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MASTERS' UNION × NESTLÉ

Pre-Read

Quality at Scale: Inside India's FMCG Manufacturing Engine

1. Why This Immersion Matters

The plant you're visiting today makes Maggi - the single product responsible for both the strongest and the most difficult chapter in Nestlé India's recent history. Maggi and Nestlé's other packaged foods generated roughly ₹6,311 crore in FY25 revenue, about 31.4% of Nestlé India's earnings, built on some six billion servings sold in a single year and a 60% share of India's instant noodles market. That scale is also a concentration: one brand carrying nearly a third of a listed company's earnings is a strategic exposure as much as a strength.

It is also the same brand behind India's most consequential FMCG product recall. In June 2015, Maggi was banned nationwide after government tests found lead and MSG above permissible limits; Nestlé recalled and incinerated roughly 38,000 tonnes of product, and this very plant halted noodle production for several months. Goa's own laboratories were among the first in the country to test Maggi samples and clear them, well before the wider ban was lifted nationally - a detail specific to the facility on today's itinerary.

A decade on, Maggi has recovered to about 60% market share, still below its pre-crisis peak of roughly 80%. Nestlé brought in a new India chief specifically to lead that recovery, and has spent the years since investing in quality systems, transparency and reinvention to rebuild trust that had, briefly, collapsed nationwide.

Carry both halves of that story onto the plant floor today: the scale and discipline of a world-class FMCG manufacturing operation, and the fact that even an operation at this level of sophistication had a genuine, well-documented failure a decade ago. The interesting question isn't whether Nestlé's systems are impressive today - they clearly are - but what specifically changed in how quality is managed here since 2015, and how much of what you see exists because of that history.

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2. Company Snapshot

Legal name	Nestlé India Limited
Parent company	Nestlé S.A. (Switzerland)
Founded in India	1959, New Delhi; first Indian factory in 1961 at Moga, Punjab
Headquarters	Gurugram, Haryana
Listed on	NSE and BSE, ticker NESTLEIND
Leadership	Mr Manish Tiwary, Chairman & Managing Director, who succeeded Mr Suresh Narayanan in 2025
Manufacturing footprint	9 factories across India (a 10th, in Odisha, has in-principle approval); two of the nine are in Goa.
Today's plant	Bicholim, Goa (established 1997) - produces Maggi Masala, Veg Atta, and Chicken noodle variants.
FY26 scale (Q4)	Revenue ₹6,747.8 crore (+22.6% YoY); net profit ₹1,114.1 crore (+26% YoY); EBITDA margin 26.3%.

3. The Nestlé India Story

Nestlé incorporated locally in 1959 and built its first Indian factory in Moga, Punjab, in 1961, initially to process milk from local dairy farmers. That farmer-sourcing model, building supply chains around Indian agriculture rather than importing ingredients, has stayed central to how Nestlé India operates, from milk in Punjab to coffee and cocoa sourcing today. The company has since grown into one of India's largest listed FMCG players, spanning foods, beverages, confectionery and nutrition, with brands including Maggi, Nescafé, KitKat, Milkmaid, Cerelac and Everyday. Maggi itself entered India in 1975 as stock cubes and was reinvented as 2-Minute Noodles in 1983, effectively creating the instant noodles category in India rather than entering an existing one.

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4. Core Framework: Quality as a Manufacturing Discipline

Most FMCG manufacturing immersions emphasise scale - how much gets made, how fast, how automated. Today's immersion is a good opportunity to look instead at the systems underneath that scale: how raw materials are tested before they enter production, how consistency is enforced across batches, how contamination or defects are caught before a product leaves the plant, and how all of this is documented in a way that can be audited after the fact.

The global standard most food manufacturers build around is HACCP (Hazard Analysis and Critical Control Points) - a system that identifies the specific points in a production process where something could go wrong (a temperature, a contaminant, a timing error) and builds monitoring and controls specifically around those points, rather than testing only the finished product. It's worth noticing, while walking the floor, where the actual control points are in what you're shown, and what would have to fail for a defect to reach a customer.

5. The Maggi Crisis and the Decade Since

In June 2015, Indian regulators found lead content above permissible limits, along with undeclared MSG, in samples of Maggi noodles, and a nationwide ban followed. Nestlé recalled and destroyed roughly 38,000 tonnes of product, incinerating it at 11 cement plants across the country, and absorbed a ₹45 lakh fine. This plant, Bicholim, halted noodle production for several months as part of the nationwide shutdown, affecting the 500-plus contractual workers who staffed its lines.

The Bombay High Court overturned the ban on 13 August 2015 and ordered fresh testing at authorised laboratories. Maggi cleared those tests and resumed manufacturing and sale in October 2015 - a five-month gap between a routine production run and a full national relaunch.

Nestlé's response afterward went beyond simply passing the retest: the company brought in a new India chief, Suresh Narayanan, specifically to rebuild the brand and the institution's credibility, and invested in more visible quality communication (batch testing disclosures, ingredient transparency) in the years that followed. Worth asking during the immersion: which specific checks, sign-offs or systems you're shown today trace back to decisions made in the aftermath of 2015, versus practices that predate it.

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6. Hygiene, Quality Standards and Food Safety: The Backbone of FMCG Production

In FMCG manufacturing, hygiene and quality control aren't a department bolted onto production, they are production. A single lapse at a plant like Bicholim doesn't stay contained to one bad batch: at this scale, a single production run can turn into millions of packets on shelves within days, across hundreds of towns and cities. That is precisely why food safety systems in FMCG are built to catch problems before a product leaves the plant, rather than after a consumer complaint or a regulator's test result.

Every food manufacturer in India operates under FSSAI, the Food Safety and Standards Authority of India, set up under the Food Safety and Standards Act, 2006. FSSAI licensing is mandatory for a plant of this scale, and it sets the baseline for permissible contaminants, additives, labelling accuracy and hygiene practice - the same standards a 2015-style contamination test is measured against. Beyond that regulatory floor, plants like Bicholim typically also work toward voluntary international benchmarks: Good Manufacturing Practices (GMP), and food safety management certifications such as ISO 22000 or FSSC 22000, which turn hygiene and quality control into an auditable system rather than a set of informal habits.

On the floor, that discipline usually shows up in layers: raw materials tested and cleared before they enter production, not after; equipment cleaned and sanitised between batches through Clean-in-Place (CIP) systems rather than manual washdowns alone; personal hygiene protocols (hairnets, gloves, restricted access) for anyone on the line; metal detection or X-ray scanning built into the process itself to catch physical contaminants; and batch coding that makes every pack traceable back to its exact production run - the same traceability that let Nestlé identify and act on specific batches quickly once the 2015 issue surfaced. Worth watching for how many of these layers are visible, and asking about the ones that aren't, on today's walk-through.

7. The Numbers Behind the Visit: Scale, Growth, and a Concentration Question

Nestlé India's most recent quarter (Q4 FY26) was its strongest on record: revenue of ₹6,747.8 crore, up 22.6% year-on-year; net profit of ₹1,114.1 crore, up roughly 26%; domestic sales of ₹6,445 crore, the highest quarterly domestic sales in the company's history. Management credited double-digit volume growth, premiumisation, and deeper market penetration, even as advertising and promotional spending

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rose over 50% year-on-year and input costs stayed mixed (coffee and cocoa easing, wheat and milk staying firm).

Sitting underneath those numbers is the concentration question raised in Section 1: Maggi alone contributes roughly 31.4% of Nestlé India's earnings. Strong performance in one brand can mask how dependent the wider business is on it. Worth asking how Nestlé's leadership thinks about that balance, and whether newer lines (health-forward Maggi variants, KitKat's expansion, coffee, nutrition) are genuinely diversifying that dependency or simply growing alongside it.

8. Glossary

HACCP	Hazard Analysis and Critical Control Points - a food safety system that identifies the specific points in production where risk is highest and builds monitoring around them, rather than only testing the finished product.
FMCG	Fast-Moving Consumer Goods - low-cost, high-volume consumer products sold quickly, such as packaged food, beverages and toiletries.
Product recall	The removal of a product from the market after a safety or quality issue is identified, often followed by destruction, reformulation, or resale after clearance.
Premiumisation	Consumers trading up to higher-priced, higher-margin versions of a product category.
EBITDA margin	Earnings before interest, tax, depreciation and amortisation, expressed as a percentage of revenue - a measure of core operating profitability.
Brand concentration risk	The strategic exposure a company carries when a large share of its revenue or profit depends on a single brand or product.
Category creation	Building an entirely new product category (as Maggi did with instant noodles in India) rather than competing within an existing one.
Contract manufacturing workforce	Workers employed through third-party contractors rather than directly by the company, common in FMCG plant operations.
Traceability	The ability to track an ingredient or product backward through the supply chain to its source, important for both quality and sustainability claims.

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9. Questions Worth Carrying Into the Plant Visit

Manufacturing & Operations

Worth asking what has structurally changed in how this specific plant runs since 2015 - not just what quality checks exist today, but which of them exist because of what happened a decade ago.

Quality & Food Safety

A good, direct question: where exactly does raw material testing happen in the process you're shown, and how far into production a defect could travel before it's caught.

Supply Chain

Worth asking how ingredients for a product like Maggi masala are sourced and tested before they even reach this plant, given how much food safety risk sits upstream of manufacturing.

Technology

A good question for whoever leads the technology or automation portion of the tour: which parts of this process are automated for efficiency, and which are automated specifically for consistency or safety.

11. Pre-Visit Resources

- [At 50, Maggi stays India's 2-minute comfort food, but can it keep up with changing tastes - afags!](#)
- [Lessons From Nestlé's Strategic Indianization - Ikana Business Review](#)
- [Nestlé India - Our Factories](#)

12. Sources

- [Nestlé India - Our Factories](#)
- [Nestlé India - Wikipedia \(company history, ownership, 2015 Maggi controversy timeline\)](#)
- [Nestle looks to restart Maggi production at Goa plant - domain-b](#)
- [Nestlé India Delivers Strong Q4 FY26 Results - India Infoline](#)
- [About FSSAI - Food Safety and Standards Authority of India](#)