

# Nestlé India Limited

(CIN : L15202DL1959PLC003786)

Nestlé House

Jacaranda Marg, 'M'Block, DLF City, Phase – II

Gurugram – 122002, Haryana

Phone 0124 - 3940000

E-mail: investor@in.nestle.com

Website www.nestle.in



**PKR:SG: 56:23**

**14<sup>th</sup> August 2023**

## **BSE Limited**

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai – 400 001

BSE Scrip Code: 500790

## **National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1,

G Block, Bandra-Kurla Complex,

Bandra (East), Mumbai - 400 051

NSE Symbol: NESTLEIND

**Subject : Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Disclosure of continuing event or information (i.e. ongoing litigations) of the Company**

Dear Madam/Sir,

Pursuant to amended Regulation 30 and Part B of Para A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July 2023, please find enclosed disclosure of continuing event or information (i.e. ongoing litigations) of the Company which became material as per the criteria prescribed under Regulation 30(4)(i)(c) of the Listing Regulations.

Kindly take the same on record.

Thanking you,

Yours truly,

**NESTLÉ INDIA LIMITED**

**PRAMOD KUMAR RAI**

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

*Encl.: as above (total pages including cover page -3)*

**Disclosure of continuing event or information (i.e. ongoing litigations) of the Company which became material as per the criteria prescribed under Regulation 30(4)(i)(c) of the Listing Regulations:**

Sr. No	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company:	
(a)	The details of any change in the status and / or any development in relation to such proceedings;	<p><b>I. Income Tax related matters:</b></p> <ol style="list-style-type: none"> <li>General Licensing fees (royalty) : Disallowance(s) from financial years 1996 - 97 to 2017 -18. The income-tax authorities vide various orders have contended that payments of royalty during the aforesaid financial years were excessive and unreasonable. The Company had appealed against the orders. The matter has been decided in favor of the Company up to the level of Hon'ble Delhi High Court. However, the income tax authorities have preferred an appeal against the order of the Hon'ble Delhi High Court. The appeal is pending before the Hon'ble Supreme Court of India. Quantum of claim(s), if any : The aggregate amount under the litigation as on 30<sup>th</sup> June 2023 is Rs. 904.20 Crore.</li> <li>General Licensing fees (royalty) - Transfer Pricing Assessment Orders for the financial years from 2015-16 to 2017-18. The income-tax authorities vide various orders have contended that royalty paid by the Company during the aforesaid financial years were excessive and unreasonable. The Company has appealed against the orders. The appeal is pending before the Income Tax Appellate Tribunal (ITAT). Quantum of claim(s), if any : The aggregate amount under the litigation as on 30<sup>th</sup> June 2023 is Rs. 193.27 Crore.</li> <li>Disallowance of expenditure of an exceptional item - MAGGI voluntary withdrawal related expenses during the year 2015 were disallowed by the income-tax authorities. The Company has appealed against the order. The appeal is pending before the ITAT. Quantum of claim(s), if any : The aggregate amount under the litigation as on 30<sup>th</sup> June 2023 is Rs. 166.34 Crore.</li> </ol> <p><b>II. Indirect Tax related matters:</b></p> <ol style="list-style-type: none"> <li>Anti-profiteering law was introduced vide section 171 of Central Goods and Services Tax Act, 2017, whereby any reduction in output rate of tax or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices. On 10<sup>th</sup> December 2019 the National Anti-Profiteering Authority (NAA) had passed an order holding the Company liable for profiteering and raising a demand along with interest. The Company had challenged the said order of the NAA before the Hon'ble Delhi High Court (HC). Hon'ble HC had vide its order dated 27<sup>th</sup> January 2020 granted interim stay on the said order. The Company had provisionally deposited Rs. 16.58 Crore. The matter is pending before the Hon'ble HC. Quantum of claim(s), if any : The aggregate amount under the litigation as on 30<sup>th</sup> June 2023 is Rs. 89.73 Crore.</li> </ol>

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		<p><b>III. Civil matters:</b></p> <p>1. Complaint filed in National Consumer Dispute Redressal Commission</p> <p>The Union of India, Department of Consumer Affairs in 2015 had filed a complaint before the National Consumer Dispute Redressal Commission on the allegation that by selling MAGGI Noodles in the past, the Company had indulged in unfair trade practice, sold defective goods to the public and sold goods which were hazardous. Complaint seeks compensation of Rs. 284.55 Crore and punitive damages of Rs. 355.41 Crore. The Company has challenged the complaint.</p> <p>The court proceedings are currently ongoing.</p> <p>Quantum of claim(s), if any : The aggregate amount under the litigation as on 30<sup>th</sup> June 2023 is Rs. 639.96 Crore.</p> <p>Note : In all the above pending case(s), it is not possible to make estimate of the expected financial implication(s), if any, on the Company, which could reasonably be determined only after the case(s) reaches its finality.</p>
(b)	In the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and/ or any development in relation to such proceedings.	Not applicable
(c)	In the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/ penalty paid (if any) and impact of such settlement on the financial position of the Company.	Not applicable