

'The crisis was a blessing in disguise for Nestlé'



SURESH NARAYANAN

Chairman & Managing Director, Nestlé India

Is the Maggi crisis a wake-up call for Nestlé in India?

Certainly not a wake-up call. This definitely gave us room for introspection. After being here for more than 100 years, we suddenly found ourselves vulnerable. When time is not in your favour, you tend to take more risk and change things in place for years. I've learnt one can face an existential threat even in areas where one has been in a comfortable position. A lesson we have learnt as a company and we are now determined to stay prepared.

But, Nestlé is not scared of doing business in India. On the contrary, the entire episode will help us come back stronger and all new projects are aimed at that. A crisis of that sort could have worked both ways. There are very few companies which have been tested, shaken, twisted or turned the way Nestlé has been (in the past one year). We gained strength and confidence from that and Nestlé will grow further.

We are now more focused on being a fast and flexible company, which can take such challenges head-on. Our decision-making takes less time and we can launch products faster.

None of your three categories of dairy and infant nutrition, chocolate & confectionery, and beverages have registered volume growth since FY15. What are you doing to bring these back in the growth trajectory?

We are currently working on almost 20 new products, which will be in the market in the coming months. We are trying to expand our portfolio under chocolate & confectionery and beverages. Products like Greco yogurt and Sunrise Insta-Filter are slightly premium in offering. The latter is based on a

Nestlé is a global leader in many categories like packaged water, milk and ice-creams, with ₹6,50,000 crore (\$93 billion) of annual sales. The Indian subsidiary of the world's largest food company had been doing business for the past 104 years and had strengthened its position here in 1967 when its first plant became operational in Moga, Punjab. Food safety regulator Food Safety and Standards Authority of India had banned Maggi noodles nationwide in June 2015 after test results allegedly showed packets exceeded legal limits of lead. **SURESH NARAYANAN**, chairman and managing director, Nestlé India, talks to **Arnab Dutta** on his experience with the company's biggest crisis here in past months, involving its Maggi noodles' recall, changes in its attitude here and plans. Edited excerpts:



South Indian flavour and India is the first country where we are currently selling the product.

In the past two quarters, Nestlé launched four new products in these categories and managed to gain traction. Of course, prepared dishes (Maggi) is an important business for us but there are a lot of opportunities in other categories which we have identified.

So, does Nestlé plan to be more aggressive in India, in terms of promotion and marketing?

I would like to be more aggressive. The level of hope and energy now is certainly higher. This will translate into sales and profit.

In the past few years, Nestlé has moved away from mass market products and focused on slightly premium ones. Is Nestlé focusing on

premium consumers?

We are an urban-centric company, with 90 per cent of sales, coming from non-rural areas. Thus, adding urban consumers is our primary focus. But, our consumers are changing very quickly in terms of lifestyle, attitude, income level and expectations, and more willing to experiment. Nestlé is focused on selective premiumisation in categories like chocolate & confectionery and beverages, apart from value-for-money mass market products in our strongholds. We do not cater to rural markets directly. We are not, for instance, going to launch packaged milk to challenge, say, Amul — the biggest milk cooperative in the country.

Today, we are focused on strengthening our position in fewer categories but with higher penetration and sales. This is a conscious call that has been taken, which could limit our growth but will help us build stronger brands. Our strategy is three-fold. First, re-energising of existing brands. Second, look at new brands and come up with innovative offerings. Third, getting into new categories. We are working on all of these.

How do you plan to cope with the current situation where consumer sentiment is subdued and demand growth is absent?

My expectation of overall demand growth continues to be modest. But, as my rural dependence is lower (than other major players), we will be less affected. It is anyway not a favourable situation for us now. The crisis came as a blessing in disguise for Nestlé.

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NOTICE

Notice is hereby given that pursuant to Regulation 47 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of Board of Directors of the Company will be held on **Wednesday, the 25th day of May, 2016** at the registered office of the Company at IT-14-15, EPIP, Sitapura, Jaipur-302022 at 05.30 P.M., inter alia to consider and approve the Standalone and Consolidated Audited financial results of the Company along with the Statement of Assets and Liabilities and the Financial Statement of the Company for the quarter/half year/year ended on 31st March, 2016. This Intimation is also available on Company's website at www.compucom.co.in and on Stock Exchanges' website at www.nseindia.com and www.bseindia.com.

By order of the Board
For Compucom Software Limited
(Swati Jain)
Place: Jaipur
Date: 16.05.2016 Company Secretary

EASY FINCORP LTD

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NOTICE

Pursuant to Regulation 29 read with Regulation 47 and other relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, notice is hereby that a Meeting of the Board of Directors of the Company is scheduled to be held on Friday, 27th May, 2016 to inter alia consider and approve the Audited Financial Results of the Company for the year ended March 31, 2016.

A copy of the said notice is available on the Company's website at www.easyfincorp.com and also on the Stock Exchange website at www.bseindia.com.

for EASY FINCORP LIMITED
Sd/-
Place : Mumbai. Hemant Goenka
Date : 14th May, 2016 (Director)

KISAN MOULDINGS LIMITED

(CIN:L17120MH1989PLC054305)

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NOTICE

Notice is hereby given that pursuant to Regulation 29 read with Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Meeting of the Board of Directors of the Company will be held on Monday, 23rd May, 2016 at the Registered Office of the Company, inter alia, to consider and approve the Audited Financial Results of the Company for the quarter/year ended 31st March, 2016.

The said Notice may be accessed on the Company's website at <http://www.kisangroup.com> and may also be accessed on the Stock Exchange website at <http://www.bseindia.com>.

For KISAN MOULDINGS LIMITED
Sd/-
SANJEEV A AGGARWAL
JOINT MANAGING DIRECTOR
(DIN: 00064076)

Place: Mumbai
Date: 16th May, 2016