	4,663	100%	4,663	100%
Female	269	269	100%	269	100%	269	100%	-	-	269	100%
Total	**4,932**	**4,932**	**100%**	**4,932**	**100%**	**269**	**5%**	**4,663**	**95%**	**4,932**	**100%**
Other than permanent Workers											
Male	9,279	6,332	68%	8,285	89%	-	-	0	0	1,883	20%
Female	1,175	751	64%	1,046	89%	1,046	89%	-	-	450	38%
Total	**10,454**	**7,083**	**68%**	**9,331**	**89%**	**1,046**	**10%**	**0**	**0%**	**2,333**	**22%**

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

Particulars	Current Financial Year	Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company*	0.17%	0.17%

*Includes costs of accident insurance, health insurance, maternity leave benefit, paternity leave benefit, day- care facility cost and various other initiatives undertaken to promote physical and mental well-being.

The well-being of people is a fundamental prerequisite for your Company's business success. Guided by its commitment to the well-being of people, your Company views spending on well-being as a strategic investment in organizational resilience. The holistic well-being framework is designed to address the physical, mental, and social health of its diverse workforce, ensuring that every individual is supported by a robust social safety net. Your Company's investment in well-being is structured across four strategic pillars:

1. **Physical Well-being & Preventive Healthcare**

   Your Company provides comprehensive health security through a blend of insurance and on-site care:

   - Medical Insurance & ESIC: Your Company ensures 100% coverage for all employees and workers. Permanent employees are covered under Group Medical and Term Life Insurance, while "other than permanent" workers are protected via ESIC or specialized third-party insurance mandates.
   - On-Site Medical Infrastructure: Your Company's manufacturing units are equipped with 24x7 occupational health centers and ambulances.
   - Annual Preventive Health check-ups are encouraged for all of your Company's permanent employees spread across Head office, Branches and Factories

2. **Mental Health & Psychological Safety:** Recognizing the modern challenges of work-life harmony, your Company has intensified its focus on mental resilience:

   - Employee Assistance Program: Your Company provides anonymous, 24x7 professional counseling services through an external partner, supporting employees and their families with stress management and emotional health.

3. **Social Support**

   - Parental Support: Your Company offers industry-leading maternity and paternity leave policies. All your Company's locations are equipped with dedicated lactation rooms and parenting support systems, such as childcare reimbursement or in house creches to assist returning parents.
   - Its factories have a well-maintained and fully functional crèche to support its employees in looking after their young children.

4. **Equity in Well-being for Value Chain Workers**

Your Company ensures that the spirit of "Good Food, Good Life" extends to its contractors and service providers:

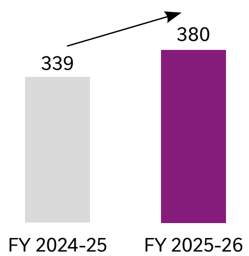
- Amenities & Safety: Your Company invests in high-quality rest areas, clean drinking water, and sanitation facilities for all workers on its premises, ensuring no disparity in basic well-being infrastructure.

INVESTING IN PEOPLE, INVESTING IN A HEALTHIER TOMORROW

In FY 2025-26, your Company's total expenditure on **employee and worker well-being initiatives** amounted to **₹380 Crores**, representing a **12% increase** over the previous year, reflecting deepened commitment to a healthy workforce.

TOTAL EXPENDITURE ON EMPLOYEE AND WORKER WELL-BEING INITIATIVES

(₹ crores)



12% INCREASE over the previous year

Reflecting **deepened commitment** to a **healthy workforce**

MENTAL WELL-BEING | PHYSICAL HEALTH | FINANCIAL WELLNESS | SOCIAL & FAMILY SUPPORT | SAFE & ENRICHING WORKPLACES

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	-	2.78%	Y	-	0.52%	Y
Others – please specify	-	-	-	-	-	-

Your Company is committed to the long-term financial resilience and holistic well-being of its workforce, ensuring that their transition into post-professional life is marked by security and dignity. This commitment is operationalized through a comprehensive suite of retirement benefits, including structured pension plans, provident fund contributions, and gratuity payments. By treating retirement planning as a core component of employee value proposition, your Company ensures that its people—its most valuable asset—are supported throughout their lifecycle, reinforcing reputation as a preferred employer.

3. Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. Your Company believes that an inclusive workplace is a fundamental pillar of its "Creating Shared Value" (CSV) philosophy and its core purpose of enhancing the quality of life for everyone. Your Company's commitment to creating a barrier-free environment is guided by the principle of "Inclusion by Design," ensuring that its premises meet and exceed the statutory requirements of the Rights of Persons with Disabilities Act, 2016.

1. Strategic Infrastructure and Universal Design: Your Company has embarked on a journey to institutionalize accessibility across its operational footprint.

    - **Flagship Locations:** Your Company's renovated Head Office in Gurugram, Haryana and the manufacturing facility in Sanand, Gujarat stand as benchmarks for inclusive design, featuring specialized restrooms, ramps, and ergonomic workstations tailored for diverse needs.

    - **Accessibility Audits:** To ensure no location is left behind, your Company conducted comprehensive external accessibility audits across all manufacturing sites and is currently ensuring infrastructure enhancements in factory locations.

2. Institutionalizing Inclusion: To transition from audit-led compliance to sustained cultural and structural transformation, your Company created a roadmap that integrates accessibility as a fundamental consideration in all upcoming renovations and greenfield projects. Your Company has successfully achieved alignment among key stakeholders to ensure that "Inclusive Design" is embedded into your Company's long-term capital expenditure planning.

3. Empowering Talent:

    The efficacy of your Company's infrastructure is reflected in the well-being of its colleagues with disabilities.

    - Dignity of Employment: Demonstrating your Company's commitment to long-term stability, ~86% of these colleagues hold permanent positions, supported by an environment that allows them to perform to their highest potential with dignity.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The weblink of the 'Equal Opportunity Policy' is available at https://www.nestle.in/jobs/equal-opportunitypolicy. With 'Respect for Diversity' being one of the core values, your Company is committed to being an equal opportunity employer.

Your Company's commitment to being an equal opportunity employer is deeply embedded in íts core value of "Respect for Diversity". Your Company believes that a truly inclusive workplace is one where every individual, regardless of their physical or sensory abilities, is empowered to thrive and contribute to its purpose of "Good Food, Good Life".

1. Policy Framework

   Your Company's Equal Opportunity Policy, formulated in accordance with the Rights of Persons with Disabilities Act, 2016, serves as the cornerstone of inclusive hiring and talent management practices. The policy outlines the commitment to providing reasonable accommodations, ensuring barrier-free access, and maintaining a workplace free from discrimination.

2. Beyond Compliance: The "Inclusion by Design" Philosophy

   Building on your Company's qualitative disclosures from previous years, your Company has transitioned from simple policy adherence to a holistic "Inclusion by Design" philosophy.

   - **Reasonable Accommodations:** Your Company focuses on providing the necessary assistive technologies and modified workstations that allow its colleagues with disabilities to perform at their peak potential with dignity.
   - **Zero-Tolerance Standard:** Your Company upholds a strict zero-tolerance policy against any form of discrimination, harassment, or exploitation, ensuring that the human rights of all individuals are protected throughout their career lifecycle at your Company.
   - **Inclusive Policies & frameworks:** Apart from the health insurance policy, your Company has also introduced an assistive aid policy which is designed to empower employees with disabilities by supporting their ability to work effectively and providing financial assistance for the acquisition of durable, scientifically designed, and modern aids and appliances.

3. Impact in Numbers: Empowering Talent

   Your Company's policy is reflected in the high levels of retention and job stability among colleagues with disabilities. Notably, 86% of your Company's PWD colleagues hold permanent positions, ensuring long-term financial security and professional growth.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	99%	94%	98%	100%
Female	81%	86%	90%	100%
Total	95%	93%	98%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Your Company has established a comprehensive and accessible Grievance Redressal framework for all employees and workers, reflecting its strong commitment to fostering an open, inclusive, and respectful workplace culture, as incorporated in the Nestlé Corporate Business Principles. This framework is designed to encourage transparency, accountability, and ethical conduct across the organisation, while ensuring that concerns and grievances are addressed in a fair and timely manner.

As part of this framework, your Company has instituted the 'Speak Up' platform, operated by a third-party, which serves as a secure and trusted channel for raising concerns. The platform is accessible not only to employees and workers, but also to other relevant stakeholders, including suppliers, vendors, and external entities associated with your Company. It enables individuals to report concerns confidentially, with the option of anonymous reporting, thereby promoting a culture where issues can be raised without fear. The 'Speak Up' mechanism plays a critical role in enabling thorough review and investigation of reported matters, supported by structured processes and responsive communication with complainants, wherever appropriate.

In addition to the 'Speak Up' platform, your Company provides multiple reporting avenues to ensure accessibility and ease of use. Employees and workers may raise concerns directly with the Human Resources function or through their immediate managers. All such grievances are systematically evaluated and addressed in line with established internal procedures to ensure consistency, fairness, and appropriate resolution.

Your Company is committed to conducting impartial, objective, and confidential investigations into all reported grievances, supported by safeguards to protect individuals from any form of retaliation. Confidentiality is maintained throughout the process, and matters are handled with due sensitivity and care to ensure a bias free approach.

Complaints related to sexual harassment are addressed in strict compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). Your Company has constituted Internal Committees at each of its office and factories, to inquire into and address such complaints, ensuring that cases are handled with seriousness, independence, and procedural integrity.

Your Company maintains a zero tolerance approach towards all forms of harassment, discrimination, or inappropriate conduct. It remains firmly committed to providing safe, respectful, and inclusive workplaces where all individuals can work and thrive with dignity, free from fear of harassment or unfair treatment. All grievances, including sensitive cases, are managed with the highest standards of care, confidentiality, and impartiality, reinforcing trust in the grievance redressal mechanism and your Company's ethical culture.

7. Membership of employees and worker in association(s) or Unions recognized by the Company:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No.of employees / workers in respective category, who are part of association(s)or Union (D)	% (D / C)
Total Permanent Employees	**3,424**	0	0%	**3,607**	0	0%
Male	2,571	0	0%	2,745	0	0%
Female	853	0	0%	862	0	0%
Total Permanent Workers	**4,932**	4,594	93%	**4,812**	4,730	98.3%
Male	4,663	4,416	95%	4,593	4,593	100%
Female	269	178	66%	219	137	62.6%

Your Company respects the right to freedom of association of all employees and workers, allowing them to freely associate and lawfully organize themselves into interest groups without management oversight. Your Company ensures that no employee faces discrimination for exercising this right in a lawful manner while maintaining alignment with your Company's core values. In doing so, your Company fosters an inclusive and equitable work environment that promotes trust, mutual respect and harmonious relations with employees and workers.

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2,571	2,285	89%	2,510	98%	2,745	2,568	94%	2,745	100%
Female	853	719	84%	824	97%	862	794	92%	862	100%
Total	**3,424**	**3,004**	**88%**	**3,334**	**97%**	**3,607**	**3,362**	**92%**	**3,607**	**100%**
Workers										
Male	4,663	4,581	98%	4,644	99.6%	4,593	3,994	87%	4,068	89%
Female	269	268	100%	269	100%	219	184	84%	190	87%
Total	**4,932**	**4,849**	**98%**	**4,913**	**99.6%**	**4,812**	**4,178**	**87%**	**4,258**	**88%**

Your Company recognizes that the agility and resilience of its business are direct reflections of the competency and growth mindset of its people. Your Company has transitioned from traditional training models to a holistic “Ecosystem of Continuous Learning.” Its focus remains on equipping its 19,000+ strong workforce with the digital, technical, and behavioral fluencies required to navigate an evolving FMCG landscape while upholding its commitment. Your Company’s strategic training framework is anchored in four core dimensions:

1. Operational Excellence: The "Arohan" and VR Frontier

Your Company’s manufacturing facilities remain the heart of its operations. Your Company is making efforts to revolutionize shop-floor capability through:

- **Arohan:** Designed for the factories by the factories, this specialized Employee Relations (ER) capability program strengthens the "negotiation and change management muscles" of your Company’s site leaders, fostering a harmonious and productive industrial environment.
- **Operations Capability Development Center (OCDC):** In a first-of-its-kind move, your Company has launched capability development centers and programs like Naipunya – skilling MAGGIcal people of MAGGI & Chocolate University focused on building category expertise of employees. These development centers leverage Virtual Reality (VR) and Augmented Reality (AR) to build functional competencies, offering a safe, immersive, and high-fidelity environment where employees can develop expertise in complex technical tasks prior to implementation on the shop floor.
- **Functional Capability Building:** Through training sessions and workshops aimed at improving skills in product and process mastery, Safety, Quality, TPM, and Problem Solving. Most of these programs are conducted by internal trainers, working together with external vendors and suppliers.

2. **Strategic Leadership & Mentorship**

Your Company believes in nurturing talent from within to build a robust leadership pipeline.

- **Nestlé Impact Leaders Program:** In response to evolving workforce dynamics and leadership requirements, your Company launched the Nestlé Impact Leaders programme, a strategic initiative aimed at developing future-ready leaders. The programme focuses on enabling leaders to transition from "good" to "great" by fostering psychological safety, innovation, and coachability, while reinforcing the values of Purpose, Agility, Empathy, and Respect. Spanning eleven months, the programme combined individual and cohort-based learning for selected leaders through immersive experiences, including inclusion, sustainability, and innovation-led engagements. Delivered in partnership with leading external experts, the programme integrated diagnostic assessments, multi-source feedback, and personalized coaching to drive sustained leadership impact across your Company.
- **Relationship-Based Development:** To further strengthen leadership capability and talent development, your Company continued to scale its Mentoring Network, a structured platform designed to enable knowledge sharing, career guidance and accelerated development across your Company. The initiative connects employees with experienced leaders through purposeful mentoring relationships, fostering cross-functional learning, inclusion and professional growth.
- **Women in Leadership:** As part of its commitment to diversity, this organisation-wide initiative focuses on cultivating a robust pipeline of female leaders, providing them with the sponsorship and skill sets required for senior management roles.
- **Lumos - Development Center:** A curated programme aimed to nurture future leaders for key roles in Manufacturing by identifying and addressing development gaps for hi-potential employees.

3. **Mandatory Excellence: Safety, Ethics, and Human Rights**

Training is also a vehicle for reinforcing your Company's values and ensuring 100% compliance. Every employee and worker undergoes mandatory safety inductions and periodic refresher courses on high-hazard tasks, ensuring its "Zero Harm" ambition is a lived reality.

Ethical Conduct: 100% of your Company's permanent employees receive training on the Nestlé Code of Business Conduct and Anti-Bribery/Corruption policies.

Human Rights: Your Company conducts specialized awareness sessions on Prevention of Sexual Harassment (POSH) and human rights due diligence to ensure a respectful and inclusive workplace.

INVESTING IN PEOPLE,

Investing in People. Building Capabilities.

Total Training Hours
164,000+
Hours

Average Training Hours per Employee
17.5
Hours

Reflecting increased focus on
learning engagement
over the years.

4. **Digital Democratization: AIenstein and GROW**

Your Company is demystifying technology to ensure no employee is left behind in the digital age:

- **AIenstein:** This "EveryDay AI" capability program was launched to embed artificial intelligence into the daily workflows of employees, enhancing efficiency and data-driven decision-making.
- **GROW (LXP):** Your Company has introduced the GROW Learning Experience Platform (LXP), a self-paced, individualized portal that allows employees to curate their own learning journeys, ensuring that development is personal, relevant, and continuous.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	%(D / C)
Employees						
Male	2,590	2,564	99%	2,615	2,612	99.9%
Female	864	844	98%	812	806	99.3%
Total	**3,454**	**3,408**	**99%**	**3,427**	**3,418**	**99.7%**
Workers						
Male	4,663	4,566	98%	4,519	4,145	92%
Female	269	268	100%	226	221	98%
Total	**4,932**	**4,834**	**98%**	**4,817**	**4,366**	**91%**

The Performance Development Planning (PDP) cycle for the organization is calendar year (January to December). As performance philosophy, only Employees who have spent any time in your Company in a calendar are included in the performance (PDP) cycle. Hence, the BRSR base Data (for the PDP cycle question only) only counts Employees who are in system as on December 2025.

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10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. At your Company, the safety and health of its people is a non-negotiable priority and a core pillar of its operational excellence. It believes that every accident is preventable, and it strives every day toward its ambition of "Zero Harm." Building on last year's foundation, the OHSMS has further evolved from a compliance-led framework to a risk-based, people-centric and prevention-first system, embedding safety as a core organizational value across operations and decision-making processes. The system is designed to proactively identify, assess and eliminate occupational health and safety risks, prevent work-related injuries and illnesses, and continuously improve safety performance through strong governance, leadership accountability and employee participation.

1. **Scope and Comprehensive Coverage:** Your Company's OHS Management System covers 100% of its permanent employees and workers across all nine manufacturing units, corporate office, and sales offices. This system extends beyond direct employees to include third-party contractors and service providers operating within the premises, ensuring a unified standard of safety for everyone under its care.

2. **Standards and Certifications:** The foundation of your Company's OHS system is based on the internationally recognized ISO 45001:2018 standard. All manufacturing locations are certified, ensuring that processes—from Hazard Identification and Risk Assessment (HIRA) to incident investigation—meet global benchmarks. Your Company views these certifications not as a destination, but as a baseline for its continuous journey toward safety maturity.

3. **Proactive Risk Management & "Safety by Design":** Your Company has transitioned from a reactive safety culture to one of proactive prevention.

   - **Hazard Identification:** Your Company's HIRA process is dynamic, involving regular walk-throughs and "Safety Gemba" sessions where leadership and shop-floor teams collaborate to identify potential risks before they lead to incidents.

   - **Safety Committees:** At each site, your Company has functional Safety Committees with equal representation from management and workers. These committees act as the voice of the shop floor, ensuring that safety interventions are practical, inclusive, and effective.

4. **Strengthening the Safety Culture:** Your Company recognizes that systems are only as effective as the people who operate them.

   - **Behavior-Based Safety (BBS):** Your Company continues to invest in BBS programs that encourage employees to look out for one another. Through its "Safety Champions" initiative, your Company recognizes individuals who demonstrate exemplary safety leadership.

   - **Continuous Capability Building:** Your Company provides regular, specialized training on high-risk activities, emergency response, and ergonomic wellness.

10. b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Your Company's approach to hazard identification and risk assessment (HIRA) is built on the belief that "Zero Harm" is achievable through a culture of collective vigilance. Your Company utilizes a multi-layered, risk-based methodology integrated within the Nestlé Management System (NMS) and the Safety, Health, and Environmental (SHE) framework. These processes are designed to identify potential hazards at their source and implement the hierarchy of controls to mitigate risks before they escalate.

The processes for routine and non-routine risk assessment include:

1. **Comprehensive Hazard Identification and Risk Assessment (HIRA):** The cornerstone of your Company's safety strategy is the HIRA process, which is applied across all nine manufacturing units and administrative offices.

    - **Routine Activities:** Every operational process undergoes a systematic HIRA to identify physical, chemical, and ergonomic hazards. These assessments are not static; they are reviewed annually or whenever a change in the process occurs to ensure they reflect the current operating environment.

    - **Non-Routine Activities:** For tasks that fall outside standard operations—such as annual maintenance, equipment breakdowns, or facility upgrades—your Company mandates a Task Risk Assessment (TRA). No non-routine task is permitted to commence without a specific "Permit to Work" (PTW) that outlines the identified risks and required precautions.

2. **"Safety Gemba" and Worker-Led Observations:** Your Company believes that those closest to the work are best positioned to identify risks.

    - **Safety Gemba Walks:** Leadership teams regularly conduct Gemba walks on the shop floor to engage with workers, observe practices in real-time, and identify latent hazards.

    - **Behavior-Based Safety (BBS):** Employees are encouraged to perform peer-to-peer observations, which fosters a "No Blame" culture where the focus is on correcting unsafe behaviors and reinforcing safe ones.

    - **Near-Miss Reporting:** Your Company has institutionalized a robust near-miss reporting system. Every "near-miss" is treated as a free lesson, followed by a Root Cause Analysis (RCA) to prevent potential future incidents.

3. **Management of Change (MoC) and PSSR**

    To manage the risks associated with transitions and innovations:

    - **MoC Protocol:** Any change in personnel, machinery, or processes triggers a formal Management of Change review to assess the impact on the existing safety profile.

    - **Pre-Startup Safety Review (PSSR):** Before any new or modified equipment is commissioned, a multidisciplinary team conducts a PSSR to ensure that all safety interlocks and controls are fully functional.

4. **Digital Transformation in Safety**

    - **Occupational Health Surveys:** Beyond physical safety, your Company conducts periodic Industrial Hygiene (IH) surveys to monitor noise levels, illumination, and air quality, ensuring a healthy working environment on a routine basis.

10. c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Your Company has institutionalized robust mechanisms that not only encourage the reporting of hazards but also grant every worker the fundamental right to withdraw from unsafe situations. Your Company's approach is built on the following pillars:

- **Multi-Channel Reporting Ecosystem:** To facilitate the proactive identification of risks, it provides accessible platforms for reporting Unsafe Conditions and Unsafe Acts (UCUA). This includes:

    - Digital Reporting Tools: Leveraging tech enabled tools like- Digital Manufacturing operations, Asset & Maintenance Management tool, etc.

    - Near-Miss Framework: Your Company treats every "near-miss" as a vital learning opportunity. These are systematically recorded and investigated via Root Cause Analysis (RCA) to implement corrective actions before an incident occurs.

- **Inclusive Safety Governance:** Your Company's factory-level Safety Committees, which comprise equal representation from management and workers, serve as a dedicated forum to review reported hazards. This ensures that the voices of those closest to the operations are central to risk-mitigation strategies.

- **Psychological Safety and Culture:** Through its Behavior-Based Safety (BBS) programs, such as striving to foster an environment where speaking up is celebrated. Your Company conducts regular "Toolbox Talks" to reinforce the message that the right to remove oneself from risk is absolute and supported by leadership at every level.

10. d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Your Company believes that health extends far beyond the absence of workplace injuries; it encompasses the physical, mental, and social vitality of its employees and their families. Your Company provides comprehensive access to non-occupational healthcare services, ensuring a safety net that supports its workforce in their daily lives. Its healthcare ecosystem is built upon the following pillars:

- **Comprehensive Medical Insurance:** Your Company provides robust Group Medical Insurance coverage to all permanent employees. This benefit extends beyond the individual to include dependents (spouse and children), providing financial security against unforeseen medical emergencies and planned hospitalizations.

- **Statutory Social Security (ESI):** In line with your Company's commitment to 100% inclusion, workers covered under the Employees' State Insurance (ESI) Act have seamless access to a vast network of ESI hospitals and dispensaries for full-spectrum medical care, ranging from primary consultation to specialized treatments.

- **On-Site Health Infrastructure:** All nine manufacturing units and the corporate office is equipped with Occupational Health Centres (OHCs) staffed by qualified medical professionals. While designed for addressing workplace safety and health issues, these centers serve as a primary touchpoint for non-occupational ailments, providing immediate consultation, first aid, and health advisory services to all personnel on-site.

- **Holistic Wellness and Mental Health:** Recognizing the importance of emotional well-being, we have institutionalized the Employee Assistance Program (EAP). This provides 24/7 confidential counseling and mental health support for employees and their families to navigate personal and professional challenges.

- **Preventive Care Initiatives:** Your Company actively promotes a culture of prevention through:

    - Annual Health Check-ups: Organized for employees to facilitate early detection of lifestyle-related risks.

    - Wellness Campaigns: Periodic sessions on nutrition, stress management, and chronic disease prevention (e.g., diabetes and hypertension) conducted by medical experts.

11. Details of safety related incidents:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.51	0.23**
	Workers	0.28	0.17**
Total recordable work-related injuries	Employees	6	5
	Workers	22	22
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	0

*Including contract workforce

** During the current year, there has been a change in the method of bifurcation of total working hours between workers and employees and hence comparative numbers have also been updated.

12. Describe the measures taken by the entity to ensure a safe and healthy work place:

Your Company's commitment to a safe and healthy workplace is an extension of its purpose—"Good Food, Good Life." Your Company operates under the unwavering conviction foster a culture where "one accident is one too many." Your Company's approach goes beyond simple compliance, aiming to proactively identify, assess, and mitigate risks through a combination of global standards, rigorous engineering, and a people-centric safety culture.

To ensure the highest standards of protection for its employees and workers, the following measures are institutionalized across your Company's operations:

- **Certification and Audits:** Your Company maintains ISO 45001:2018 certification across all manufacturing sites, ensuring a globally recognized Occupational Health and Safety Management System. This is augmented by CARE audits, incorporating elements of SA 8000 to ensure social and labor excellence alongside physical safety.
- **External and Internal Rigor:** Your Company subjects its facilities to the Zurich Risk Assessment, conducted by accredited third parties, to evaluate and manage residual risks. This is complemented by its internal Functional Compliance Assessments and market-level site reviews to ensure safety management systems remain robust and effective.
- **Safety by Design and Capital Excellence:** Your Company ensures that safety is "baked in" from the outset. Your Company's Capital Investment Projects undergo strict safety reviews, and it employs Early Management principles to ensure optimum workplace design and ergonomic practices, eliminating hazards at the blueprint stage.
- **High-Hazard and Machinery Safety:** Your Company implements specialized protocols for the Management of High-Hazard Tasks and maintains a Robust Machinery Safety Programme. It has externally accredited and trained SMEs at every site for machinery safety. These initiatives ensure that critical risks—from electrical isolation to machine guarding—are controlled through a combination of engineering interlocks and strict administrative protocols.
- **Strategic Partner Governance:** Through its Contractor Management Programme, your Company extends its safety umbrella to its value chain partners, ensuring that third-party workers operate under the same high standards of protection as permanent employees.
- **Operational Excellence through TPM:** Your Company leverages the Total Performance Management (TPM) to integrate safety into the daily rhythm of the shop floor, driving continuous improvement in both productivity and protection.
- **Engagement and Capability Building:** Your Company believes that a safe workplace is built by empowered people. Your Company drives high-impact Engagement and Communication Campaigns to keep safety top-of-mind. This is supported by Task-Specific Trainings and Coaching, ensuring that every individual possesses the technical competency and the "safety-first" mindset required for their specific role.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	-		NIL	-	
Health & Safety	1	Resolved		NIL	-	

14. Assessments for the year:

Your Company's sites (factories and offices) adhere to ISO standards for Occupational Health and Safety (ISO 45001:2018), Environmental Management (ISO 14001:2015), and Quality Management (ISO 9001:2015), ensuring compliance with safe working conditions as part of the Safety, Health, and Environment (SHE) system. Accredited third parties regularly assess these sites to validate ISO certification requirements and we maintain an integrated Management system certificate.

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

Presented below are examples illustrating corrective actions implemented to address safety-related incidents:

Significant Risk – Pedestrian-MHE (Material Handling Equipment) interface on site - Many areas have shared spaces where vehicles and pedestrians co-share the space, creating collision risks.

Solution: Facility risk assessments are conducted to identify shared areas and implement requisite controls by following Hierarchy of Safety controls. Furthermore, the defined actions are implemented as per the agreed timelines.

Significant Risk - Management of large capital investment projects.

Solution: Your Company implemented world-class ring lock system scaffolding for safe civil work, created method statements for high-risk tasks, and hired dedicated safety professionals to enforce strict Safety & Health protocols.

Significant Risk- Driving on roads for business purpose, since the employee travel using their own vehicles / public transports / by company provided vehicles.

Solution: Your Company provides defensive driving and awareness training for sales employees, and has established clear road travel policies. Over and above, sales employees receive regular safety communications through dedicated handheld devices, to ensure safety is top of their minds.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes (for both Employees and Workers). Your Company remains steadfast in its commitment to providing a robust social safety net that ensures the long-term financial resilience and dignity of the families of its workforce. Your Company views these measures not as a mere contractual obligation, but as a core component of its Employee Value Proposition (EVP), ensuring that the "Nestlé family" bond extends beyond employment.

In the unfortunate event of the demise of an employee or worker, your Company provides a multi-layered compensatory package. This includes the Loss of Life Benefit, which provides the next of kin with two years' gross/ base salary, ensuring immediate financial stability. This is supplemented by high-sum insured coverage under the Group Term Life and Personal Accident Insurance policies. For its workers, it ensures seamless integration with statutory benefits such as the Employees' Deposit Linked Insurance (EDLI) and ESIC, often providing top-up covers to bridge gaps in security. A distinctive benchmark in its reporting is the Neshield Policy, which offers holistic care through continued educational support for children and hospitalization coverage for the bereaved family, ensuring that their future remains secure.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:

Your Company has established robust systems, contractual safeguards, and audit mechanisms to ensure timely and full deposit of statutory dues by service providers for their employees. Statutory compliance requirements are embedded in agreements across factories, branches, distribution centres, and co manufacturers, and are monitored through periodic internal and independent audits to ensure sustained compliance and risk mitigation.

3. Provide the number of employees or workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in EI-11 above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	1	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, your Company provides transition assistance to facilitate continued employability in specific cases based on defined applicability criteria through an external service provider. The offering covers different aspects and provides access to resources such as coach/consultant/online tools.

5. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	86%
Working Conditions	86%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

Your Company has institutionalized a resilient and structured framework for supply chain oversight, ensuring that the results of independent Responsible Sourcing (RS) audits are translated into measurable operational improvements. By leveraging a global network of specialized audit agencies, your Company maintains a protocol where value chain partners are mandated to implement time-bound corrective actions for any identified observations. This process is actively monitored by your Company's internal compliance teams to ensure sustained adherence to its standards of business integrity.

04 Principle:

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

Your Company defines its strategic stakeholders as those individuals and entities both impacted by its operations and possessing the agency to influence its trajectory. Your Company have institutionalized a culture of proactive transparency, maintaining accessible communication channels that ensure stakeholder concerns are not only heard but effectively integrated into its decision-making. Through a diverse ecosystem of engagements—including structured meetings, collaborative workshops, and industry events—it fosters a climate of mutual respect and collective action. Recognizing the unique priorities of each group, we utilize these interactions to gain invaluable insights that validate organizational performance while surfacing fresh perspectives on emerging challenges and market opportunities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement
1	Consumers	No	Multi-channel digital ecosystem (Websites, Email), targeted awareness campaigns, and consumer care helplines.	Continuous & Need-based.	Your Company engages with consumers to build awareness about its products, including usage ideas and recipes, nutritional information, ingredients, and other relevant details to enable informed consumer choices.
2	Farmers	Yes	On-field interactions, SMS alerts and structured training sessions.	Dynamic / Need-based.	Your Company engages directly and indirectly with dairy, coffee, spice, and other farmers across its value chain to promote good agricultural practices. Through focused training and awareness initiatives, your Company supports farmers in producing safe, high quality raw materials while strengthening farm sustainability, productivity, and resilience.
3	Distributors, Trade Partners & Suppliers	No	Collaborative business reviews, specialized meetings, and digital communication platforms.	Continuous / Need-based.	Your Company actively engages with distributors, retailers, stockists, suppliers, and other trading partners, and values their continued cooperation and support across its value chain.
4	Trade Unions	No	Formal collective bargaining forums, email, and localized consultative meetings.	Dynamic / Need-based.	Your Company facilitates transparent dialogue to ensure manufacturing continuity, workplace safety, and a culture of mutual respect with its workforce.
5	Government & Regulatory Bodies	No	Science-based policy consultations, representation in technical committees, and official correspondence.	Dynamic / Need-based.	Your Company engages proactively with food regulators and government authorities to advance science based regulations that protect consumer health, improve operational efficiency, and strengthen best practices across food processing.
6	Industry Associations	No	Active participation in forums, workshops, and joint advocacy initiatives.	Continuous / Need-based.	Your Company collaborates with industry associations to promote aligned policy positions with regulators and stakeholders across food regulation, environment, plastic packaging, governance, compliance, corporate law, and societal issues.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement
7	Academia & Experts	No	Research collaborations, specialist panels, and technical knowledge-sharing workshops.	Dynamic / Need-based.	Your Company collaborates with academic experts and stakeholders to apply specialised knowledge and expert insights in societal initiatives that deliver positive impact.
8	NGOs & Civil Society	No	Project committees, on-ground implementation partnerships, and consultative meetings.	Continuous / Need-based.	Your Company collaborates with NGOs to deliver CSR programmes spanning nutrition, WASH, education, livelihoods, environmental sustainability, feeding support, rural development, and disaster response. These partnerships emphasize robust implementation, outcome based delivery, positive community impact, responsible fund utilization, and compliance with CSR policies and regulatory requirements.
9	Employees	No	Internal digital portals, feedback surveys, town halls, and professional development workshops.	Continuous / Need-based.	Your Company engages proactively with employees to foster satisfaction, diversity and equal opportunity, health and safety, continuous skill development, learning and development, and overall organizational effectiveness.
10	Communities	Yes	Direct community outreach, participatory meetings, and localized impact assessments.	Dynamic / Need-based.	Your Company engages with communities to improve lives and livelihoods, driving positive and sustainable social impact.
11	Media	No	Press releases, media briefings, brand campaigns, and transparent response to queries.	Dynamic / Need-based.	Your Company engages proactively with the media to communicate its brand and corporate campaigns, as well as key initiatives undertaken across the organisation, while also addressing media queries in a timely and transparent manner.
12	Investors & Shareholders	No	Annual General Meetings (AGM), institutional investor meets, Annual Reports, and quarterly disclosures.	Periodic & Need-based.	Your Company maintains regular engagement with investors to communicate business and financial performance, strategic direction, and initiatives that have a direct or indirect bearing on the Company's long term value and share performance.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

Your Company views stakeholder engagement as a vital strategic catalyst for deepening dialogue and refining its understanding of the evolving business and societal landscapes. By actively participating in diverse multi-stakeholder platforms focused on economic, environmental, and social (ESG) priorities, your Company secures the insights necessary to drive collective progress and maintain its social license to operate.

These findings are systematically shared with the Board of Directors, ensuring that the leadership remains attuned to the expectations of the ecosystem. Through the specialized oversight of the CSR Committee and the Risk Management and Sustainability Initiatives (RMSI) Committee, the Board reviews, monitors, and provides the strategic direction required to fulfill its social responsibility commitments and scale its sustainability impact across the value chain.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Stakeholder engagement at your Company is the strategic pulse that aligns its purpose with the evolving expectations of society. Your Company has institutionalized a collaborative ecosystem where dialogue is a continuous, systematic process designed to identify emerging risks and co-create sustainable solutions. By leveraging specialized external platforms and global expertise, it ensures that the Environmental, Social, and Governance (ESG) roadmap is both scientifically rigorous and socially inclusive.

To maintain transparency and trust, your Company has deployed robust systems to identify, prioritize, and resolve stakeholder concerns equitably across all business functions. This structured approach ensures that feedback is translated into actionable policy changes and operational improvements. Select examples of how stakeholder inputs have been incorporated into your Company's policies and activities are presented below:

- **Consumers:** Your Company has pioneered tech-enabled feedback ecosystems that transform real-time consumer sentiments into actionable product and packaging improvements.
- **Communities:** Beyond enhancing school attendance through girl-child sanitation projects, your Company demonstrated organizational agility by expanding these facilities to include provisions for persons with disabilities (PwDs), directly responding to community-led feedback on universal accessibility.
- **Industry Leadership:** Your Company has played a catalytic role in strengthening Extended Producer Responsibility (EPR) under the PWM Rules, 2016, and subsequent amendments. Your Company has actively participated in stakeholder consultations convened by the MoEFCC, CPCB, and FSSAI, working with policymakers and industry stakeholders toward the shared goal of achieving circularity.
- **Media Transparency:** Your Company engages the media to communicate and inform them about its sustainability initiatives. Your Company also engages the media reactively to address their queries across the spectrum. As a part of proactive media engagement, your Company highlighted its partnership with a partner – RICRON Panels. Your Company supported Ricron Panels set up its washing line, which would in turn help them with better quality of 'recyclate' – the raw material for the recycled panels. The collaboration will lead to a reduction of 100,000 tonnes of emissions over next five years and aid plastic circularity. This was communicated in the major media hubs in the region – Bhopal, Raipur and Indore.

Your Company also highlighted its NESCAFÉ Plan in World Food India – the biggest industry-event for food and beverage companies in the country. Your Company's pavilion showcased the entire coffee value chain – starting from the coffee farms of Karnataka to the coffee that reaches the end-consumer. It also highlighted the Company's efforts in promoting sustainable coffee cultivation and advanced agronomic practices.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

Your Company is deeply committed to addressing the evolving needs of the community through a portfolio of societal initiatives that prioritize systemic empowerment and inclusive growth. Beyond product quality, your Company enhance the livelihoods of street food vendors through Project 'Serve Safe Food,' where street food vendors are provided food safety & hygiene training and are also given hygiene kits—including specialized cloths for carts and utensils—based on direct feedback from vendors. To drive large-scale behavior change in marginalized areas, Project Jagriti utilizes relatable communication like street plays and comic stories delivered in local dialects.

05 Principle:

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the Company:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	%(B / A)	Total(C)	No. of employees / workers covered (D)	%(D / C)
Employees						
Permanent	3,424	3,306	97%	3,607	2,292	64%
Other than permanent	347	305	88%	312	170	54%
Total Employees	**3,771**	**3,611**	**96%**	**3,919**	**2,462**	**63%**
Workers						
Permanent	4,932	1,366	28%	4,812	3,618	75%
Other than permanent	10,454	9,826	94%	7,519	6,452	86%
Total Workers	**15,386**	**11,192**	**73%**	**12,331**	**10,070**	**82%**

2. Details of minimum wages paid to employees:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	%(C / A)		No.(E)	% (E /D)	No.(F)	% (F /D)
Employees										
Permanent										
Male	2,571	-	-	2,571	100%	2,745	-	-	2,745	100%
Female	853	-	-	853	100%	862	-	-	862	100%
Other than Permanent										
Male	222	12	5%	210	95%	255	-	-	255	100%
Female	38	2	5%	36	95%	57	-	-	57	100%
Workers										
Permanent										
Male	4,663	-	-	4,663	100%	4,593	-	-	4,593	100%
Female	269	-	-	269	100%	219	-	-	219	100%
Other than Permanent										
Male	8,286	2,982	36%	5,304	64%	6,913	3,653	53%	3,260	47%
Female	1,046	201	19%	845	81%	606	284	47%	322	53%

The minimum wage, health benefit, associated insurance (health, accident), maternity and paternity benefit as well as Day care do not apply to the cadre: apprentice, apprentice trainee, ITI trainee, NAPS (National Apprenticeship Promotion Scheme) trainee, graduate apprentice trainee. As per statutes, they are not eligible for 'wage' as they are earning stipend, and not defined as worker under any scheme Industrial Disputes Act or CLA (Contact Labor Abolition) Act. The headcount is not separately included for these sections since they are, per law, not included in purview.

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Amount in ₹)	Number	Median remuneration/ salary/ wages of respective category (Amount in ₹)
Board of Directors (BoD)	3	42,092,170	-	-
Key Managerial Personnel	1	20,964,981	-	-
Employees other than BoD and KMP	2,580	2,070,014	863	1,569,093
Workers	4,668	1,009,728	267	371,126

3. b. Provide information on Gross wages paid to females by the entity:

Particulars	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	16%	15%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, your Company has a clearly defined focal point responsible for addressing human rights impacts or concerns that may be caused or contributed to by the business and raised by internal employees or contractors. The Compliance Officer serves as the designated focal point for receiving, reviewing, and overseeing the resolution of reported human rights–related concerns. Your Company provides multiple accessible and confidential reporting channels through its ‘Speak Up’ platform, which enables employees and contractors to raise human rights concerns either via a secure web based portal or through a telephone hotline operated by an independent third party. This mechanism ensures a safe, confidential, and trusted avenue for individuals to voice concerns without fear of intimidation or retribution. Your Company’s Code of Business Conduct strictly prohibits retaliation against anyone who reports concerns in good faith. All complaints received are assessed and investigated through a structured and impartial process, with appropriate remedial or corrective actions taken wherever required. The process is designed to uphold fairness, confidentiality, and respect for all parties involved.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

Your Company has institutionalized an ethical oversight ecosystem that ensures every human rights-related concern, regardless of its origin, is captured and addressed with unwavering diligence. By integrating grievances received through informal channels—such as correspondence, digital communications, or social media—into the centralized ‘Speak Up’ case management module, your Company maintains a singular, transparent record of accountability that extends across value chain, including suppliers and vendors. This structured Grievance Redressal Protocol is fortified by a multi-layered verification strategy, encompassing internal audits, specialized CARE audits, and external governance assessments that report directly to the Audit Committee of the Board. Supported by a non-negotiable "Zero-Retaliation" policy enshrined in the Nestlé Code of Business Conduct, your Company empowers its workforce and partners to act as custodians of its values, ensuring that every identified issue serves as a catalyst for thorough investigation and decisive corrective action.

6. Number of Complaints on the following made by employees and workers:

At your Company, the prevention of sexual harassment is a non-negotiable cornerstone of its “Respect for Diversity” core value and the overarching commitment to Creating Shared Value (CSV). Ensuring a safe, respectful, and inclusive environment is fundamental to your Company’s purpose of “Good Food, Good Life”. Your Company strictly adheres to the Prevention of Sexual Harassment (POSH) Act, implementing a multi-layered Internal Committee (IC) framework across all administrative offices and nine manufacturing units to ensure localized, immediate, and bias-free redressal.

Beyond mere compliance, your Company has institutionalized a culture of safety and respect where we assure a non-judgmental platform for all individuals within the organization to report without retaliation. This is enabled through a thorough and in depth training of Internal Committee Members present at all locations. This year, your Company further intensified its impact through tiered sensitization programs including a customized refresher program for the senior leadership, ensuring that every individual, from the shop floor to the head office, is treated with the dignity and respect they deserve. In line with industry-leading transparency, we maintain a zero-tolerance stance, 100% of cases reported during the year being resolved within the statutory timeline, reflecting the "Nestlé Way" of integrity and accountability.

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	4	0		4	0	Completed within timelines
Discrimination at workplace	-	-		-	-	
Child Labour	-	-		-	-	
Forced Labour/ Involuntary Labour	-	-		-	-	
Wages	-	-		-	-	
Other human rights related issues	-	-		-	-	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	4
Complaints on POSH as a % of female employees / workers	0.2%	0.2%
Complaints on POSH upheld	4	4

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

Your Company is firmly committed to maintaining a workplace that is safe, respectful, and free from all forms of harassment, including sexual harassment. It adopts a zero tolerance approach towards any behaviour that compromises dignity, equality, or mutual respect, and actively encourages the reporting of concerns related to harassment, discrimination, or any other unwelcome or offensive conduct. In line with the provisions of the Prevention of Sexual Harassment (POSH) Act, your Company has constituted Internal Committees across locations to inquire into complaints of sexual harassment and recommend appropriate corrective and disciplinary action wherever required. The grievance redressal framework and POSH Policy incorporate robust safeguards to prevent adverse consequences for complainants, ensuring protection against victimization and retaliation.

Your Company's processes are designed to uphold fairness, confidentiality, and impartiality. All complaints are investigated through a structured, unbiased, and non judgmental process, with due regard to the rights and dignity of all parties involved, including the complainant and the respondent. Retaliation against individuals who raise concerns in good faith is strictly prohibited. Complaints may be raised with the Head of Human Resources or, where appropriate, directly with the Compliance Officer or the Managing Director, ensuring multiple accessible reporting channels. Recognizing the importance of early intervention, your Company also provides interim relief measures, where required, to prevent any negative impact on the complainant during the pendency of an inquiry. Such measures may include temporary changes in reporting structures, work arrangements, leave, or reassessment of performance expectations, in accordance with the POSH framework.

Beyond legal compliance, your Company views prevention of sexual harassment as integral to its broader commitment to ethical conduct, inclusion, and employee well being. Your Company strives to foster a workplace culture where individuals feel valued, heard, and empowered to speak up without fear. This commitment reflects your Company's core values of respect, dignity, and integrity, and its belief that a safe and inclusive workplace is essential for people to thrive and perform at their best. To reinforce awareness and prevention, your Company conducts regular training and sensitisation programmes for employees to build understanding of what constitutes sexual harassment, clarify rights and responsibilities, and ensure familiarity with reporting and redressal mechanisms.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements form part of your Company's business agreements and contracts. As an enabler to the Human Rights at Nestlé, your Company has created an enabling pillar of Policies and Control Systems which are leveraged to ensure human rights are embedded throughout the organization. It is ensured that the human rights framework is actively communicated internally and externally through mandatory trainings for the employees/contractors internally and inclusion of human rights clauses in the supplier agreements and contracts. This is further substantiated by facilitating the use of 'Speak Up' platform where such issues can be raised by employees or contractors.

10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:

Your Company follows the framework of the Nestlé CARE programme conducted every 3 years. Regular assessments help identify and address risks through comprehensive action plans, reviewed periodically at both unit and function levels. While no specific corrective actions were needed during the reporting period, preventive measures included awareness and training sessions on child labor, forced labor, sexual harassment, workplace discrimination, wage and work inequality, and reporting mechanisms.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:

Your Company continues to strengthen its grievance redressal framework, with a particular focus on addressing human rights–related concerns through the continuous refinement of its governance and business processes. A key enhancement, during the reporting period, has been the further institutionalization of the 'Speak Up' platform—an anonymous, independent, third party operated mechanism available to all internal and external stakeholders, including employees, directors, suppliers, and business partners.

To ensure greater visibility and effective categorisation, concerns relating specifically to human rights, ethics, and misconduct are now captured under a dedicated complaint category. The platform is supported by a clearly defined and robust investigation protocol, enabling timely, impartial, and consistent resolution of grievances, while ensuring protection against retaliation.

To drive awareness and accessibility, your Company periodically communicates the availability of the Speak Up mechanism through targeted awareness emails to relevant stakeholders. The Speak Up link is also hosted on the Company's website (www.nestle.in), reinforcing ease of access and transparency.

Transparency and accountability remain central to the Company's approach to governance and human rights. Grievances are regularly reviewed at appropriate management levels to identify systemic issues, strengthen preventive controls, and inform corrective actions, while maintaining strict confidentiality of complainants and cases. Where relevant, aggregated insights and outcomes are shared with internal stakeholders to support continuous improvement.

In addition, your Company has implemented focused training and sensitisation programmes for employees and key suppliers to enhance awareness of human rights standards, ethical conduct, and responsible business practices. These initiatives aim not only to strengthen grievance handling but also to embed a culture of trust, inclusivity, and ethical accountability across the value chain.

2. Details of the scope and coverage of any human rights due-diligence conducted:

The Nestlé CARE programme verifies, through independent auditors, that your Company's operations comply with the globally defined Nestlé Employee Relations Policy and the social and environmental aspects of the Nestlé Corporate Business Principles and that of local legislations. There is a defined frequency to conduct CARE audit every 3 years and the entire spectrum of human rights is covered.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. Your Company believes that an inclusive workplace is a fundamental pillar of "Creating Shared Value" (CSV) philosophy and your Company's core purpose of enhancing the quality of life for everyone. Your Company's commitment to creating a barrier-free environment is guided by the principle of "Inclusion by Design," ensuring that its premises meet and exceed the statutory requirements of the Rights of Persons with Disabilities Act, 2016.

1. Strategic Infrastructure and Universal Design: Your Company has embarked on a journey to institutionalize accessibility across its operational footprint:
   - **Flagship Locations:** Your Company's renovated Head Office in Gurugram, Haryana and its manufacturing facility in Sanand, Gujarat stand as benchmarks for inclusive design, featuring specialized restrooms, ramps, and ergonomic workstations tailored for diverse needs.
   - **Accessibility Audits:** To ensure no location is left behind, your Company conducted comprehensive external accessibility audits across all manufacturing sites and is currently ensuring infrastructure enhancements in factory locations.
2. Institutionalizing Inclusion: To transition from audit-led compliance to sustained cultural and structural transformation, your Company has created a roadmap that integrates accessibility as a fundamental consideration in all upcoming renovations and greenfield projects.
3. Empowering Talent: The efficacy of your Company's infrastructure is reflected in the well-being of its colleagues with disabilities:
   - **Dignity of Employment:** Demonstrating your Company's commitment to long-term stability, 86% of these colleagues hold permanent positions, supported by an environment that allows them to perform to their highest potential with dignity.

4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	86%
Discrimination at workplace	86%
Child labour	86%
Forced/involuntary labour	86%
Wages	86%
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at LI-4 above:

Your Company employs a structured framework with a clear process to monitor and resolve observations and actions identified in Responsible Sourcing audits conducted by external agencies. As part of corrective actions, workers are interviewed on-site to identify concerns related to child labor and wage discrepancies, ensuring these issues are addressed promptly. Specific measures are undertaken to keep value chain partners informed of your Company's commitment to upholding human rights standards, thereby mitigating any significant risks or concerns.

06 Principle:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption in Gigajoules (GJ):

Particulars	FY 2025-26 Current FY	FY 2024-25 Previous FY#
From renewable sources (GJ)		
Total electricity consumption (A)	932,995	853,569
Total fuel consumption (B)	311,601	284,699
Energy consumption through other sources (c)	1,349,100	704,185
Total energy consumed from renewable sources (A+B+C)	**2,593,696**	**1,842,453**
From non-renewable sources (GJ)		
Total electricity consumption (D)	5,099	5,044
Total fuel consumption (E)	1,752,023	2,113,814
Energy consumption through other sources (F)	0	-
Total energy consumed from non- renewable sources (D+E+F)	**1,757,122**	**2,118,858**
Total energy consumed (A+B+C+D+E+F)	**4,350,818**	**3,961,311**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/million ₹)	18.86	19.73
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/million USD)*	389.23	407.62
Energy intensity in terms of physical output (GJ/Ton)	7	7
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

#The figures of previous year have been regrouped / restated to make them comparative with those of current year wherever considered necessary, in light of the evolving guidances such as the Industry Standards Note on BRSR. The impact of such reclassification/restatement is not material to the BRSR report.

2. Indicate if any independent assessment/evaluation/assurance for energy has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

3. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Not Applicable

4. Provide details of the following disclosures related to water:

Parameter (in Kilolitres)	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year#
Water withdrawal by source [in kiloliters]		
(i) Surface water	677,922	751,913
(ii) Groundwater	1,764,681	1685,577
(iii) Third party water	316,807	228,274
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,759,410**	**2,665,764**
Total volume of water consumption (in kilolitres)	**2,405,446**	**2,240,575**

Parameter (in Kilolitres)	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year#
Water intensity per rupee of turnover (Total water consumption in kilolitres/ Revenue from operations in million ₹)	10.43	11.16
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total water consumption in kilolitres / Revenue from operations adjusted for PPP) (kilolitres/million USD)*	215.19	230.55
Water intensity in terms of physical output (kilolitres/ton)	3.7	3.7
Water intensity (optional) – the relevant metric may be selected by the entity		

* Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

#The figures of previous year have been regrouped / restated to make them comparative with those of current year wherever considered necessary, in light of the evolving guidances such as the Industry Standards Note on BRSR. The impact of such reclassification/restatement is not material to the BRSR report.

5. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

6. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres):

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
(i) To Surface water		
-- No treatment	0	0
-- With treatment- secondary	266,372	344,589
(ii) To Groundwater	-	-
-- No treatment	0	0
-- With treatment	0	0
(iii) To Seawater	-	-
-- No treatment	0	0
-- With treatment	0	0
(iv) Sent to third-parties	-	-
-- No treatment	0	0
-- With treatment- secondary	87,592	80,600
(v) Others		
-- No treatment	0	0
-- With treatment	0	0
Total water discharged (in kilolitres)	**353,964**	**425,189**

7. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

8. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, your Company operates nine manufacturing facilities, of which seven are certified Zero Liquid Discharge (ZLD) units. These facilities reuse 100% of treated effluent within the factory premises for process requirements and land or greenbelt maintenance, significantly reducing reliance on freshwater sources. Across all sites, focused efforts are underway to maximize recycling and reuse of treated process water, with the objective of progressively lowering groundwater withdrawal.

At the remaining two factories, stringent water conservation principles have been implemented to minimize freshwater consumption. Limited quantities of treated wastewater are discharged strictly in line with the Consent to Operate (CTO) conditions issued by the Central Pollution Control Board, ensuring full regulatory compliance and environmental safeguards.

Building on these practices, your Company continues to strengthen its water stewardship approach by enhancing operational efficiency, promoting water reuse, and embedding best practice water management across manufacturing operations—reflecting its commitment to responsible resource use, regulatory compliance and long term environmental sustainability.

9. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	Current Financial Year	Previous Financial Year
NOx	kgSOxe	117,605	211,911
SOx	kgSOxe	196,841*	806,382
Particulate matter (PM)	Not Applicable	NA	NA
Persistent organic pollutants (POP)	Not Applicable	NA	NA
Volatile organic compounds (VOC)	Not Applicable	NA	NA
Hazardous air pollutants (HAP)	Not Applicable	NA	NA
Others – please specify in the remark section	Not Applicable	-	-

*Note: Operationalization of biomass boilers contributed to the decrease in SOx emissions.

10. Indicate if any independent assessment/evaluation/assurance for Air emissions has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

11. Provide details of greenhouse gas emissions (Scope 1 and Scope 2) in MTCO2e:

Parameter	Unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	t CO2e	112,200	147,573
Total Scope 2 emissions Location -based (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	t CO2e	200,514*	181,638
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million ₹)	kgCO2 e/ million ₹	1,355	1,640
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP in million USD)**	tCO2 e/ million USD	27.97	33.87
Total Scope 1 and Scope 2 emission intensity in terms of physical output	kgCO2 e/t	483	548
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	kgCO2 e/t		

*Reported under location-based mechanism using CEA (Central Electricity Authority) Factors as per BRSR Guidelines. Whereas, under market-based mechanism, emissions are 16,507 which are only from Purchased Steam from Biomass Boilers.

** Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

12. Indicate if any independent assessment/evaluation/assurance for GHG Emissions (Scope 1 and 2) has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

13. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details:

Your Company is committed to the strategic decoupling of production growth from its environmental footprint through the optimal utilization of resources and mitigation of greenhouse gas (GHG) emissions across all operational touchpoints. Your Company maintains a relentless focus on enhancing operational efficiencies, ensuring that as it maximizes production volumes, it simultaneously minimizes its consumption of natural resources. Your Company's transition toward a low-carbon manufacturing ecosystem is driven by several key technological interventions:

1. RENEWABLE ENERGY INTEGRATION

To reduce the emission intensity, your Company has moved from LPG to NG which is a cleaner energy source for use in boilers and ovens at Ponda.

Your Company continues to use biomass boilers at Moga, Nanjangud, and Sanand facilities and natural gas air heaters in spray driers.

2. PROCESS OPTIMIZATION

The steam optimization in noodle lines and other process parameters optimization requiring steam further helps in driving process efficiency while reducing carbon emissions.

3. INFRASTRUCTURE EXCELLENCE

Your Company's focus extends to the energy generation phase, ensuring that all equipment is utilized at peak efficiency to conserve energy and reduce emissions.

Cleaner energy. Smarter processes. Efficient operations.

Together, we are building a low-carbon tomorrow.

14. Provide details related to waste management by the entity for the Current Financial Year:

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	3,216	2,657
E-waste (B)	149	71
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	38	51
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2,304	132
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	68,884	68,706
Total (A+B + C + D + E + F + G + H)	**74,591**	**71,617**
Waste intensity per rupee of turnover (Total waste generated in kg / Revenue from operations in million ₹)	323	357
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/million USD)*	7	7
Waste intensity in terms of physical output (kg/ton)	115.19	119.40
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	26,820	28,711
(ii) Re-used	2,803	3,249
(iii) Other recovery operations	44,968	39,657

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total	**74,591**	**71,617**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

* Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

15. Indicate if any independent assessment/evaluation/assurance for Waste has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

16. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

Your Company manages and disposes all the waste and by products complying to Central/State Pollution Control Board requirements. During the period under review, approximately 74,000 MT of waste was generated across factories. There are continuous efforts to maximize recycling and reusing of waste. The waste generated is segregated at source and sent to common collection point from where it is sent for disposal. Following are the practices that your Company has adopted for disposal of waste:

- Bottom and fly ash from solid fuel boilers is used for brick manufacturing.
- Sludge generated from wastewater treatment is used to make manure or disposed as per Central and State Pollution Control Board guidelines.

17. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Not Applicable	Not Applicable	Not Applicable

18. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

19. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Your Company's existing operations/offices comply with applicable environmental regulations and operate as per Consent to Operate (CTO) conditions issued by the Central and respective State Pollution Control Boards, from time to time.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

(i) Name of the area: Moga, Nanjangud, Sanand, Pantnagar

(ii) Nature of operations: Manufacturing

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year#
Water withdrawal by source (in kilolitres)		
(i) Surface water	598,492	664,953
(ii) Groundwater	853,650	823,091
(iii) Third party water	287,102	228,274
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	**1,739,244**	**1,716,318**
Total volume of water consumption (in kilolitres)	**1,385,280**	**1,291,129**
Water intensity per rupee of turnover (Water consumed / turnover)	6	4.88
Water intensity (optional) – the relevant metric may be selected by the entity		-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
-- No treatment	0	0
-- With treatment- secondary	266,372	344,589
(ii) Into Groundwater		
-- No treatment	0	0
-- With treatment	0	0
(iii) Into Seawater		
-- No treatment	0	0
-- With treatment	0	0
(iv) Sent to third-parties		
-- No treatment	0	0
-- With treatment- secondary	87,592	80,600
(v) Others		
-- No treatment	0	0
-- With treatment- please specify level of treatment	0	0
Total water discharged (in kilolitres)	**353,964**	**425,189**

#The figures of previous year have been regrouped / restated to make them comparative with those of current year wherever considered necessary, in light of the evolving guidances such as the Industry Standards Note on BRSR. The impact of such reclassification/restatement is not material to the BRSR report.

2. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Please provide details of total Scope 3 emissions (MTCO2E) & its intensity:

Parameter	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	-	-
Total Scope 3 emissions per rupee of turnover	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-

4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

5. With respect to the ecologically sensitive areas reported at EI-11 above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities:

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Your Company has deployed a series of targeted interventions and state-of-the-art technologies across its manufacturing landscape to optimize resource efficiency and aggressively mitigate its environmental footprint.

Fuel transition for Boiler & Ovens

Shifted from LPG to NG (cleaner energy source) for use in boilers and ovens at confectionary plant

Emissions reduction of-**1,200 tCO_2e** annually

Waste heat recovery from chillers & air heater

Deployed desuperhea ters to recover waste heat from refrigeration plant and heat recovery unit for fuel gas in air heater

Estimated savings of-**6,500 GJ** in Energy

Advanced Water Circularity: RO Polisher

Integration of an advanced polishing stage for treated water at the Nanjangud facility to enable industrial reuse

Recovery and reuse of **~117,000 m^3** of water in utilities

Water Optimization

Program "**Jal-hi-Jeevan**" at Moga driving water efficiency end-to-end in Operations leveraging digital metering and tools.

30,000 m^3 in water savings from 2025 projects

Steam Optimization

Implementation of Steam Optimization in Noodle Lines using digital tools, reducing thermal losses, and delivering notable energy and water savings

~18,000 Gigajoules in annualized energy savings

7. Does the entity have a business continuity and disaster management plan? If yes, please give details in 100 words or input web link:

Yes, your Company has Business Continuity and Crisis Management Plans to address potential disruptions. The Business Continuity Plan (BCP) ensures systems and processes are adequate to prevent and recover from threats maintaining product and service delivery at pre-defined levels after disruptions. These plans cover all operation aspects and are tested periodically.

A detailed Business Impact Analysis (BIA) addresses various risks, including IT threats, with periodic reviews of risk assessments and mitigation plans. Your Company implements a Business Continuity Plan (BCP) for critical operations to ensure smooth functioning and a Crisis Management Plan (CMP) to guide the Crisis Committee in managing crises.

The CMP addresses
three stages of crisis management:

Prepare 01
Equip teams with personnel, resources, and tools to swiftly handle crises.

Manage 02
Provide steps to ensure stakeholders receive essential information and actions during a crisis for resolution.

Improve 03
Review crisis handling to identify improvements.

The Risk Management and Sustainability Initiatives (RMSI) Committee reviews Business Continuity and Crisis Management Plans for different business activities. Your Company regularly trains personnel in effective crisis management, including handling cyber-related issues.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

Unsustainable agricultural practices can lead to adverse environmental outcomes, including soil degradation, deforestation, and biodiversity loss, while emissions across the value chain contribute to the growing challenge of climate change. These interconnected risks underscore the importance of continuous improvement in reducing environmental impacts and strengthening resilience. In this context, your Company remains committed not only to upholding its sustainability principles but also to catalyzing positive change across the wider food system.

Your Company's approach is anchored in the Nestlé Responsible Sourcing Core Requirements, which articulate clear expectations on fair treatment, respect for human rights, responsible labour practices, environmental stewardship, and health and safety.

Fair Treatment

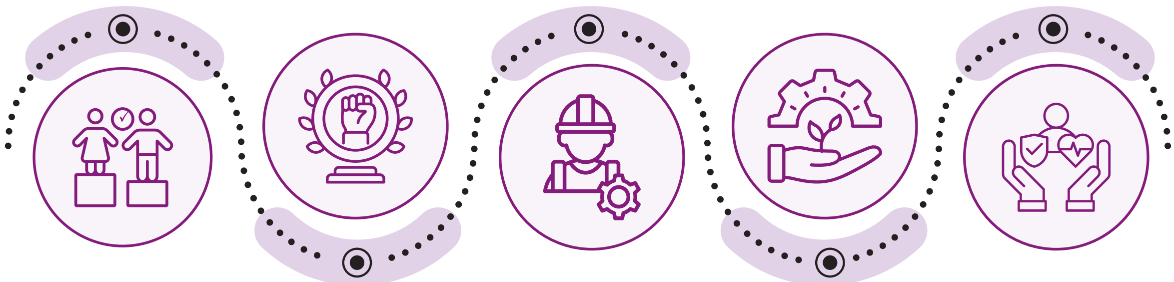
Uphold transparency in all practices.

Responsible Labour Practices

Promote fair employment, freedom of association, and safe, inclusive working conditions.

Health and Safety

Prioritize the health and safety of people in operations and communities.



Respect for Human Rights

Uphold transparency in all practices.

Environmental Stewardship

Act to protect natural resources, biodiversity and climate for a sustainable future.

These core requirements guide sourcing decisions, partnerships and continuous improvement across value chain.

These requirements are embedded across the supply chain and are formally shared with, acknowledged by, and applicable to all suppliers, service providers, and business partners. Recognizing the scale and diversity of its operations, your Company places strong emphasis on integrating sustainability and resilience across its value chain. A structured and robust due diligence process is followed prior to onboarding suppliers and service providers, including proactive communication of sustainability expectations and formal commitments through contractual arrangements. Your Company retains the right to assess and verify compliance with these requirements at any stage through appropriate audits, assessments, and corrective action processes. Your Company works closely with farmers, suppliers, and partners to support the transition towards more resilient and sustainable agricultural systems. Ongoing engagement focuses on promoting sustainable agriculture practices such as regenerative agriculture, efficient water management, integrated pest management, and improved soil health, contributing to long term productivity, climate resilience, and livelihoods.

In parallel, your Company continues to advance sustainability across its manufacturing, packaging, and logistics operations. Across its nine factories, efforts are focused on resource efficiency, waste reduction, and responsible packaging solutions. The logistics strategy emphasizes minimising environmental impact through route optimisation, modal shifts, adoption of alternative fuels, and improved vehicle utilization.

Your Company enhanced its sustainable logistics initiatives by increasing the use of railways for long haul transportation, expanding the deployment of vehicles powered by alternative fuels such as CNG and LNG, and scaling up the use of electric vehicles for distribution. The increased use of higher capacity vehicles, improved payload utilization, and diversification of transport modes have collectively contributed to optimizing the distribution value chain and reducing emissions intensity. Key measures undertaken include an increase in the share of larger size vehicles to, expansion of railway usage from 0% in 2019 to 5% during the reporting period.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

Your Company recognizes that its environmental footprint extends far beyond its factory gates. Guided by its Net Zero Roadmap and the Nestlé Policy on Environmental Sustainability, your Company has institutionalized an assessment framework to ensure its value chain partners mirror its commitment to environmental stewardship. Your Company views these assessments not merely as audits, but as a collaborative tool to drive decarbonization, water security, and waste reduction across the ecosystem. In the reporting year, **86%** of your Company's value chain partners were assessed for environmental impacts.

ASSESSMENT STRATEGY
BUILT ON A MULTI-TIERED APPROACH

Your Company's assessment strategy is built on a multi-tiered approach:

1

STRATEGIC SUPPLIER AUDITS (SMETA)

Focus on high-impact and Tier-1 partners through independent SMETA audits.

These independent ethical audits follow SMETA Best Practice Guidance-based on 4 pillars of:

LABOR STANDARDS | HEALTH AND SAFETY | ENVIRONMENT | BUSINESS ETHICS

2

GOVERNANCE

Your Company's Responsible Sourcing Core Requirements are embedded into **100%** of service and procurement contracts.

These non-negotiable standards ensure that third-party manufacturers and key vendors adhere to stringent benchmarks, with regular on-site verifications ensuring compliance.

RESPONSIBLE SOURCING CORE REQUIREMENTS › THIRD-PARTY MANUFACTURERS & KEY VENDORS › ON-SITE VERIFICATIONS & COMPLIANCE

100% Embedded in service and procurement contracts

3

AGRICULTURAL IMPACT MAPPING

Recognizing that agriculture represents a significant portion of the value chain, your Company conducts specialized assessments for dairy, coffee, and spice farmers.

Through programs like the **NESCAFÉ Plan** and **MAGGI Spice Plan**, your Company assesses soil health, water-use efficiency, and pesticide management, transitioning these partners toward sustainable agriculture practices.

DAIRY | COFFEE | SPICES › SPECIALIZED ASSESSMENTS › SOIL HEALTH | WATER-USE EFFICIENCY | PESTICIDE MANAGEMENT › TRANSITIONING TOWARD SUSTAINABLE AGRICULTURE PRACTICES

Through a robust, multi-tiered assessment strategy,

Your Company drives responsible sourcing and creates long-term, sustainable impact across its value chain.

10. How many Green Credits have been generated or procured?

a. Generated by the Company - NIL

b. Procured by the top ten (in terms of value of purchases and sales, respectively) value chain partners - NIL

07 Principle:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations:

Nine (9)

1. b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National/International)
1	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2	All India Food Processors Association (AIFPA)	National
3	Confederation of Indian Industry (CII)	National
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
5	PHD Chamber of Commerce and Industry (PHDCCI)	National
6	Waste Efficient Collection and Recycling Efforts (WeCare)	National
7	The Institute of Company Secretaries of India (ICSI)	National
8	Advertising Standards Council of India (ASCI)	National
9	Public Affairs Forum of India (PAFI)	National

2. Provide details of corrective action taken or underway on any issues relatedpc to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

S. No.	Name of authority	Brief of the case	Corrective action taken
1	Not applicable	Not applicable	Not applicable

Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board	Web Link, if available
1	Your Company works on public health topics such as Front of Pack Labelling (FOPL) with government / regulatory authorities taking consumer interests into consideration.	Your Company engaged with food authorities, industry associations for development of balanced regulations. Your Company's engagement with relevant authorities is guided by the values of commitment, integrity, and transparency.	Yes	As and when required	https://fssai.gov.in/upload/uploadfiles/files/Draft_Notification_HFSS_20_09_2022.pdf
2	Your Company works on Plastic Waste Management agenda that includes compliance to the regulations PWMR, 2016, EPR implementation strategies and sustainable packaging.	Your Company engaged with government authorities (MoEFCC, & CPCB) and industry associations for development of balanced regulations.	Yes	As and when required	https://moef.gov.in

08 Principle:

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the Financial Year (In ₹)
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community:

Creating Shared Value (CSV) is the strategic engine of your Company's long-term success, built on the conviction that shareholder value is inextricably linked to societal prosperity. This commitment is anchored in a non-negotiable foundation of ethical compliance and a culture of mutual respect, ensuring that business growth remains intrinsically tied to environmental and social sustainability. Your Company maintains a dynamic, multi-layered engagement ecosystem where NGO and implementing partners utilize localized grievance redressal systems to capture and resolve community concerns at the point of impact. Through structured dialogues, community meetings, and consultation sessions, a transparent platform is provided to stakeholders to share feedback.

SPEAK UP
Your voice, Our responsibility

To ensure absolute accountability, your Company also offers the **'Speak Up'** platform, an independent, third-party-operated channel for any stakeholder to **securely report grievances**, all of which are meticulously recorded and investigated.

Reflecting the efficacy of these localized resolution frameworks, no grievances were escalated via your Company's partners during the reporting period. By periodically revisiting the shifting needs of the communities through these engagements, your Company ensures that emerging priorities are directly integrated into the design and evolution of its societal initiatives.

4. Input material sourced from suppliers (by value):

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers	25%	23%
Sourced directly from within India	86%	89%

5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan):

Location	Current Financial Year	Previous Financial Year
Rural	1%	1%
Semi-Urban	16%	28%
Urban	29%	19%
Metropolitan	54%	52%

Your Company is committed to enabling an inclusive economic growth by creating jobs across diverse geographies, including rural and semi-urban regions, in line with its Creating Shared Value (CSV) approach. Your Company continues to expand employment opportunities in manufacturing locations, branch offices, sales territories, and supplier ecosystems located beyond metropolitan centres.

Leadership Indicators

1. If any Social Impact Assessments have been reported in EI-1, please provide details of actions taken to mitigate any negative social impacts identified:

S. No.	Details of negative social impact identified	Corrective action taken
1	Not Applicable	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Andhra Pradesh	Visakhapatnam, Vizag	The total amount spent is part of the Annual Action Plan for the year and the breakup is provided in the Annual Report on CSR activities of the Company provided under Annexure 2 of the Annual Report.
2	Assam	Barpeta, Darrang	
3	Bihar	Jamui, Khagaria, Katihar, Muzaffarpur, Gaya, Sitamarhi, Sheikhpura	
4	Chhattisgarh	Mahasamund, Korba	
5	Jharkhand	East Singhbhum, Ranchi, Hazaribagh, Sahebganj	
6	Haryana	Nuh	
7	Himachal Pradesh	Chamba	
8	Karnataka	Raichur	
9	Kerala	Wayanad	
10	Madhya Pradesh	Rajgarh, Vidisha, Khandwa	
11	Maharashtra	Gadchiroli	
12	Odisha	Balangir, Kalahandi	
13	Punjab	Moga, Firozpur	
14	Rajasthan	Dholpur, Karauli, Jaisalmer	
15	Tamil Nadu	Ramanathapuram, Virudhunagar	
16	Telangana	Asifabad, Bhadradri Kothagudem	
17	Uttarakhand	Udham Singh Nagar	
18	Uttar Pradesh	Bahraich, Chitrakoot, Fatehpur, Sonbhadra	

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) –

While your Company does not have a formal preferential procurement policy, it has institutionalized inclusive sourcing and supplier engagement practices that enable the meaningful participation of smallholder farmers—many of whom belong to vulnerable or marginalized groups—across key agricultural value chains. Your Company works in close partnership with farming communities to build long term, resilient and sustainable sourcing ecosystems, with a strong focus on livelihood security, productivity enhancement and environmental stewardship. A clear emphasis on local sourcing of raw materials strengthens rural economies, reduces dependency on imports and reinforces community development outcomes.

Sustainable Dairy Programme: Through the Sustainable Dairy Programme anchored in the Nestlé Milk District Model, your Company has built a robust, locally embedded dairy ecosystem spanning ~2,200 villages and engaging 70,000+ dairy farmers, providing assured market access, stable incomes and structured technical support across milk sheds such as Moga, Punjab and Samalkha, Haryana. The programme is designed to address systemic challenges in dairy farming, including low productivity, inadequate farm infrastructure, limited access to quality feed and fodder, high greenhouse gas (GHG) emissions, gaps in technical know-how and restricted access to finance.

The programme is driven by four (4) key interlinked enablers:

- **Farm Transformation & Expansion** – ~1,400 farms are on the transformation journey, contributing ~40% of the Company's fresh milk supply, with average milk supply per farm increasing between 2022 and 2025.
- **Manure Management** – enables circularity and emissions reduction through deployment of cumulative ~6,200 biodigesters (including 6,000 small and 200 large units).
- **Regenerative Agriculture** – strengthens soil health, water efficiency and climate resilience
- **Afforestation** – contributes to biodiversity enhancement and carbon sequestration with 1 million saplings planted across dairy farm premises of 15,000+ farmers, using native and climate-resilient species.

Collectively, these interventions have helped improve farmer incomes, reduce environmental footprint and enhance the overall sustainability of your Company's dairy value chain.

NESCAFÉ Plan: Launched in 2012, the NESCAFÉ Plan represents a long-standing commitment to Create Shared Value (CSV) in the coffee sector, benefiting farmers, communities and the environment. The programme focuses on making coffee farming more viable, attractive and future-ready, while securing a long-term supply of quality green coffee and reducing the environmental footprint of production.

The initiative is anchored around three pillars:

People

Improving farmer livelihoods and skills

Planet

Promoting sustainable farming practices and resource efficiency

Community

Strengthening local institutions and community resilience.

Through the Farmer Connect approach under the NESCAFÉ Plan, your Company is advancing a climate-resilient and resource-efficient coffee supply chain. The NESCAFÉ Plan operates across key coffee growing regions of Tamil Nadu, Kerala and Karnataka and currently spans over 37,000 hectares, engaging approximately 5,500 farmers and delivering 100% sustainably certified green coffee in 2025. Farmer capability building is driven through structured training and technical support, supported by on-ground demonstrations at the NESCAFÉ Demo Farm and Training Centre in Kodagu, contributing to improved productivity and climate resilience. Sustainability and traceability are strengthened through alignment with the 4C certification framework, ensuring end-to-end responsible sourcing. In collaboration with the Coffee Board of India, the programme also supports varietal improvement trials, including the introduction of advanced planting material from Nestlé R&D centres, a global network of Nestlé Group.

The initiative is anchored in the principles of regenerative agriculture, with a focus on restoring soil health, improving water stewardship, and enhancing biodiversity through practices such as agroforestry, beekeeping, and efficient on-farm water management. Regenerative agriculture is a core strategy to futureproof the sourcing of ingredients, supporting farmer livelihoods and reducing your Company's environmental footprint. These efforts contribute directly to reduced pressure on natural resources, enhanced farmer livelihoods and a more sustainable and resilient coffee supply chain, while supporting your Company's climate commitments to halve greenhouse gas emissions by 2030 and achieve net zero by 2050.

MAGGI Spice Plan: Under the MAGGI Spice Plan, your Company sources key spices through suppliers operating Backward Integration Programmes (BIP) with robust traceability systems and Integrated Pest Management (IPM) practices in place. These programmes ensure close farmer engagement through regular field extension support, agronomist visits, data based monitoring and compliance with Maximum Residue Limits (MRL) to safeguard food safety. The approach provides a strong foundation for the adoption of Good Agricultural Practices (GAP) and enables suppliers to act as critical partners in building responsibly sourced, transparent and resilient spice supply chains. Your Company's Agri Supplier Development Team works through the Nestlé – Business Partners – Project Farmers model to strengthen local sourcing, reduce reliance on imports and create shared value, while supporting compliance and long term farmer capability building.

While a formal preferential procurement policy is not in place, your Company continues to strengthen its inclusive sourcing approach by:

- Deepening engagement with smallholder and vulnerable farming communities through structured capacity building and technical assistance
- Expanding traceability and farm level monitoring across key raw materials
- Strengthening supplier accountability on social, environmental and food safety standards
- Exploring opportunities to further integrate inclusion and livelihood considerations within supplier development frameworks.

These efforts collectively reflect your Company's commitment to inclusive growth, responsible sourcing and sustainable value chain development, aligned with its long-term sustainability strategy.

3. b. From which marginalized /vulnerable groups do you procure?

Your Company strengthens its supply chain resilience by integrating Responsible Sourcing Core Requirements as a strategic mandate for all value chain partners, ensuring a sustainable, long-term flow of quality materials and services. Your Company is deeply committed to empowering the farming communities—particularly those in climate-vulnerable regions—by building their adaptive capacity against systemic risks such as water stress and extreme weather events. Through targeted interventions, it strives to enhance the productivity of these farmers by institutionalizing sustainable practices, promoting safety, and leveraging digital traceability. This collaborative approach is central to your Company's goal of scaling the procurement of responsibly sourced commodities, including fresh milk, wheat, rice, spices, palm oil, cocoa, and green coffee. By transitioning these farmers from subsistence to sustainable commercial resilience, your Company drives inclusive economic development across its agricultural footprint.

3. c. What percentage of total procurement (by value) does it constitute?

Your Company engages with small, medium, and micro suppliers under MSME category.

About 25% by Value is sourced from MSME

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved:

S. No.	Name of authority	Brief of the Case	Corrective action taken
1	Not Applicable	Not Applicable	Not Applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects (direct beneficiaries)	% of beneficiaries from vulnerable and marginalized groups
1	Nestlé Healthy Kids Programme (adolescents and parents)	191,950	100%
2	Project Jagriti	638,000	100%
3	Water	190,000	100%
4	Sanitation	68,000	100%
5	Project Serve Safe Food	28,900	100%
6	Project Jigyasa	19,500	100%
7	Project Hilldaari	1,500	100%
8	Project Vriddhi	49,500	100%
9	Feeding Support Programme	50,000	100%

Guided by the principle of Creating Shared Value (CSV), your Company operates with a strategic focus on the evolving needs of the communities it serves to actively catalyze positive transformation and maximize social equity. Aligned with your Company's CSR Policy, it implements societal projects that deliver positive outcomes, ranging from health and nutrition awareness to plastic waste management and village adoption for sustainable development. These efforts are bolstered by infrastructure-led interventions, such as providing clean drinking water and sanitation facilities, alongside economic empowerment initiatives like upskilling street food vendors and expanding hands-on science education. Your Company collaborates with credible NGOs, implementing partners, and government authorities, ensuring that its presence contributes to the holistic well-being and long-term resilience of society.

09 Principle:

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Your Company remains steadfast in its commitment to quality and consumer trust. Your Company's consumer care and response management system is a robust, 24x7 ecosystem designed to transform feedback into actionable insights, ensuring that it delivers on its commitment of "Good Food, Good Life."

1. **Multi-Channel Accessibility and Technology Integration:** Your Company has established a seamless, multi-channel gateway that allows consumers to connect at any time through their preferred medium. Recognizing the diversity of its consumer base, your Company provide:
   - Voice & Digital Touchpoints: A dedicated Toll-Free number, email, and the Company website.
   - Modern Engagement: Active engagement via Social Media (Twitter, Facebook, Instagram).
   - Future-Ready Tech: Actively integrating generative and conversational AI to enhance responsiveness, providing efficient and tailored interactions that elevate the consumer journey.
2. **Standardized Resolution Process & Global Alignment:** In alignment with Nestlé's Global Consumer Contact Management Policy, every feedback follows a standardized, high-quality resolution process:
   - Specialized Handling: Dedicated service desks staffed by trained specialists handle category-specific inquiries (e.g., Infant Nutrition, Prepared Dishes).
   - Technical Investigation: Quality-related feedback is routed to factory-level Quality Assurance (QA) teams for Root Cause Analysis (RCA).
   - Closing the Loop: Your Company's process ensures a "Close-Loop" resolution, where it confirms consumer satisfaction before a case is officially marked as resolved.
3. **Analytics:** Your Company has implemented advanced social media listening and analytics tools to monitor and analyze conversations across social media and the web. This allows for quick insights into consumer sentiment and trends, enabling your Company to respond effectively to consumer needs and preferences. The integration of social listening capabilities supports proactive engagement and helps in crisis management by monitoring consumer mentions and addressing issues before they escalate.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	47%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Your Company views food labeling as a critical touchpoint for consumer trust and public health advocacy. Beyond regulatory mandates, it utilizes its product footprint to drive "Right to Information" by ensuring that all of the key market offerings provide clear, actionable guidance on safe usage and responsible disposal. By integrating digital transparency tools, such as on-pack QR codes, we are bridging the gap between physical products and deep-dive nutritional data, empowering consumers to make informed wellness decisions in a rapidly evolving marketplace.

3. Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	No pending complaint for the reporting period	0	0	No pending complaint for the reporting period
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	12,819	0		14,064	0	

The table above includes all consumer queries, product related information & complaints, and services, received through phone, emails, chats, social media or website or Speak Up platform. All complaints are processed as per the internal policies and procedures.

4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes. Your Company operates with a resilient CyberSecurity Risk Framework, a standardized architecture deployed across the Nestlé Group to identify and neutralize emerging information security threats. This defense-in-depth strategy is anchored by an ISO 27001:2022 certified Information Security Management System, ensuring a globally recognized approach to monitoring and mitigating vulnerabilities in the digital landscape.

Strategic Governance of Privacy and Data Ethics: Your Company views data privacy as a foundational trust exercise. Beyond mere compliance with Indian data protection laws, your Company integrates "Privacy-by-Design" into its operational lifecycle through the following strategic pillars:

- Proactive Risk Management: Conducting comprehensive Privacy Impact Assessments (PIA) and Vendor Privacy Risk Assessments as mandatory components of due diligence.
- Maturity Benchmarking: Participating in the global Nestlé Privacy Program and maturity self-assessments to align with international best practices.
- Capacity Building: Deploying compulsory Data Privacy iLearn modules to ensure its workforce is the first line of defense in protecting stakeholder data.
- Ethical Sourcing: Embedding data ethics into the Nestlé Responsible Sourcing Core Requirements, ensuring value chain partners mirror high standards.
- Executive Oversight: During the reporting period, the Risk Management and Sustainability Initiatives (RMSI) Committee conducted a deep-dive review of your Company's Cyber Security Risk Framework and its associated mitigation measures to ensure long-term resilience.

6. **Provide details of any corrective actions taken or underway on issues relating to any of the following: i. Advertising; ii. Delivery of essential services; iii. Cyber security and data privacy of customers; iv. Re-occurrence of instances of product recalls v. penalty / action taken by regulatory authorities on safety of products / services:**

Maintaining an unblemished record of compliance, your Company reported zero penalties or adverse actions from any regulatory authority concerning product safety, advertising standards, cybersecurity, or data privacy during the period under review. This achievement is underpinned by a robust governance architecture that harmonizes global industry best practices with strict adherence to the Information Technology (IT) Act and evolving judicial precedents. Your Company remains ahead of the regulatory curve by actively transitioning its frameworks to ensure full alignment with the Digital Personal Data Protection (DPDP) Act, 2023, while maintaining stringent reporting protocols for cyber incidents as mandated by CERT-In. By treating data integrity and ethical advertising as core consumer trust pillars, your Company ensures that its digital resilience evolves in lockstep with technological advancement, safeguarding stakeholders' interests in an increasingly complex threat landscape.

Uncompromising Compliance

0 Penalties & 100% Alignment with CERT-In and **DPDP 2023** Readiness Frameworks

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches- **NIL**

b. Percentage of data breaches involving personally identifiable information of customers- **NIL**

c. Impact, if any, of the data breaches- **NIL**

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):**

Products/Initiative	Link
Corporate Website	nestle.in
Brand Website	Nescafe.com/IN
Brand Website	mytoddler.in
Brand Website	nestleprofessional.in
Brand Website	purina.in
Brand Website	maggi.in
Brand Website	enescafe.in
Brand Website	milkmaid.in
Corporate Website (Service)	Asknestle.in

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services:**

Your Company considers every product package and consumer touchpoint as a platform for health and nutrition education. Its approach to consumer education is rooted in the purpose of *unlocking the power of food and beverages to enhance the quality of life for everyone, today and for generations to come.* Building on an established 24x7 consumer service helpline, your Company has transitioned towards a 'Digitally-Enabled Transparency' model. We recognize that 'Safe and Responsible Usage' extends beyond the kitchen; it encompasses informed portion control and the understanding of nutritional profiles. By integrating QR-led insights and adhering to voluntary marketing codes, your Company empowers its consumers to make decisions that align with their personal health and wellness goals, thereby reinforcing the trust placed in brands like MAGGI, MILO, and NESCAFÉ.

1. **Holistic Product Labelling & Visual Cues:** Your Company utilizes its packaging as the primary vehicle for education, ensuring that information is not only present but also intuitive and actionable.
   - Nestlé Nutritional Compass (NNC): Beyond mandatory tables, your Company's proprietary NNC provides a clear explanation of the nutritional value, ingredients, and health benefits of the product.
   - Guideline Daily Amount (GDA): Your Company voluntarily provides GDA labelling on its relevant portfolio to help consumers understand the contribution of a serving to their daily dietary needs.
   - Portion Guidance: To discourage overconsumption and promote balanced diets, your Company includes portion information on its relevant categories.

2. **Digital Transparency: "Beyond the Label"**

   Recognizing the shift toward digital-first consumers, your Company has scaled its digital education ecosystem:
   - QR Code Integration: By scanning on-pack QR codes, consumers access the 'Beyond the Label' platform, which offers detailed insights into preparation methods (to ensure food safety at home), recipe ideas for balanced meals etc.
   - Web-Based Education: Your Company's brand websites (e.g., AskNestlé) serve as a repository of science-based information on maternal nutrition, child growth, and healthy living.

3. **Responsive 24x7 Consumer Engagement**

   Your Company's 24x7 Consumer Care Setup acts as a two-way educational channel:
   - Specialized Support: Your Company's helplines are staffed by trained experts who assist consumers with queries ranging from allergen information to the correct storage of infant nutrition products, ensuring safe usage.
   - Multilingual Reach: Support is provided in multiple Indian languages to ensure inclusivity and clarity across diverse geographies.

4. **Responsible Marketing & Communication Codes:** Your Company adhere to the strictest voluntary codes to ensure its marketing remains an educational tool:
   - Compliance: 100% of marketing communications comply with the ASCI (Advertising Standards Council of India) Code and FSSAI regulations.
   - Nestlé Marketing Communication to Children (MCC) Policy: Your Company maintains strict standards for marketing to children, ensuring that the communication promotes healthy lifestyles and does not encourage "pester power" or over consumption.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

While your Company is not categorized under the provision of "essential services", as per regulatory definitions, it recognizes that its products are essential to the daily nutrition and well-being of millions of households. Your Company maintains a proactive and multi-layered communication framework to ensure transparency in the event of any supply chain or product disruptions.

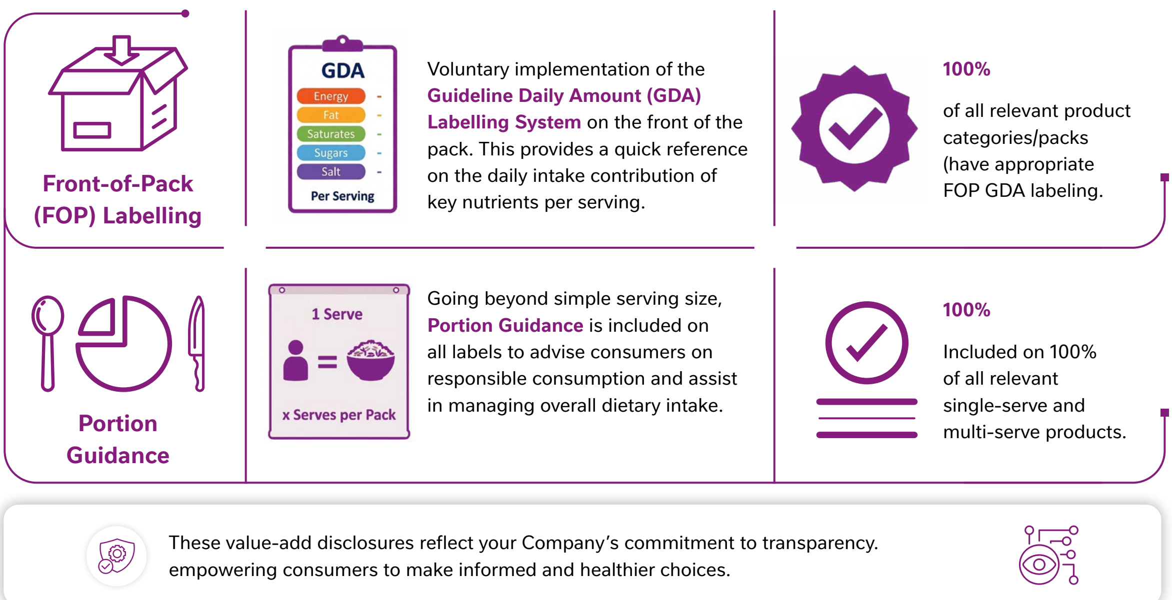
Building on its previous year's commitment, your Company has further strengthened the Business Continuity Planning (BCP) to ensure that stakeholders are notified in real-time. Its mechanisms include:

1. **Formal and Regulatory Disclosures:** In the event of a significant disruption (e.g., factory lockdowns, logistics strikes, or large-scale product withdrawals), your Company utilizes formal channels to prevent market misinformation:
   - Stock Exchange Disclosures: Immediate notifications to BSE and NSE under Regulation 30 of SEBI (LODR).
   - Communication to media: Dissemination to national and regional media on a reactive basis.

2. **Direct Consumer Engagement Channels:** Your Company operates on a robust Consumer Engagement Services (CES). These channels serve as both a feedback loop and a broadcast mechanism:
   - Toll-Free Helplines & WhatsApp: Real-time query resolution and status updates for consumers.
   - Tell Us Portal: A dedicated external communication channel for reporting compliance issues and seeking information.
   - QR Code Integration: Most of your Company's packaging now includes QR codes that lead to digital landing pages where product-specific availability or safety updates can be shared instantly.
3. **Digital and Social Advocacy:** Leveraging your Company's digital footprint to reach the rural and semi-urban landscape:
   - Social Media Monitoring: Active engagement through official handles (X, Facebook, Instagram) to address consumer anxiety during regional supply gaps.
4. **Supply Chain & Distribution Synergy:** To prevent disruptions, your Company maintains a synchronous link with its distribution network:
   - Distributor Management System (DMS): Real-time tracking across 209,000+ villages and 1.5 million+ retail outlets to identify and communicate local stock-outs or logistics hurdles before they impact the end consumer.

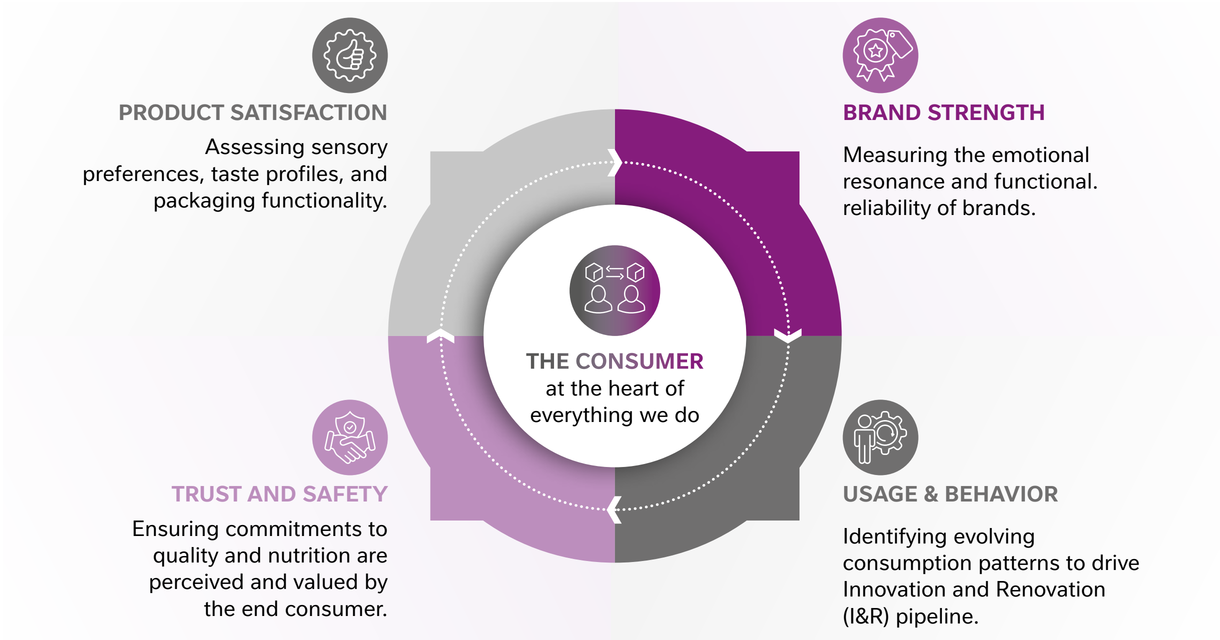
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

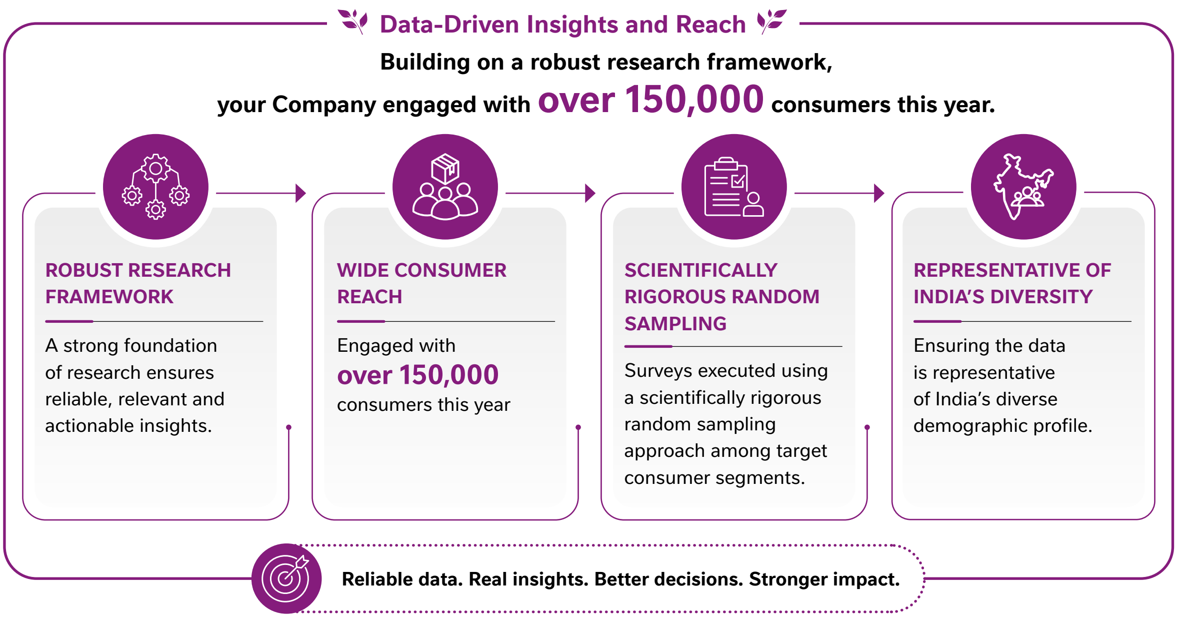
Your Company believes in empowering consumers through radical transparency, which is a key pillar of its commitment to 'Good Food, Good Life'. While your Company complies with all mandatory labelling and advertising laws, voluntarily, additional disclosures - to help consumers make informed and responsible choices, are implemented. A primary example is the inclusion of the Guideline Daily Amount (GDA) front-of-pack labelling system for relevant products.



Driven by the purpose of "Good Food, Good Life," your Company views consumer satisfaction not merely as a metric, but as a catalyst for its Creating Shared Value (CSV) journey. Your Company believes that maintaining a transparent and continuous feedback loop is essential to upholding the trust placed in iconic brands. During the reporting period, your Company conducted extensive and multi-dimensional consumer research to gauge satisfaction across its entire product portfolio—including Prepared Dishes, Milk Products and Nutrition, Beverages, and Confectionery. Central to this effort was the Periodic Tracking Studies (PTS) and Brand Health

Trackers (BHT), which provided a granular understanding of consumer sentiment across the rural and semi-urban landscape.





Closing the Loop: The insights gathered from these interactions are integrated into your Company's business strategy, enabling refinement of its product formulations, to better serve the nutritional needs of its consumers. Furthermore, your Company's Consumer Engagement Services (CES) complements these formal surveys by providing real-time feedback.

In FY 2025-26, your Company maintained a 100% response/resolution rate for consumer queries/complaints, reinforcing your Company's commitment to excellence. By triangulating data from satisfaction surveys, digital sentiment analysis, and direct engagement channels, your Company ensures that its products continue to deliver value while contributing to the health and well-being of the nation, while fully protecting the intent of the consumers and complying with the regulatory requirements.

ANNEXURE - 3B TO THE BOARD'S REPORT

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN NESTLE INDIA LIMITED's BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

To the Board of Directors of Nestle India Limited

1. We have undertaken to perform a reasonable assurance engagement, for Nestle India Limited ("the Company") vide our engagement agreement dated March 09, 2026, in respect of the agreed Sustainability Information listed in the "Identified Sustainability Information" paragraph below in accordance with the criteria stated in the "Criteria" paragraph below. The identified Sustainability Information is included in the Business Responsibility And Sustainability Report ("BRSR") of the Company for the year ended March 31, 2026 pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India's ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations"). This engagement was conducted by a multidisciplinary team including assurance practitioners and specialists.

Identified Sustainability Information

2. The Identified Sustainability Information for the year ended March 31, 2026 is BRSR Core (sub-set of BRSR), the attributes of which are summarised in Appendix 1 to this report. The Reporting Boundary for BRSR is on standalone basis as disclosed under Question No. 13 of Section A: General Disclosures of the BRSR.

3. Our reasonable assurance engagement was with respect to the year ended for the year ended March 31, 2026 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR (i.e. non- BRSR Core attributes) and, therefore, do not express any opinion thereon.

Criteria

4. The Criteria used by the Company to prepare the Identified Sustainability Information is as under:

   i. Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;

   ii. Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and Industry Standard on Reporting BRSR Core per SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024.

Management's Responsibility

5. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information including the reporting boundary of BRSR, taking into account applicable laws and regulations including the SEBI circular, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR.

Inherent limitations

6. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

7. Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint, waste. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

Our Independence and Quality Control

8. We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

9. We apply Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

10. Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information listed in Appendix 1 based on the procedures we have performed and evidence we have obtained.

11. We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

12. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

    Below is the informative summary of the procedures performed by us:

    - obtained an understanding of the Identified Sustainability Information and related disclosures.
    - obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information.
    - made inquiries of Company's management, including those responsible for preparing the BRSR report, finance team, human resource team amongst others and those with the responsibility for managing the Company's BRSR.
    - obtained an understanding and performed an evaluation of the design of the key processes and controls for recording, processing and reporting on the Identified Sustainability Information on sample basis of different offices. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls.
    - based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
    - performed substantive testing on a sample basis of the Identified Sustainability Information to verify that the data had been appropriately measured with the underlying documents recorded, collated and reported. This includes reconciling the Identified Sustainability Information with the underlying records and recalculation on a sample basis.
    - where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2026 and the underlying trial balance.
    - evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Identified Sustainability Information.
    - obtained representations from Company's management.

    We also performed such other procedures as we considered necessary in the circumstances.

    We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

Exclusions

13. Our assurance scope excludes the following and therefore we do not express an opinion on the same:

    - Operations of the Company other than the Identified Sustainability Information.
    - Aspects of the BRSR and the data/information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information;
    - Data and information outside the defined reporting period i.e., April 01, 2025 to March 31, 2026;
    - The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Other Information

14. The Company's management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report dated April 21, 2026 thereon.

15. Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion

16. Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information listed in Appendix 1 for the year ended March 31, 2026 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria (as stated under "Criteria").

Restriction on use

17. Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Nestle India Limited at the request of the Company solely, to assist the Company in reporting on its sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No.: 301003E/E300005

Pankaj Chadha
Partner
Membership No.: 091813
UDIN: 26091813LTPZFR9700

Place of Signature: Gurugram
Date: April 21, 2026

Appendix-1

Identified Sustainability Information (BRSR Core KPIs)			
S. No	**Attribute**	**Principle and indicator reference**	**Parameter**
1	Green-house gas (GHG) footprint	Principle 6, E-7	1. Total Scope 1 and scope 2 emissions 2. GHG Emission Intensity (Scope 1 +2) per rupee of turnover adjusted for Purchasing Power Parity (PPP) and in terms of physical output or services
2	Water footprint	Principle 6, E-3 and E-4	1. Total water consumption 2. Water consumption intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Water Discharge by destination and levels of Treatment
3	Energy footprint	Principle 6, E-1	1. Total energy consumed. 2. Percentage of energy consumed from renewable sources 3. Energy intensity per rupee of turnover adjusted for PPP and in terms of physical output or services
4	Circularity	Principle 6 – E9	1. Total waste generated 2. Waste intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. 4. For each category of waste generated, total waste disposed by nature of disposal method
5	Enhancing Employee Wellbeing and Safety	Principle 3 – E1(C) Principle 3- E11	1. Spending on measures towards well-being of employees and workers 2. Details of safety related incidents for employees and workers
6	Enabling Gender Diversity in Business	Principle 5 – E3(b) Principle 5 – E7	1. Gross wages paid to females as percentage of wages paid 2. Complaints on POSH
7	Enabling Inclusive Development	Principle 8 – E4 Principle 8 – E5	1. Input material sourced from following sources as percentage of total purchases – Directly sourced from MSMEs/ small producers and from within India 2. Job creation in smaller towns
8	Fairness in Engaging with Customers and Suppliers	Principle 9 – E7 Principle 1 – E8	1. Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events 2. Number of days of accounts payable
9	Open-ness of business	Principle 1 – E9	1. Concentration of purchases & sales done with trading houses, dealers, and related parties 2. Loans and advances & investments with related parties.

Annexure to the reasonable assurance report on BRSR Core

01 Principle:

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Particulars	Current Financial Year	Previous Financial Year
Number of days of accounts payables	71	61

EI-9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties:

Particulars	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	4%	2%
	b. Number of trading houses where purchases are made from	17	15
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	98.2%	99.6%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	94.6%	95.3%
	b. Number of dealers / distributors to whom sales are made	2,358	2,212
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	19.3%	16.9%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	10.8%	8.9%
	b. Sales (Sales to related parties / Total Sales)	5.4%	4.7%
	c. Loans & advances (to related parties / total loans & advances)*	0	0
	d. Investments (in related parties / total investments)*	100%*	100%*

* Based on the closing balance as at year-end

03 Principle:

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

EI-1.c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

Particulars	Current Financial Year	Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company*	0.17%	0.17%

*Includes costs of accident insurance, health insurance, maternity leave benefit, paternity leave benefit, day- care facility cost and various other initiatives undertaken to promote physical and mental well-being.

EI-11. Details of safety related incidents:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.51	0.23**
	Workers	0.28	0.17**
Total recordable work-related injuries	Employees	6	5
	Workers	22	22
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	0

* Including contract workforce

** During the current year, there has been a change in the method of bifurcation of total working hours between workers and employees and hence comparative numbers have also been updated.

05 Principle:

Businesses should respect and promote human rights

EI-3. b. Provide information on Gross wages paid to females by the Company:

Particulars	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	16%	15%

EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	4
Complaints on POSH as a % of female employees / workers	0.2%	0.2%
Complaints on POSH upheld	4	4

06 Principle:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

EI-1. Details of total energy consumption in GigaJoules (GJ):

Parameter (GJ)	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
From renewable sources (GJ)		
Total electricity consumption (A)	932,995	853,569

Parameter (GJ)	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total fuel consumption (B)	311,601	284,699
Energy consumption through other sources (c)	1,349,100	704,185
Total energy consumed from renewable sources (A+B+C)	**2,593,696**	**1,842,453**
From non-renewable sources (GJ)		
Total electricity consumption (D)	5,099	5,044
Total fuel consumption (E)	1,752,023	2,113,814
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	**1,757,122**	**2,118,858**
Total energy consumed (A+B+C+D+E+F)	**4,350,818**	**3,961,311**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (GJ/million ₹)	18.86	19.73
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/million USD)*	389.23*	407.62
Energy intensity in terms of physical output (GJ/Ton)	7	7
Energy intensity (optional) – the relevant metric may be selected by the entity		

*Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

EI-1. Indicate if any independent assessment/evaluation/assurance for energy has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

EI-3. Provide details of the following disclosures related to water:

Parameters	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	677,922	751,913
(ii) Groundwater	1,764,681	1685,577
(iii) Third party water	316,807	228,274
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,759,410**	**2,665,764**
Total volume of water consumption (in kiloliters)	**2,405,446**	**2,240,575**
Water intensity per rupee of turnover (Total water consumption in kilolitres) / Revenue from operations in million ₹)	10.43	11.16
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total water consumption in kilolitres)/ Revenue from operations adjusted for PPP) (kilolitres/million USD)*	215.19	230.55
Water intensity in terms of physical output (kilolitres/ton)	3.7	3.7
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

EI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres):

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
(i) To Surface water		
- No treatment	0	0
- With treatment- secondary	266,372	344,589
(ii) To Groundwater		
- No treatment	0	0
- With treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment- secondary	87,592	80,600
(v) Others		
- No treatment	0	0
- With treatment	0	0
Total water discharged (in kilolitres)	**3,53,964**	**425,189**

EI-4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2) in MTCO2e:

Parameter	Unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	t CO2e	112,200	147,573
Total Scope 2 emissions Location -based (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	t CO2e	200,514*	182,633
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in million ₹)	kgCO2 e/ million ₹	1,355	1,645
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP in million USD)**	tCO2 e/ million USD	27.97	33.98
Total Scope 1 and Scope 2 emission intensity in terms of physical output	kgCO2 e/t	483	564
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	kgCO2 e/t	-	-

*Reported under location-based mechanism using CEA (Central Electricity Authority) Factors as per BRSR Guidelines. Whereas, under market-based mechanism, emissions are 16,507 which are only from Purchased Steam from Biomass Boilers.

**Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance.

EI-7. Indicate if any independent assessment/evaluation/assurance for GHG Emissions (Scope 1 and 2) has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

EI-9 Provide details related to waste management by the entity for the Current Financial Year:

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	3,216	2,657
E-waste (B)	149	71
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	38	51
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2,304	132
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	68,884	68,706
Total (A+B + C + D + E + F + G + H)	**74,591**	**71,617**
Waste intensity per rupee of turnover (Total waste generated in kgs/ Revenue from operations in million ₹)	323	357
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/million USD)*	7	7
Waste intensity in terms of physical output (Kg/ton)	115.19	119.40
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	26,820	28,711
(ii) Re-used	2,803	3,249
(iii) Other recovery operations	44,968	39,657
Total	**74,591**	**71,617**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

* Calculation for revenue adjusted intensity for Purchase Power Parity is as per the BRSR Core Reporting Standard issued by the Industry Standards Forum in consultation with SEBI on December 20, 2024, with a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance

EI-9. Indicate if any independent assessment/evaluation/assurance for Waste has been conducted by an external agency. If Yes, provide the name of the agency:

Yes, S.R.Batliboi & Co.LLP, Chartered Accountants

08 Principle:

Businesses should promote inclusive growth and equitable development

Essential Indicators

EI-4. Input material sourced from suppliers (by value):

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers	25%	23%
Sourced directly from within India	86%	89%

EI-5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	Current Financial Year	Previous Financial Year
Rural	1%	1%
Semi-Urban	16%	28%
Urban	29%	19%
Metropolitan	54%	52%

09 Principle:

Businesses should engage with and provide value to their consumers in a responsible manner

EI-7. Provide the following information relating to data breaches:

a. Number of instances of data breaches- NIL
b. Percentage of data breaches involving personally identifiable information of customers- NIL
c. Impact, if any, of the data breaches- NIL

ANNEXURE - 4 TO THE BOARD'S REPORT

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Nestlé India Limited
CIN: L15202DL1959PLC003786
100/101, World Trade Centre,
Barakhamba Lane,
New Delhi - 110001

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by Nestlé India Limited (hereinafter called 'the Company') for the financial year ended 31st March 2026. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2026 complied with statutory provisions listed hereunder and also, that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings, as there were no reportable events during the financial year under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – Not applicable as the Company has not issued any shares/ options to directors/ employees during the financial year under review;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act, 2013 and dealing with client; – Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – Not applicable as the Company has not delisted/ proposed to delist its equity shares during the financial year under review;

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – Not applicable as the Company has not bought back/ proposed to buy-back any of its securities during the financial year under review; and

i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable as the Company has not issued and listed Non-convertible securities during the financial year under review.

(vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

a. Food Safety and Standards Act, 2006, rules and regulations thereunder;

b. Legal Metrology Act, 2009, rules and regulations thereunder;

c. Infant Milk Substitutes, Feeding Bottles and Infant Foods (Regulation of Production, Supply and Distribution) Act, 1992 and rules thereunder (Local Infant Code); and

d. Bureau of Indian Standards (BIS) Act, 2016.

We have also examined compliance with the applicable clauses/ regulations of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

(ii) Listing Agreement entered into with the BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards etc. mentioned above.

We report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Independent Directors including Women Directors. The changes in the composition of Board of Directors that took place during the financial year under review, were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance before the meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and
- All the decisions of the Board and Committees thereof were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at its meeting(s), we are of the opinion that the management has adequate systems and processes in place in the Company which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the financial year under audit, the following events have occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- Members of the Company at their Extraordinary General Meeting, held on 24th July 2025:

    (a) approved capitalization of sum not exceeding ₹ 96.42 Crore out of retained earnings, for the purpose of issue and allotment of bonus equity shares of face value of Re. 1/- (Rupee One only) each, to the eligible members, in ratio of 1:1, i.e., 1 (One) new bonus equity share for every 1 (One) existing fully paid-up equity share held by the Members; and

    (b) approved alteration to the Clause 5 of the Memorandum of Association of the Company to increase the Authorised Share Capital from ₹100,00,00,000/- (Rupees One Hundred Crore only) to ₹200,00,00,000/- (Rupees Two Hundred Crore only).

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

For **S. N. ANANTHASUBRAMANIAN & Co.**
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000158723

Date: 21st April 2026
Place: Thane

'Annexure A'

To,
The Members,
Nestlé India Limited
CIN: L15202DL1959PLC003786
100/101, World Trade Centre,
Barakhamba Lane,
New Delhi - 110001

Our Secretarial Audit Report for the financial year ended 31st March 2026 of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & Co.**
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000158723

Date: 21st April 2026
Place: Thane

ANNEXURE - 5 TO THE BOARD'S REPORT

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Board's Report for the financial year ended 31st March 2026:

A. CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of energy:

Your Company continued to advance its sustainability agenda during the financial year ended 31st March 2026, supported by sustained demand and improved capacity utilisation across operations. Ensuring the safety and well-being of its people and maintaining access to its food and beverage products for consumers remained central to its operations.

Your Company's approach to sustainability remained aligned with its long-term strategy of creating shared value and was integrated across its operations, products and value chain. It continued to ensure that its products, packaging and processes were safe for employees, consumers and the environment, supported by appropriate technologies, efficient processes and continuous improvements.

Your Company achieved 100% renewable electricity during the year, including through the use of International Renewable Electricity Certificates (I-RECs), reflecting its continued focus on decarbonising its operations and transitioning towards a low-emission future. Your Company also continued to emphasise conservation and optimal utilisation of energy across its operations, including energy generation and efficient use of resources and equipment.

Your Company undertook focused initiatives to reduce its environmental footprint, including installation of biomass boilers at the factories situated at Moga, Nanjangud and Sanand to enhance the use of renewable fuel. Additional measures included conversion of Furnace Oil (FO) to Natural Gas (NG) in air heaters and replacement of Liquefied Petroleum Gas (LPG) with NG in ovens, along with improvements in NG boiler efficiency and optimisation of NG usage in coffee roasting processes. Your Company also eliminated the use of coal across eight factories during the year.

Your Company continued to prioritise water conservation across its manufacturing facilities and achieved a reduction in water withdrawal intensity of approximately 31% compared to the 2018 baseline. Initiatives included expansion of the 'Zer Eau' programme, which focuses on reducing freshwater consumption by utilising water embedded in fresh milk, particularly in milk processing facilities. At the Moga factory, located in a water-stressed region, treated effluent was reused to reduce groundwater dependence, with a targeted reduction of approximately 25%. Further, initiatives under the 'Jal Hi Jeevan' programme were implemented to enhance water efficiency across end-to-end operations through digital metering and tools, enabling identification of scalable opportunities. Additional projects included increased recovery and reuse of treated effluent through deployment of advanced treatment technologies such as Membrane Bio-Reactors (MBR) and Reverse Osmosis (RO) systems, as well as enhanced condensate recovery.

Your Company continued to leverage technology and digital infrastructure to strengthen governance over water consumption and drive efficiency improvements. Eight out of its nine factories operated as zero liquid discharge (ZLD) facilities, ensuring that treated effluent was fully utilised within the factories for process or ancillary purposes. Continuous efforts were undertaken to optimise utilisation of natural resources, reduce water and energy consumption and lower carbon emissions, while maintaining focus on improving production efficiency. Over the past seven years (2018–2025), your Company achieved an average reduction of approximately 12% in energy usage per ton of production and a 67% reduction in specific direct greenhouse gas emissions.

During the year under review, various energy efficiency initiatives were undertaken across the Company's factories, which are expected to result in annualised savings of approximately 63,580 Gigajoules (GJ) over the coming years. These initiatives included flash steam heat recovery from condensate, automation of boiler and air heater burners, optimisation of steam usage in coffee and noodle processes through digital interventions, deployment of heat recovery systems for utilities and flue gases, optimisation of electricity consumption, reduction of compressed air losses through leakage arrest, and deployment of Electronically Commutated (EC+) blowers in Air Handling Units.

Your Company remains committed to strengthening water stewardship practices across its operations and continues to support regenerative agriculture farming aimed at improving soil health and fertility, while conserving water resources and diversity.

(b) Additional Investment:

Your Company continued to make investments over the years towards water conservation measures and achieved cumulative water savings totaling 176,000 m^3. During the financial year ended 31st March 2026, projects were initiated across factory locations to further enhance resource efficiency and sustainability, including increased use of biomass fuel for steam generation, investments to improve plant efficiencies for minimizing water usage, adoption of solar energy through Solar Power Purchase Agreements (PPAs), and installation of second-stage Reverse Osmosis systems to enhance water recovery.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures resulted in improved operational efficiencies, optimisation of resource utilisation and reduction in energy consumption and carbon emissions across your Company's manufacturing operations, thereby supporting cost efficiency in production.

As a result, your Company achieved a reduction in specific direct greenhouse gas (GHG) emissions from 696 kg CO_2 equivalent per ton of production to 225 kg CO_2 equivalent per ton, representing a reduction of approximately 67% over the 2018 baseline. These emission intensity figures include the impact of procurement of International Renewable Electricity Certificates (I-RECs).

(d) Projects planned or initiated for further improvement in energy and water consumption are: Continuous Energy initiatives in different factory locations:

Your Company continued to undertake and initiate projects across its factory locations aimed at further improving energy efficiency, optimising water usage and reducing greenhouse gas emissions.

In the area of energy management, initiatives were undertaken for improving plant efficiency in both energy generation and consumption, along with deployment of digital tools to optimise chilled water systems, compressed air usage and steam consumption across operations.

With respect to water management, projects were initiated to enhance water recovery and reuse, including installation of second-stage Reverse Osmosis systems and increased recycling of treated effluent through advanced polishing processes.

Further, your Company continued to progress initiatives to reduce greenhouse gas emissions, including increased use of biomass fuel for steam generation, replacement of furnace oil with natural gas in air heaters, and substitution of LPG with natural gas in boilers and ovens.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are furnished below:

Research and Development (R&D):

1. Specific areas in which R&D carried out by the Company

Your Company, as part of the Nestlé Group and under the General Licence Agreements, continued to benefit from access to the Group's extensive centralised research and development (R&D) capabilities. This global R&D network supported the Company's innovation ecosystem, enabling it to leverage advanced scientific and technological expertise across food science, nutrition, product safety, manufacturing and packaging.

The Nestlé Group's R&D infrastructure comprises a wide network of experts and facilities globally, supported by sustained investments, which continued to drive innovation and product development for your Company. This enabled your Company to leverage global best practices and scientific advancements to support its growth and innovation agenda.

The Nestlé Group's R&D capabilities also facilitated development and renovation of products with due consideration to efficient use of natural resources and social impact, while ensuring consistent quality and safety standards.

Leveraging global insights along with local consumer understanding, your Company continued to adapt and tailor products to suit local preferences and market requirements. This enabled effective localization of products, while maintaining global quality benchmarks.

Accordingly, your Company continued to focus on testing and adapting products for local conditions. Continuous efforts were also undertaken to improve and maintain the quality of key raw materials.

2. *Benefits derived as a result of the above R&D*

As a result of the above R&D initiatives, your Company continued to benefit from access to the Nestlé Group's scientific expertise and knowledge, which supported development and renovation of products, manufacture of high-quality and safe products, improvement in process efficiencies, optimisation of input costs and enhancement of overall operational efficiency. These efforts also contributed to strengthening consumer value perception of the products of your Company.

During the financial year ended 31st March 2026, your Company introduced product innovations, including Maggi Nutri-licious Chatpata Besan Noodles, made with chickpeas and offering enhanced nutritional value with protein and fibre, tailored to evolving consumer preferences.

3. *Future plan of action*

Your Company continued to undertake initiatives for innovation and renovation of its product portfolio, including development of new products, accelerated introduction of products in the market, improvement in packaging and enhancement of product quality and nutritional profile. These efforts were aimed at delivering better products to consumers while maintaining affordability.

4. *Expenditure on R&D*

Your Company continued to benefit from the extensive centralised research and development (R&D) capabilities of the Nestlé Group, which is supported by an annual global R&D outlay of approximately CHF 1.7 billion. Expenditure incurred by your Company on R&D primarily relates to localised activities, including testing and adaptation of products to suit local conditions, and is as under:

Particulars	**Amount (₹ in millions)**
Capital (a)	79.9
Recurring (b)	381.5
Total (a)+(b)	**461.4**
Total as a percentage of total turnover	0.20%

Your Company continues to derive significant benefits through access to the Nestlé Group's central R&D capabilities under the General Licence Agreements. These arrangements provide access to proprietary know-how, technology, trademarks, patents and other intellectual property rights, along with technical support, implementation assistance and capability building of employees, thereby optimising R&D expenditure at the local level.

Technology absorption:

1. *Efforts, in brief, made towards technology absorption*

Your Company, as part of the Nestlé Group, continued to benefit from access to global technologies and accordingly absorbed and adapted such technologies on a continuous basis to meet its specific business requirements.

During the year, your Company deployed targeted interventions and advanced technologies across its manufacturing operations to enhance resource efficiency and reduce its environmental footprint.

Key initiatives included fuel transition through replacement of LPG with natural gas in boilers and ovens at the confectionery facility, resulting in an estimated reduction of approximately 1,200 tCO_2e in emissions annually.

Waste heat recovery systems were implemented through deployment of desuperheaters in refrigeration plants and heat recovery units in air heaters, resulting in estimated energy savings of approximately 6,500 Gigajoules (GJ).

Further, advanced water circularity initiatives were undertaken at the Nanjangud facility through integration of polishing stages for treated effluent using Reverse Osmosis systems, enabling industrial reuse of water and contributing to water savings of approximately 30,000 m^3.

In addition, optimisation of steam usage in noodle processing lines through digital interventions helped reduce thermal losses and resulted in estimated annualised energy savings of approximately 18,000 Gigajoules (GJ). These initiatives collectively contributed to improved operational efficiency, reduction in energy consumption and emissions, and enhanced resource utilisation across manufacturing operations.

2. *Benefits derived as a result of the above efforts*

The benefits derived from the above R&D initiatives included product innovation and renovation, improvement in yields, enhancement of product quality, optimisation of inputs and cost effectiveness, as well as energy conservation. These initiatives also facilitated development and manufacture of products with due consideration to natural resources and social impacts, thereby supporting the advancement of regenerative food systems at scale.

3. *Imported Technology*

Your Company continued to benefit from imported technology received on an ongoing basis from the Nestlé Group for manufacture and sale of its products. Technology transfer remained a continuous process, enabling your Company to maintain competitiveness and deliver high-quality and safe products offering value to consumers. Access to such technology has been secured under the General Licence Agreements with the Nestlé Group, which provide your Company with the right to use and benefit from improvements in technology on a continuous basis for the product categories manufactured and sold by it.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) *Activities relating to exports; initiatives taken to improve the exports; development of new export market for products and export plans:*

Members are requested to refer page nos 44 and 58 which forms an integral part of this Report.

(b) *Total foreign exchange used and earned:*

During the financial year ended 31st March 2026, your Company earned exports revenues aggregating to ₹9,527.6 million comprising foreign exchange earnings of ₹6,688.5 million and exports to Nepal and Bhutan denominated in Indian Rupees amounting to ₹2,838.95 million.

The foreign exchange outgo during the year amounted to ₹35,436.2 million, primarily on account of imports, payment of general licence fee and remittance of dividends to non-resident shareholders.

On behalf of the Board of Directors

Date : 21st April 2026

Place : Gurugram, Haryana

Manish Tiwary

Chairman and Managing Director

ANNEXURE - 6 TO THE BOARD'S REPORT

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

i. The ratio of the remuneration of each Director# to the median remuneration of the employees of the Company for the financial year ended 31st March 2026:

Name of Director	Designation	Ratio to median remuneration of the employees*
Mr. Manish Tiwary[1]	Chairman and Managing Director	134:1
Mr. Suresh Narayanan[2]	Chairman and Managing Director	Not Applicable
Mr. Edouard Mac Nab[3]	Executive Director - Finance & Control and CFO	Not Applicable
Ms. Svetlana Boldina[4]	Executive Director - Finance & Control and CFO	Not Applicable
Mr. Satish Srinivasan	Executive Director - Technical	21:1

 # The details with regard to Independent Non-Executive Directors are not applicable as they have not received any remuneration except sitting fees for attending Board/ Committee meetings and commission.

** Employees for the above purpose includes all employees excluding employees governed under collective bargaining.*

[1] Mr. Manish Tiwary was appointed as Chairman and Managing Director with effect from 1st August 2025.

[2] Mr. Suresh Narayanan ceased as Chairman and Managing Director with effect from 31st July 2025.

[3] Mr. Edouard Mac Nab was appointed as Whole-time Director, designated as "Executive Director - Finance & Control and CFO", with effect from 1st March 2026.

[4] Ms. Svetlana Boldina ceased as Whole-time Director, designated as "Executive Director - Finance & Control and CFO", with effect from 31st January 2026.

ii. The % increase in remuneration of each Director#, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year ended 31st March 2026:

Name of Director	Designation	% increase in remuneration
Mr. Manish Tiwary[1]	Chairman and Managing Director	Not Comparable
Mr. Suresh Narayanan[2]	Chairman and Managing Director	Not Applicable
Mr. Edouard Mac Nab[3]	Executive Director - Finance & Control and CFO	Not Applicable
Ms. Svetlana Boldina[4]	Executive Director - Finance & Control and CFO	Not Applicable
Mr. Satish Srinivasan	Executive Director - Technical	9%
Mr. Pramod Kumar Rai	Company Secretary and Compliance Officer	12%

#The details with regard to Independent Non-Executive Directors are not applicable as they have not received any remuneration except sitting fees for attending Board/ Committee meetings and commission.

[1]Mr. Manish Tiwary was appointed as Chairman and Managing Director with effect from 1st August 2025.

[2]Mr. Suresh Narayanan ceased as Chairman and Managing Director with effect from 31st July 2025.

[3]Mr. Edouard Mac Nab was appointed as Whole-time Director, designated as "Executive Director - Finance & Control and CFO", with effect from 1st March 2026.

[4]Ms. Svetlana Boldina ceased as Whole-time Director, designated as "Executive Director - Finance & Control and CFO", with effect from 31st January 2026.

iii. The % increase in the median remuneration of employees in the financial year ended 31st March 2026: 7.3%.

iv. The number of permanent employees on the rolls of the Company: 8,382.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

   The average percentage increase made in the salaries of employees other than the managerial personnel was 7.5% while the increase in the remuneration of managerial personnel was 4.2%. These increases are a function of the Company's market competitiveness within its comparator group, as ascertained through the detailed annual salary benchmarking survey and it reflects the Company's reward philosophy.

vi. The key parameters for any variable component of remuneration availed by the directors:

   Variable Component is a critical element of Total Rewards and delivers value for employees who deliver tangible results for the business, against agreed targets. For employees including key managerial personnel, annual short-term bonus is linked to both, Company's and Individual's Performance.

vii. It is hereby affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

On behalf of the Board of Directors

Date : 21st April 2026
Place : Gurugram, Haryana

Manish Tiwary
Chairman and Managing Director

NESTLÉ INDIA LIMITED

(CIN: L15202DL1959PLC003786)

Registered Office: 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001
E-mail: investor@in.nestle.com | Website: www.nestle.in | Phone: 011 - 2341 8891

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY SEVENTH ANNUAL GENERAL MEETING ("67th AGM") OF THE MEMBERS OF NESTLÉ INDIA LIMITED ("the Company") will be held on Friday, 3rd July 2026 at 10:30 A.M., Indian Standard Time (IST), through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt: a) the audited standalone financial statements of the Company for the financial year 2025-26 including the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date, together with the Reports of the Board of Directors and the Auditors' thereon; and b) the audited consolidated financial statements of the Company for the financial year 2025-26 including the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date, together with the Report of the Auditors' thereon.

2. To confirm the payment of Interim Dividend already declared and paid, and to declare final dividend on the equity shares of the Company for the financial year ended 31st March 2026.

3. To appoint a Director in place of Mr. Mandeep Singh Chhatwal (DIN: 11387157), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the recommendation of the Audit Committee of the Board, the remuneration payable to M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No.: 000019), appointed by the Board of Directors as the Cost Auditors 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 2026-27, be and is hereby approved at ₹2,64,000/- (Rupees two lakhs sixty four thousand only), plus reimbursement of out-of-pocket expenses actually incurred and applicable taxes, as may be levied from time to time.

Date : 21st April 2026
Place : Gurugram, Haryana

By Order of the Board
Nestlé India Limited

Registered Office:
100/ 101, World Trade Centre, Barakhamba Lane,
New Delhi – 110 001
E-mail: investor@in.nestle.com | Website: www.nestle.in
CIN: L15202DL1959PLC003786

Pramod Kumar Rai
Company Secretary
(Membership No.: F4676)

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out all material facts concerning the special business under Item No. 4 of the accompanying Notice of the 67th Annual General Meeting ("Notice"), is annexed hereto and forms part of this Notice. The Board of Directors of the Company at its meeting held on 21st April 2026 considered that the special business under Item No. 4 being considered unavoidable, be transacted at the 67th Annual General Meeting (67th AGM) of the Company through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility.

2. The 67th AGM of the Company is being convened through VC/ OAVM facility in terms of the Act and General Circular No. 03/2025 dated 22nd September 2025 and other relevant Circulars issued in this respect ("MCA Circulars"), from time to time by the Ministry of Corporate Affairs, Government of India. The deemed venue for the 67th AGM shall be the Registered Office of the Company.

   This Notice and Annual Report for the financial year ended 31st March 2026 ("Annual Report for the financial year 2025-26") is being sent only through electronic mode to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories, as on Friday, 29th May 2026 and whose e-mail address are registered with the Company or Depository Participant(s). It is however clarified that, all members of the Company as on Friday, 26th June 2026 ("Cut-off Date") (including those members who may not have received this Notice due to non-registration of their e-mail addresses with the Company/ Depository Participant(s) or any other reason) shall be entitled to vote in relation to the aforementioned resolutions in accordance with the process specified in this Notice as elaborated in Note 22. Members may note that this Notice and Annual Report for the financial year 2025-26 will also be available on the website of the Company (www.nestle.in); BSE Limited (www.bseindia.com); National Stock Exchange of India Limited (www.nseindia.com); and National Securities Depository Limited ("NSDL") (www.evoting.nsdl.com).

3. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2025-26 they may send a request from their registered e-mail address to the Company's e-mail address at investor@in.nestle.com mentioning their Folio no./ DP ID and Client ID. Additionally, in accordance with Regulation 36(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), the Company is also sending a letter to members whose e-mail address is not registered with Company/ Depository Participant(s) providing the exact web-link of Company's website from where the Annual Report for financial year 2025-26 can be accessed.

4. In terms of MCA Circulars, physical attendance of members has been dispensed with; therefore, there is no requirement for the appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 67th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote electronic voting (e-Voting) facility, for participation in the 67th AGM through VC/ OAVM facility and e-Voting during the 67th AGM. As the 67th AGM is being held through VC/ OAVM facility, the Route Map is not annexed to this Notice of the 67th AGM.

5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the Listing Regulations read with MCA Circulars, as amended, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 67th AGM and facility for those members participating in the 67th AGM to cast their vote through remote e-Voting system during the 67th AGM. The members, whose names appear in the Register of Members/ Register of Beneficial Owners as on Friday, 26th June 2026, are entitled for e-Voting on the resolutions set forth in this Notice of the 67th AGM. For this purpose, NSDL will be providing facility for participation at the 67th AGM through VC/ OAVM facility and remote e-Voting during the 67th AGM. Members may note that NSDL may use third party service provider for providing service for participation of the members through VC/ OAVM facility.

6. Members may join the 67th AGM through VC/ OAVM facility by following the procedure and the joining window shall be kept open for the members from 10:00 A.M. (IST) i.e., 30 minutes before the scheduled start time of 67th AGM and the Company may close the window for joining the VC/ OAVM facility 30 minutes after the scheduled start time of the 67th AGM. To comply with the provisions of Regulation 44 of Listing Regulations, the Company is also providing one-way live webcast of the proceedings of 67th AGM, web-link of which can be accessed from the website of the Company at www.nestle.in.

7. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of at least two thousand members on a first-come-first-serve basis. Members holding two percent or more of paid-up capital, promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee, auditors, etc. will be able to attend the 67th AGM without any restriction on account of first-come-first-serve basis.

8. Attendance of the members participating in the 67th AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of quorum under Section 103 of the Act.

9. Members, whose KYC details (i.e., postal address with PIN code, mobile number, bank account details, PAN linked with Aadhaar etc.) or e-mail address is not registered/ updated with the Company or with their respective Depository Participant(s), and who wish to receive the Notice of the 67th AGM, the Annual Report for the financial year 2025-26 and all other future communications sent by the Company from time to time, can get their KYC details and e-mail address registered/ updated by following the steps given below:

   a. Members holding shares in physical form, by submitting duly filled and signed request letter in Form ISR-1 along with self-attested copy of the PAN linked with Aadhaar; and self-attested copy of any document in support of the address of the member (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport etc.) and such other documents as prescribed in Form ISR-1:

      i. if e-mail address is registered - by sending an e-mail at investor@in.nestle.com from their registered e-mail address followed by mandatorily sending the physical copy of the same through post at the Registered Office of the Company or directly to its Registrar to an Issue and Share Transfer Agent (RTA), M/s. Alankit Assignments Limited; and

      ii. if e-mail address is not registered - by sending the physical copy of the same through post at the Registered Office of the Company or directly to its RTA's office.

      Please note that members will not be eligible to lodge grievances or submit service requests to the RTA until they have provided complete KYC details. Communication with regard for updation of KYC has been sent to all the members holding shares in physical form at their registered address from time to time and is also made available on the website of the Company at www.nestle.in.

   b. Members holding shares in dematerialized form, by updating their KYC details and e-mail address with their Depository Participant(s).

   Please note that SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, notified on 18th November 2025, along with SEBI Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 6th February 2026, as amended, mandates that any payment of dividend shall be made only through electronic mode to the members. Further, dividend warrants, cheques, demand drafts or any other instrument are no longer required to be issued.

   Members whose bonus equity shares are lying in a separate Suspense Escrow Demat Account with the Company, may complete/ update the KYC details and claim their bonus equity shares.

   The Company strongly urges the members to register their e-mail address with the Company/ Registrar to an Issue and Share Transfer Agent or the Depository Participant(s).

   Members may refer to Frequently Asked Questions ("FAQs"), SEBI Master Circular and other Circulars, relevant Investor Service Request ("ISR") Forms, and contact details for sending requisite forms/ documents, available on the website of the Company at https://www.nestle.in/investors/faqs.

10. The Board of Directors has recommended final dividend of ₹5.00 per equity share of face value of ₹1.00 each for the financial year 2025-26 that is proposed to be paid on and from 30th July 2026, subject to the approval of the members at the 67th AGM. The Record Date fixed for determining the entitlement of the members to the final dividend is 10th July 2026. For information of the members, during the financial year 2025-26, an Interim Dividend of ₹7.00 per equity share of face value of ₹1.00 each was paid on and from 26th February 2026. You are kindly requested to complete your KYC as mentioned in Note 9 above to ensure payment of dividend(s).

11. Pursuant to the relevant provisions of the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at the rates applicable as per the IT Act read with tax treaty as may be applicable. In order to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN details linked with Aadhaar, Category with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending an e-mail to the Company's e-mail address at investor@in.nestle.com or RTA's e-mail address at rta@alankit.com from the e-mail address registered with Company/ RTA. For details, members may refer to the "Communication regarding Tax Deducted at Source ("TDS") on Dividend Distribution" appended as "**Annexure-I**" to the Notice of the 67th AGM.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, as may be applicable, subject to providing necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits by sending an e-mail to the Company's e-mail address at investor@in.nestle.com or RTA's e-mail address at rta@alankit.com from the e-mail address registered with Company/ RTA before the date prescribed in the Notice of the 67th AGM.

12. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. To avail various benefits of holding shares in dematerialized form, members are advised to dematerialize the shares held by them in physical form, for ease in portfolio management.

13. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members may nominate a person in respect of all the shares held by them severally or jointly. Members holding shares in physical form and who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to opt out, cancel or vary an earlier nomination, he/ she may submit the same in Form ISR-3 or SH-14, as the case may be. The said forms can be downloaded from the website of the Company or of the RTA. Members holding shares in demat form may approach their respective Depository Participant(s) to complete/ update the nomination formalities.

14. Pursuant to the provisions of Section 124 of the Companies Act, 2013, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules"), the amount of dividend remaining unpaid or unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. During the financial year ended 31st March 2026, the Company had transferred to the IEPF, unpaid or unclaimed dividend amounts of ₹58,61,760.00 (Rupees fifty eight lakh sixty one thousand seven hundred and sixty only) pertaining to Final Dividend 2017 & First Interim Dividend 2018; ₹29,85,360.00 (Rupees twenty nine lakh eighty five thousand three hundred and sixty only) pertaining to Second Interim Dividend 2018; and ₹73,34,950.00 (Rupees seventy three lakh thirty four thousand nine hundred and fifty only) pertaining to Third Interim Dividend 2018.

15. The Company has been sending reminder letter(s) to members having unpaid/ unclaimed dividend(s) before transfer of such dividend(s) to IEPF. Details of the unpaid/ unclaimed dividend are also uploaded on the website of the Company at www.nestle.in. Members who have not encashed Second Interim Dividend 2019 or any subsequent dividend(s) declared by the Company, are advised to write to the Company at investor@in.nestle.com with their registered e-mail address immediately or send a letter with the details of their folio/ DP ID – Client ID along with KYC details to the Registered Office of the Company.

16. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend remains unpaid/ unclaimed 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, 61,310 equity shares pertaining to Final Dividend 2017 & First Interim Dividend 2018; 16,720 equity shares pertaining to Second Interim Dividend 2018; and 99,360 pertaining to Third Interim Dividend 2018 of face value of ₹1.00 each, on which the dividend remained unpaid or unclaimed for seven consecutive years, were transferred to the IEPF Account during the financial year ended 31st March 2026, after following the prescribed procedure under the IEPF Rules.

    Further, members who have not claimed or encashed their dividend(s) in the last seven consecutive years are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the corresponding shares to the IEPF Account in accordance with the prescribed procedure under the IEPF Rules.

17. The Investor Education and Protection Fund Authority ("IEPFA") has initiated a 100-days campaign titled "Saksham Niveshak" with an objective to encourage shareholders to claim their unpaid/ unclaimed dividend(s), to ensure that the equity shares along with corporate benefits accruing on such shares, are not transferred to the Investor Education and Protection Fund.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/ RTA of any change in KYC details or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holding may be obtained from the concerned Depository Participant, and holdings may be verified from time to time.

19. Documents referred to in the accompanying Notice of the 67th AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee during normal business hours i.e., from 9:00 A.M. to 5:00 P.M. (IST) on all working days except Saturday, up to and including the date of the 67th AGM of the Company.

20. 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 67th AGM. During the 67th AGM, members may access the scanned copy of these documents, upon Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com.

21. Details as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, in respect of the appointment of Directors seeking appointment/ re-appointment at the 67th AGM, forms an integral part of the Notice of the 67th AGM. Requisite declarations have been received from the Directors seeking appointment/ re-appointment.

22. General instructions for accessing and participating in the 67th AGM through VC/ OAVM facility and voting through electronic means including remote e-Voting:-

A. Instructions for members for Remote e-Voting are as under:

The remote e-Voting period will commence from Tuesday, 30th June 2026 (9:00 A.M. IST) and end on Thursday, 2nd July 2026 (5:00 P.M. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 26th June 2026 ("Cut-off Date"), may cast their vote electronically. The voting right 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. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

A person who is not a member as on the Cut-off Date should treat this Notice of the 67th AGM for information purpose only.

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.

Step 1: Log-in to NSDL e-Voting system

I. Login method for e-Voting for individual shareholders holding securities in demat mode

In terms of SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026, individual shareholders holding securities in demat form are allowed to vote through their demat account maintained with Depositories and Depository Participant(s). Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat form is given below:

Type of Members	Login Methods
Individual shareholders holding securities in demat form with NSDL.	1. For OTP based login: a. You can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. b. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN No., Verification code and generate OTP. c. Enter the OTP received on registered e-mail address/ mobile number and click on login. d. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. e. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of Members	Login Methods
	2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual shareholders holding securities in demat form with CDSL	1. Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, links are also provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of Members	Login Methods
	3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual shareholders (holding securities in demat form) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use 'Forget User ID' and 'Forget Password' options available at abovementioned website.

Helpdesk for individual members holding securities in demat form for any technical issues related to login through Depository i.e., NSDL and CDSL

Login type	Helpdesk details
Individual members holding securities in demat form with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-4886 7000
Individual members holding securities in demat form with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

II. Login Method for e-Voting and joining virtual meeting for members other than individual members holding securities in demat form and shareholders holding securities in physical form:

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 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP 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 form	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******.

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical form	Your User ID is:
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 shareholders holding shares in Physical Form.	EVEN Number 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. Password details for shareholders other than individual shareholders 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 e-mail address is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e., a 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 e-mail address is not registered, please follow steps mentioned below in process for those shareholders whose e-mail address are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

    a) Click on "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 form) option available on www.evoting.nsdl.com.

    c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

    d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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.

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. 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 also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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.
2. 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 at 022-4886 7000 or send a request to Ms. Pallavi Mhatre, Assistant Vice-President, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated e-mail address: evoting@nsdl.com or at telephone no. 022-4886 7000.

Process for those members whose e-mail address is not registered with the depositories for procuring user id and password and registration of e-mail address for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical form please provide Folio No., Name of shareholder, scanned copy of the share certificate(s) (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by sending an e-mail to investor@in.nestle.com
2. In case shares are held in demat form, please provide DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@in.nestle.com. If you are an individual shareholders holding securities in demat form, you are requested to refer to the login method explained at Step 1 i.e., Login method for e-Voting for individual shareholders holding securities in demat mode.
3. Alternatively members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of Master Circular dated 30th January 2026 on e-Voting facility provided by listed companies, individual members holding securities in demat form are allowed to vote through their demat account maintained with Depositories and Depository Participant(s). Members are required to update their mobile number and e-mail address correctly in their demat account in order to access e-Voting facility.

A. Instructions for members for participating in the 67th AGM through VC/ OAVM are as under:

a) The members will be provided with a facility to attend the 67th AGM through VC/ OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned above for "Access to NSDL e-Voting system". The link for VC/ OAVM will be available in "Shareholder/ Member login" where the EVEN ("E-voting Event Number") of the Company will be displayed. After successful login, the members will be able to see the link of ("VC/ OAVM") placed under the tab "Join Meeting" against the name of the Company. On clicking this link, the members will be able to attend the 67th AGM. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID/ Password may retrieve the same by following the remote e-Voting instructions mentioned above in the Notice, to avoid last minute rush.

b) Members may join the Meeting through Laptops, Smartphones and Tablets. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of web browsers such as, Chrome, Safari, MS Edge or Firefox. Please note that participants connecting from Smartphones or Tablets or through Laptops connecting via mobile hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to avoid any glitches.

c) Members can submit questions in advance with regard to the financial statements or any other business matter to be placed at the 67th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID/ folio number and mobile number, to reach the Company's e-mail address at investor@in.nestle.com at least 48 hours in advance before the start of the meeting i.e., by 1st July 2026, 10:30 A.M. (IST). Such questions by the members shall be taken up during the meeting and replied by the Company suitably. In case questions could not be taken up due to paucity of time, the Company will arrange to send the reply promptly to those members.

d) Members who would like to express their view/ ask questions during the 67th AGM with regard to the financial statements or any other matter to be placed at the 67th AGM, need to pre-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ folio number and mobile number, to reach the Company's e-mail address at investor@in.nestle.com at least 48 hours in advance before the start of the meeting i.e., by 1st July 2026, 10:30 A.M. (IST). Those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the 67th AGM, depending upon the availability of time.

e) The Company reserves the right to restrict the number of questions and number of pre-registered speakers, as appropriate, to ensure the smooth conduct of the 67th AGM.

f) Institutional investors who are members of the Company, are encouraged to participate in the 67th AGM through VC/ OAVM facility and exercise their vote on the resolutions.

g) If you are not the member of the Company as on the Cut-off Date, you can participate in the live webcast of the 67th AGM, details of which is being uploaded on website of the Company at https://www.nestle.in/investors/shareholders-meeting.

B. Instructions for members for e-Voting during the 67th AGM are as under:

a) Members may follow the same procedure for e-Voting during the 67th AGM as mentioned above for remote e-Voting.

b) Only those members, who will be present in the 67th AGM through VC/ OAVM facility and have not cast their vote on the resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 67th AGM.

c) Members who have cast their vote by remote e-Voting prior to the 67th AGM can participate in the 67th AGM through VC/ OAVM facility, however, they shall not be entitled to cast their vote again.

d) The helpline details of the person who may be contacted by the members needing assistance with the use of technology, before or during the 67th AGM shall be the same persons mentioned for remote e-Voting and reproduced hereunder for convenience:

Ms. Pallavi Mhatre, Assistant Vice-President, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated e-mail address: evoting@nsdl.com or pallavid@nsdl.com or call at 022- 4886 7000. Members may also write to the Company Secretary at the Company's e-mail address at investor@in.nestle.com.

C. Other Guidelines for members

a) 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 i.e., 26th June 2026.

b) Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 67th AGM by e-mail and holds shares as on the Cut-off Date i.e., 26th June 2026, may obtain the User ID and password by sending a request to the Company's e-mail address at investor@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.

c) 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 casting vote through e-Voting system during the 67th AGM.

d) During the 67th AGM, the Chairman shall formally propose to the members participating through VC/ OAVM facility to vote on the resolution(s) as set out in the Notice of the 67th AGM and announce start of the voting process through the e-Voting system. After the members participating through VC/ OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 67th AGM.

e) 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 remote e-Voting process and votes cast through the e-Voting system during the meeting, are in a fair and transparent manner.

f) The Scrutinizer shall after the conclusion of e-Voting at the 67th AGM, first download the votes cast at the 67th AGM and thereafter unblock the votes cast through remote e-Voting 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 sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith.

g) The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.nestle.in and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The Results shall also be immediately forwarded to the stock exchanges where shares of the Company are listed i.e., BSE Limited and National Stock Exchange of India Limited.

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

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

M/s. Ramanath Iyer & Co. is a leading firm of Cost Accountants operating out of New Delhi since 1978. It was established by Late Shri A.R. Ramanathan, a Fellow Member of both the Institute of Cost Accountants of India and the Institute of Company Secretaries of India, author of many books on management accounting & cost audit and one of the first members of the erstwhile Company Law Board and Central Regulatory Commission.

M/s. Ramanath Iyer & Co. is a firm with an expertise in the areas of Cost Audit (both Statutory as well as Voluntary) & Cost and Management Accounting. Their clients are in various industries including manufacturing as well as service sector and belong to the private as well as public sector, across India. The team comprises of five partners [all Fellow members of the Institute of Cost Accountants of India (ICMAI)], expert associates, and a team of 20 cost executives who possess the necessary knowledge, experience & expertise to serve their clients across various industries.

On the recommendation of the Audit Committee, the Board of Directors at its meeting held on 21st April 2026, approved the appointment of M/s. Ramanath Iyer & Co., Cost Accountants, New Delhi (Firm Registration No.: 000019), as the Cost Auditor 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 2026-27 at a remuneration of ₹2,64,000/- (Rupees two lakhs sixty four thousand only) plus reimbursement of out-of-pocket expenses actually incurred and applicable taxes, as may be levied from time to time. Considering the limited scope of cost audit, time and resources deployed by the Cost Auditors and in the opinion of the Board of Directors, the proposed remuneration payable would be fair and reasonable and do not in any way impair the independence & judgement of the Cost Auditors.

The Company has received written consent from M/s. Ramanath Iyer & Co. confirming their eligibility and willingness to be appointed as the Cost Auditors of the Company. They have also confirmed that they meet the requirements to be appointed as the Cost Auditors in accordance with the provisions of the Act and that they are not disqualified for appointment under the Act, the Cost and Works Accountants Act, 1959 (23 of 1959) and the rules or regulations made thereunder. They also confirmed that there are no pending proceedings against the audit firm or any partner of the audit firm with respect to professional matters of conduct. The appointment, if made, complies with the applicable provisions of the Act.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the accompanying Notice of the 67th AGM. Accordingly, the Board of Directors recommends the aforesaid appointment and remuneration to the members for their approval by way of Ordinary Resolution as set out at Item No. 4 of the accompanying Notice of the 67th AGM.

II. DETAILS IN TERMS OF REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Re-appointment of Mr. Mandeep Singh Chhatwal (DIN: 11387157) as a Director (Item No. 3)

In terms of Section 152(6) of the Companies Act, 2013, ("the Act"), Mr. Mandeep Singh Chhatwal (DIN: 11387157), shall retire by rotation at the 67th AGM and being eligible, offers himself for re-appointment.

Mr. Chhatwal, aged 59 years, holds a Master's degree in Business Administration from IIM Ahmedabad. He currently serves as Chief Financial Officer (CFO) for Zone Asia, Oceania & Africa (AOA) of Nestlé Group, based at Nestlé's global headquarters in Vevey, Switzerland. He began his career with the Company in 1989, where he developed his financial capabilities across both factory and sales operations before transitioning to other markets within the Nestlé Group in 2004. His previous leadership positions at Nestlé include CFO of Nestlé Sri Lanka, Global Head of Financial Services, Head of Corporate Finance & Deputy Treasurer, and CFO of Nestlé Philippines. Since 2021 as CFO of Zone AOA, he has overseen the finance function across 112 countries, spearheading strategy, performance management, and financial governance in one of the Group's most diverse regions. Mr. Chhatwal brings over 30 years of rich and exhaustive experience in the finance sector and is recognized for his strategic thinking, operational acumen, and capacity to guide teams through complex environments with clarity.

Mr. Chhatwal brings strong expertise, knowledge and experience around different Markets and Zones of Nestlé group.

Mr. Chhatwal is neither a director nor a member of any Committee of any other company in India, and has not held directorship in any other company in India during the past three years. During the financial year ended 31st March 2026, Mr Chhatwal attended the Board Meeting held on 30th January 2026, following his appointment as a Non-Executive Director.

Except Mr. Chhatwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives, are, in any way, concerned or interested, financially or otherwise, in the proposed resolution as set out at Item No. 3 of the accompanying Notice of the 67th AGM. Mr. Chhatwal is not related to any Director or Key Managerial Personnel of the Company. He does not hold by himself or for any other person on a beneficial basis, any shares of the Company. Accordingly, the Board of Directors recommends his re-appointment for approval of the members by way of an Ordinary Resolution as set out at Item No. 3 of the accompanying Notice of the 67th AGM.

Date : 21st April 2026
Place : Gurugram, Haryana

By Order of the Board
Nestlé India Limited

Registered Office:
100/ 101, World Trade Centre, Barakhamba Lane,
New Delhi – 110 001
E-mail: investor@in.nestle.com | Website: www.nestle.in

Pramod Kumar Rai
Company Secretary
(Membership No.: F4676)

CIN: L15202DL1959PLC003786

NESTLÉ INDIA LIMITED

Annexure-I

(Refer note 11 of the Notice to the 67th AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Pursuant to the provisions of the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the IT Act. Please take note of the below TDS provisions and information/ document requirements for each member:

Section 1: For all Members - Details that should be completed and/or updated, as applicable

a. All Members are requested to ensure that the below details are completed and/ or updated, as applicable, in their respective demat account/s maintained with the Depository Participant/s; or in case of shares held in physical form, with the Company, by 10th July 2026 ("Record Date"). Please note that these details as available on Record Date in the Register of Members/ Register of Beneficial Owners will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

    I. Valid Permanent Account Number (PAN).

    II. Residential status as per the IT Act i.e., Resident or Non-Resident for Tax Year 2026-27.

    III. Category of the Member:

        i. Mutual Fund
        ii. Insurance company
        iii. Alternate Investment Fund (AIF) Category I and II
        iv. AIF Category III
        v. Government (Central/ State Government)
        vi. Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII): Foreign company
        vii. FPI/ FII: Others (being Individual, Firm, Trust, AJP, etc.)
        viii. Individual
        ix. Hindu Undivided Family (HUF)
        x. Firm
        xi. Limited Liability Partnership (LLP)
        xii. Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP)
        xiii. Trust
        xiv. Domestic company
        xv. Foreign company.

    IV. E-mail Address.

    V. Address.

Section 2: TDS provisions and documents required, as applicable for relevant category of Members

Members are requested to take note of the TDS rates and document/s, if any, required to be submitted to the Company by the Record Date their respective category, in order to comply with the applicable TDS provisions.

I. For Resident Members:

i. **Mutual Funds:** No TDS is required to be deducted as per section 393(5) of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.

ii. **Insurance companies:** No TDS is required to be deducted as per section 393(4) of the IT Act subject to specified conditions. Self-attested copy of valid IRDA registration certificate needs to be submitted.

iii. **Category I and II Alternative Investment Fund:** No TDS is required to be deducted as per section 400 of the IT Act subject to specified conditions. Self-attested copy of valid SEBI registration certificate needs to be submitted.

iv. **Recognised Provident funds:** No TDS is required to be deducted as per Circular No. 18/ 2017 subject to specified conditions. Self-attested copy of a valid order from Commissioner under Serial Number 22 of Seventh Schedule to the IT Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.

v. **Approved Superannuation fund:** No TDS is required to be deducted as per Circular No. 18/ 2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Serial Number 23 of Seventh Schedule to the IT Act needs to be submitted.

vi. **Approved Gratuity Fund:** No TDS is required to be deducted as per Circular No. 18/ 2017 subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Serial Number 24 of Seventh Schedule to the IT Act needs to be submitted.

vii. **National Pension Scheme:** No TDS is required to be deducted as per Sec 393(9) of the IT Act.

viii. **Government (Central/ State):** No TDS is required to be deducted as per Sec 393(5) of the IT Act.

ix. **Any other entity entitled to exemption from TDS:** Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to exemption from TDS needs to be submitted.

x. **Other resident Members:**

a) TDS is required to be deducted at the rate of 10% u/s 393(1) of the IT Act.

b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual member does not exceed ₹10,000. Normal dividend/s declared in the preceding financial year 2025-2026 would be considered as the basis to determine applicability of the said threshold for the entire financial year.

c) No TDS is required to be deducted on furnishing of valid Form 121 (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax). Please note that all fields are mandatory to be filled up and the Company may at its sole discretion reject the form if it does not fulfil the requirement of law and Company's policies. Shareholders should submit fresh declarations for any subsequent tranches of Dividend declared during the year in event of any change to the earlier submitted Form 121 to the Company for the same financial year. In event of no intimation of subsequent change to the Company in following tranches, earlier submitted Form 121 for the applicable financial year will be considered by the Company.

d) Please also note that valid Permanent Account Number ("PAN") will be mandatorily required.

e) TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar:

As per Section 262 of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/ inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 397 of the Act. The Company will be using functionality of the Income-tax department for the above purpose. TDS is required to be deducted at the rate of 20% u/s 397 of the IT Act, if valid PAN of the member is not available.

f) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued u/s 395 of the Act, if such valid certificate is provided.

II. For Non-resident Members:

i. **Any entity entitled to beneficial rate/ exemption from TDS:** Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to beneficial rate/ exemption from TDS needs to be submitted.

ii. **Other non-resident Members:**

a) TDS is required to be deducted u/s 393(2) to 393(4) of the IT Act for non-resident members.

b) Member may be entitled to avail lower TDS rate as per Agreement For Avoidance Of Double Taxation (DTAA) between India and the country of tax residence of the member, on furnishing the below specified documents applicable for the relevant period

1) Self-attested copy of PAN. In case PAN is not available, provide details as per Rule 217 of the Income-Tax Rules, 2026;

2) Self-attested copy of valid Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the member is a resident;

3) Self-declaration in electronic Form 41; and

4) Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure A to this Communication).

c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued u/s 395 of the IT Act, if such valid certificate is provided.

Details and/ or documents as mentioned above in Section 1 and Section 2, as applicable to the Member, need to be sent, duly completed and signed, through registered e-mail address of the Member with PAN being mentioned in the subject of the e-mail to reach investor@in.nestle.com by Record Date. Please note that no communication this regard, shall be accepted after the Record Date.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review of the documents submitted.

Section 3: Other general information for the Members:

I. For all self-attested documents, members must mention on the document "certified true copy of the original". For all documents being sent/ accepted by e-mail, the Member undertakes to send the original document/s on the request by the Company.

II. TDS will be deducted based on details of registered member only. Once TDS is deducted in the name of the member as per the Register of Members/ Beneficial Owners as on the Record Date, no transfer of such TDS in the name of another person shall be entertained under any circumstances.

III. TDS deduction certificate will be sent to the members' registered e-mail address in due course. Shareholders will also be able to see the credit of TDS in Form 168, which can be downloaded from their e-filing account at https://www.incometax.gov.in/iec/foportal.

IV. Surcharge rates applicable for financial year 2026-27 for non-residents:

(i) Individual, HUF, AOP, BOI, AJP, Trust

Dividend Income	Rate
Upto ₹ 50 lakhs	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹ 1 crore	10%
Income exceeds ₹ 1 crore	15%

(i) Co-operative society or Firm, registered under applicable Indian law

Aggregate Income	Rate
Income exceeds ₹ 1 crore	12%

(iii) Foreign company

Aggregate Income	Rate
Income exceeds ₹ 1 crore but does not exceed ₹ 10 crores	2%
Income exceeds ₹ 10 crores	5%

V. Normal dividend/s declared in the preceding financial year 2025–2026 would be considered as the basis to determine applicability of the surcharge rate.

VI. Health and Education Cess of 4% is applicable for non-residents.

VII. Shareholders holding shares under multiple accounts under different status/ category (e.g. Resident and Non-Resident) and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

VIII. In respect of the equity shares of the Company which have been transferred to the Investor Education and Protection Fund ("IEPF") in accordance with Section 124(6) of the Companies Act, 2013 and the Rules framed thereunder, TDS shall be deducted based on the available details of the underlying members.

IX. TDS on the bonus equity shares lying in the Suspense Escrow Demat Account of the Company as on the Record Date shall be deducted based on the available details of the members entitled to such shares.

X. Application of TDS rate is subject to necessary due diligence and verification by the Company of the member details as available in register of members on the Record Date, documents, information available in public domain, etc. In case of ambiguous, incomplete or conflicting information, or the valid information/ documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

XI. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible. Once deducted, no claim shall lie against the Company in relation to TDS.

XII. The Company may make adjustments for the past withholding tax on dividend paid to the shareholder, as may be necessary.

XIII. Income tax rates as per the latest Finance Act shall be used for determining the income-tax payable in respect of the total income of a person (being individual/ HUF/ AOP/ BOI/ AJP). The prescribed rates are applicable to all specified person by default.

The Company is required to declare in its TDS return, "if the deductee is opting out of this new regime u/s 202(1)?". As a default option, the Company will be opting as "No" for all shareholders to whom this section applies. In case, you wish to opt out of this new regime (shift to old tax regime), please provide declaration enclosed as Annexure B. Accordingly, on receipt of declaration with complete details, the Company will update the response as "Yes" in its TDS return. Please note that no changes will be made if any declaration is received subsequent to record date.

XIV. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/ to be provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

Note:

Above communication on TDS sets out the provisions of law in a summary manner only, as on the date of the communication, and does not purport to be a complete analysis or listing of all potential tax consequences. Members should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

Annexure A

FORMAT FOR DECLARATION FOR CLAIMING BENEFITS UNDER DTAA

Refer Section 2(II)(ii)(b)(4) of above Communication on TDS on Dividend Distribution

Date:

To,
Nestlé India Limited
100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001
E-mail: investor@in.nestle.com

Subject: Declaration for eligibility to claim benefit under Agreement For Avoidance Of Double Taxation between Government of India and Government of .... <mention country of tax residency> ("DTAA"), as modified by Multilateral Instrument ("MLI"), if applicable

With reference to above, I/ We wish to declare as below:

1. I/We, ... <Full name of the member>, having permanent account number (PAN) under the Indian Income Tax Act 2025, ... <mention PAN >, and holding.. <mention number of shares held> number of shares of the Company under demat account number/ folio number .... as on the record date, am/ are a tax resident of .... <country name> in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a 'resident' of India under section 6 of the Indian Income Tax Act, 2025 ("the IT Act"). A copy of the valid tax residency certificate for .... <period>, which is valid as on the Record Date, is attached herewith. We request you to provide the benefit of the said DTAA.
2. I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate.
3. I/We am/are the legal and beneficial owner of the dividend income to be received from the Company.
4. I/We do not have a Permanent Establishment ("PE") in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India and the amounts paid/ payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise.
5. I/We do not have a PE in a third country and the amounts paid/ payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
6. I/We do not have a Business Connection in India according to the provision of section 9(2)(c) of the Act and the amounts paid/payable to us, in any case, are not attributable to business operations, if any, carried out in India.
7. I/We confirm that my affairs/ affairs of ....<Full name of the member> were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
8. Further, my/our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.
9. I/We confirm that we are aware of the necessary compliances under the Indian domestic tax laws and would comply with the said compliance requirements.

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, I/ we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me/us, I/we will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information/ documents that may be necessary and co-operate in any proceedings before any income tax/ appellate authority.

For <Mention the name of the payee>

Authorised Signatory

<Name of the person signing>
<Designation of the person signing>

Annexure B

Format for Declaration for opting out of New Regime u/s 202(1)

(Opting for the Old Tax Regime)

Date:

To,
Nestlé India Limited
100/ 101, World Trade Centre,
Barakhamba Lane, New Delhi - 110 001
E-mail: investor@in.nestle.com

Subject: Declaration for opting out of New Tax Regime u/s 202(1) [Shifting to the Old Tax Regime]

This is to certify that I ………………….[name of individual]/ Karta of Hindu undivided family (HUF)................[name of HUF]* / .... [others], on behalf of........................... [name and address of the individual/ HUF/others]*, having Permanent Account Number (PAN) …………………….. do hereby, exercise the option for taxability under the old tax slabs/ regime and do not wish to opt for new tax regime prescribed under section 202(1) of the Income Tax Act, 2025 for the financial year 2026-27.

The details for this purpose are given below:

(i) Name of the individual/ HUF/ other* :

(ii) PAN :

(iii) Address :

(iv) Date of Birth/ Incorporation* : dd/mm/yyyy

I undertake to ensure that old regime is opted in manner as may be prescribed before filing my return of income.

Further, I also understand that option once exercised, will be valid for entire financial year 2026-27 and cannot be changed subsequently during the course of the year for the purpose of reporting in TDS return by the deductor.

*Delete whichever is not applicable.

Yours faithfully,

Signature of Individual/ Karta of HUF/ Authorized Representative …………………………

Name …………………………………………….

Designation…………………………………….

Date: ________________________

Place: ________________________

Note: This form shall be signed by the individual/ Karta of the HUF/ Authorized Representative.

Notes

Notes

Notes

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