

# NESTLÉ INDIA LIMITED

(CIN: L15202DL1959PLC003786)

Registered Office: 100/ 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001

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Phone: 011 - 2341 8891

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY FOURTH ANNUAL GENERAL MEETING ("AGM/ 64<sup>TH</sup> AGM") OF THE MEMBERS OF NESTLÉ INDIA LIMITED ("the Company") will be held on Wednesday, 12<sup>th</sup> April 2023 at 10:00 A.M., Indian Standard Time (IST), through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility, to transact following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the financial year 2022 including Balance Sheet as at 31<sup>st</sup> December 2022, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To confirm payment of two Interim Dividends aggregating to 145/- per equity share for the financial year 2022 and to declare final dividend on equity shares for the financial year ended 31<sup>st</sup> December 2022.
3. To appoint a Director in place of Mr. Matthias Christoph Lohner (DIN: 08934420), 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 thereof for the time being in force), and on recommendation of Audit Committee, M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No.: 00019), appointed as the Cost Auditors by the Board of Directors 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 ending 31<sup>st</sup> December 2023 to be paid, ₹ 2,22,000/- (Rupees two lakhs twenty-two thousand only) plus out of pocket expenses and applicable taxes."
5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act") and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and/or any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Svetlana Leonidovna Boldina (DIN: 10044338), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> March 2023 in terms of Section 161(1) of the Act and Article 127 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting, be and is hereby appointed as a Director and the period of her office shall be liable to determination by retirement of directors by rotation. RESOLVED FURTHER that pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 ("the Act") and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approval of the Central Government, the Company hereby accords its approval to the appointment of Ms. Svetlana Leonidovna Boldina (DIN: 10044338), as the Whole-time Director, designated as "Executive Director-Finance & Control and Chief Financial Officer" for a term of five consecutive years effective from 1<sup>st</sup> March 2023 until 29<sup>th</sup> February 2028 on the terms and conditions of appointment and remuneration as contained in the draft agreement, material terms of which are set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to by the Board of Directors and Ms. Svetlana Boldina."
6. To consider and if thought fit, to pass the following resolution as a Special Resolution:  
"RESOLVED that pursuant to the provisions of Section 149, 197 of the Companies Act, 2013 ("the Act") and Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the directors other than the managing

director or whole-time directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, commencing from 1<sup>st</sup> January 2023, provided that none of the directors aforesaid shall receive individually a sum exceeding ₹1,00,00,000/- (Rupees one crore only) in a financial year.

RESOLVED FURTHER that the above remuneration shall be in addition to fee payable to the director(s) for attending the meetings of the Board or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

**By Order of the Board**

**Date : 16<sup>th</sup> February 2023**  
**Place : Gurugram**

**Pramod Kumar Rai**  
**Company Secretary**

#### **IMPORTANT NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out material facts concerning the business under Item Nos. 4, 5 and 6 of the accompanying Notice, is annexed hereto and forms part of this Notice. The Board of Directors of the Company at its meeting held on 16<sup>th</sup> February 2023 considered that the special business under Item Nos. 4, 5 and 6, being considered unavoidable, be transacted at the 64<sup>th</sup> AGM of the Company.
2. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5<sup>th</sup> May 2020 and 28<sup>th</sup> December 2022, respectively, and other circulars issued in this respect ("MCA Circulars") allowed, *inter-alia*, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30<sup>th</sup> September 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 64<sup>th</sup> AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 64<sup>th</sup> AGM shall be the Registered Office of the Company.
3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 64<sup>th</sup> 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 e-Voting through Board Resolution/ Power of Attorney/ Authority Letter, etc., for participation in the 64<sup>th</sup> AGM through VC/ OAVM facility and e-Voting during the 64<sup>th</sup> AGM and since the 64<sup>th</sup> AGM is being held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
4. In terms of the MCA Circulars, the Notice of the 64<sup>th</sup> AGM and Annual Report for the financial year 2022, will be available on the website of the Company at [www.nestle.in](http://www.nestle.in), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of National Securities Depositories Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
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 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 64<sup>th</sup> AGM and facility for those members participating in the 64<sup>th</sup> AGM to cast vote through e-Voting system during the 64<sup>th</sup> AGM. For this purpose, NSDL will be providing facility for voting through remote e-Voting, for participation in the 64<sup>th</sup> AGM through VC/ OAVM facility and e-Voting during the 64<sup>th</sup> AGM. Members may note that NSDL may use third party service provider for providing participation of the members through VC/ OAVM facility.
6. Members may join the 64<sup>th</sup> AGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the members from 9:30 A.M. (IST) i.e. 30 minutes before the time scheduled to start the 64<sup>th</sup> AGM and the Company may close the window for joining the VC/ OAVM facility 30 minutes after the scheduled time to start the 64<sup>th</sup> AGM.
7. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of at least one thousand members on a first-come-first-served basis. The large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 64<sup>th</sup> AGM without any restriction on account of first-come-first-served basis.

8. Attendance of the members participating in the 64<sup>th</sup> AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Electronic copy of the Annual Report for the financial year 2022 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

Electronic copy of the Notice of the 64<sup>th</sup> AGM of the Company, *inter-alia*, indicating the process and manner of electronic voting ("e-voting") is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022 and Notice of the 64<sup>th</sup> AGM of the Company, may send request to the Company's email address at investor@in.nestle.com mentioning no./ DP ID and Client ID.

10. Members, whose email address, bank account details or mobile number is not registered with the Company or with their respective Depository Participant(s) ['DPs'], and who wish to receive the Notice of the 64<sup>th</sup> AGM and the Annual Report for the financial year 2022 and all other communication sent by the Company, from time to time, can get their email address, bank account details and mobile number registered by following the steps as given below:-
  - a. Members holding shares in physical form may send scan copy of a signed request letter mentioning the folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at investor@in.nestle.com.
  - b. Members holding shares in demat mode may update the email address, bank account details and mobile number through their respective Depository Participant(s).

**11. General instructions for accessing and participating in the 64<sup>th</sup> 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: -**


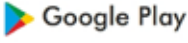


- » The remote e-Voting period will commence from 9<sup>th</sup> April 2023 (9:00 A.M. IST) and end on 11<sup>th</sup> April 2023 (5:00 P.M. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 5<sup>th</sup> April 2023, 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 64<sup>th</sup> 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: How to Log-in to NSDL e-Voting website?**

**I. Login method for e-Voting and joining virtual meeting for individual members holding securities in demat mode**

In terms of SEBI Circular dated 9<sup>th</sup> December 2020 on "e-Voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat account(s)/ websites of Depositories/ Depository Participant(s) ("DPs") in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Members are advised to update their mobile number and e-mail address with their DPs in order to access e-voting facility. Login method for individual members holding securities in demat mode is given below:

Type of Members	Login Methods
Individual members holding securities in demat mode with NSDL.	<p><b>Users registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Visit the e-Services website of NSDL i.e. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile device. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.</li> <li>You will be prompted 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.</li> <li>Click on the 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 or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>Users not registered for NSDL IDeAS facility:</b></p> <p>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p><b>e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile device. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.</li> <li>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.</li> <li>Click on the 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 &amp; voting during the meeting.</li> </ol> <p><b>e-Voting mobile application of NSDL</b></p> <p>Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div>

Individual members holding securities in demat mode with CDSL	<p><b>Existing users who have opted for Easi/ Easiest</b></p> <p>a) Login through their User ID and password. Option will be made available to reach e-Voting page without any further authentication.</p> <p>b) The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>c) After successful login of Easi/ Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p><b>Users not registered for Easi/ Easiest</b> Option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a></p> <p><b>Visit the e-Voting website of CDSL</b></p> <p>a) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>b) After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual members (holding securities in demat mode) login through their depository participants	<p>a) Members can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/ CDSL for e-Voting facility.</p> <p>b) Upon logging in, you will be able to see e-Voting option.</p> <p>c) Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository website after successful authentication, wherein you can see e-Voting feature.</p> <p>d) Click on the 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 and voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for individual members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**II. Login method for e-Voting and joining virtual meeting for individual members holding securities in demat mode and members holding securities in physical form**

- 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 device.
- 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, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login.

Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

**a) Your User ID details are given below:**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
i. 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*****
ii. 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*****
iii. For members 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***

**b) Password details for members other than individual members are given below:**

- I. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- II. 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.
- III. How to retrieve your "initial password"?
  - » If your email address is registered in your demat account or with the Company, your "initial password" is communicated to you on your email address. Trace the email sent to you from NSDL from your mailbox. Open the email 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".
  - » If your email address is not registered, please follow steps mentioned below in process for those members whose email addresses are not registered.

**c) If you are unable to retrieve or have not received the "initial password" or have forgotten your password:**

- i. 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](http://www.evoting.nsdl.com).
  - ii. "Physical User Reset Password?" (If you are holding shares in physical form) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - iii. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- d) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - e) Now, you will have to click on "Login" button.
  - f) After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- a) After successful login at Step 1, you will be able to see all the companies "EVEN" (E-voting Event Number) in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b) Select "EVEN" of the 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".
- c) Now you are ready for e-Voting as the Voting page opens.
- d) 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.
- e) Upon confirmation, the message "Vote cast successfully" will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution(s), you will not be allowed to modify your vote.

### General Guidelines for members

- a) 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.nsd.com](http://www.evoting.nsd.com) to reset the password.
- b) 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.nsd.com](http://www.evoting.nsd.com) or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, at the designated email address: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone nos.: 022 - 4886 7000 and 022 - 2499 7000, who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company's email address [investor@in.nestle.com](mailto:investor@in.nestle.com).

### Process for those members whose email address are not registered with the depositories for procuring User ID and password and registration of email address for e-voting for the resolutions set out in this Notice:

- a) In case shares are held in physical form, please provide folio no., name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company's email address at [investor@in.nestle.com](mailto:investor@in.nestle.com).
- b) In case shares are held in demat mode, please provide DPID-Client ID (16-digit DPID + 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 the Company's email address at [investor@in.nestle.com](mailto:investor@in.nestle.com).
- c) If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (I) i.e., Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode.
- d) Alternatively, members may send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-voting by providing above mentioned documents.
- e) In terms of SEBI Circular dated 9<sup>th</sup> December 2020 on e-Voting facility provided by listed companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depository Participant(s). Members are required to update their mobile number and email address correctly in their demat account in order to access e-Voting facility.

### A. Instructions for members for participating in the 64<sup>th</sup> AGM through VC/ OAVM are as under:

- a) The members will be provided with a facility to attend the 64<sup>th</sup> 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 64<sup>th</sup> 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 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 matter to be placed at the 64<sup>th</sup> AGM, from their registered email address, mentioning their name, DP ID and Client ID / folio number and mobile number, to reach the Company's email address at investor@in.nestle.com at least 48 hours in advance before the start of the meeting i.e. by 10<sup>th</sup> April 2023, 10:00 A.M. (IST). Such questions by the members shall be taken up during the meeting and replied by the Company suitably.
- d) Members who would like to express their view/ ask questions during the 64<sup>th</sup> AGM with regard to the financial statements or any other matter to be placed at the 64<sup>th</sup> AGM, need to pre-register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number and mobile number, to reach the Company's email address at investor@in.nestle.com at least 48 hours in advance before the start of the meeting i.e. by 10<sup>th</sup> April 2023, 10:00 A.M. (IST). Those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the 64<sup>th</sup> AGM, depending upon the availability of time.
- e) When a pre-registered speaker is invited to speak at the meeting, but he/ she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
- f) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 64<sup>th</sup> AGM.
- g) Institutional investors who are members of the Company, are encouraged to participate in the 64<sup>th</sup> AGM through VC/ OAVM facility and exercise their vote on the resolutions.

#### **B. Instructions for members for e-Voting during the 64<sup>th</sup> AGM are as under:**

- a) Members may follow the same procedure for e-Voting during the 64<sup>th</sup> AGM as mentioned above for remote e-Voting.
- b) Only those members, who will be present in the 64<sup>th</sup> 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 64<sup>th</sup> AGM.
- c) Members who have cast their vote by remote e-Voting prior to the 64<sup>th</sup> AGM can participate in the 64<sup>th</sup> 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 64<sup>th</sup> AGM shall be the same persons mentioned for remote e-Voting and reproduced hereunder for convenience:

Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, at the designated email address: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos.: 022 - 4886 7000 and 022 - 2499 7000. Members may also write to the Company Secretary at the Company's email 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. 5<sup>th</sup> April 2023.
- b) Any person, who acquires shares of the Company and becomes member of the Company after the Company sends the Notice of the 64<sup>th</sup> AGM by email and holds shares as on the cut-off date i.e., 5<sup>th</sup> April 2023, may obtain the User ID and password by sending a request to the Company's email 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 64<sup>th</sup> AGM.



- d) During the 64<sup>th</sup> AGM, the Chairman shall, after response to the questions raised by the members in advance or as a speaker at the 64<sup>th</sup> AGM, formally propose to the members participating through VC/ OAVM facility to vote on the resolutions as set out in the Notice of the 64<sup>th</sup> 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 64<sup>th</sup> 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 casting vote through the e-Voting system during the meeting in a fair and transparent manner.
- f) The Scrutinizer shall after the conclusion of e-Voting at the 64<sup>th</sup> AGM, first download the votes cast at the 64<sup>th</sup> 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](http://www.nestle.in) and on the website of NSDL at [www.evoting.nsdl.com](http://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 BSE Limited, Mumbai.
12. The Securities and Exchange Board of India ("SEBI") has mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, email address, mobile number, bank account details) and nomination details by holders of securities in prescribed forms. Effective from 1<sup>st</sup> January 2022, any service requests or complaints received from the member, are being processed by RTA on receipt of aforesaid details/ documents. On or after 1<sup>st</sup> April 2023, in case any of the above cited documents/ details are not available in the Folio(s), in terms of SEBI circulars, RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.nestle.in/investors/investorservices/important-announcement-physical-shareholders>.
13. Nomination facility as per the provisions of Section 72 of the Act is available to individuals holding shares in the Company. Members can nominate a person in respect of all the shares held by him singly 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 No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh 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 and RTA. Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.
14. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated 18<sup>th</sup> May 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
17. The Board of Directors has recommended final dividend of ₹ 75.00 per equity share of ₹ 10/- each for the financial year ended 31<sup>st</sup> December 2022 that is proposed to be paid on and from 8<sup>th</sup> May 2023, subject to the approval of the members at the 64<sup>th</sup> AGM. The record date for determining the entitlement of the members to the final dividend for 2022 is 21<sup>st</sup> April 2023. For information of the members, during the financial year 2022, two Interim Dividends of ₹ 25.00 and ₹ 120.00 per equity share were paid on and from 6<sup>th</sup> May 2022 and 16<sup>th</sup> November 2022, respectively.
18. Pursuant to the relevant provisions of the Income Tax Act, 1961 ("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 rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at [investor@in.nestle.com](mailto:investor@in.nestle.com). For details, members may refer to the "Communication on TDS on Dividend Distribution" appended to this Notice of the 64<sup>th</sup> AGM.

19. Dividend, if any, approved by the members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participant(s).
20. Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other electronic means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account, by sending scanned copy of the following details/ documents to the Company at investor@in.nestle.com latest by 20<sup>th</sup> April 2023:
- a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
    - Name and Branch of Bank and Bank Account type;
    - Bank Account Number allotted by your bank after implementation of Core Banking Solutions; and
    - 11-digit IFSC Code;
  - self attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;
  - self attested scanned copy of the PAN Card; and
  - self attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the member, as registered with the Company.

For the members holding shares in demat mode, please update your Electronic Bank Mandate through your Depository Participant(s).

21. In the event the Company is unable to pay the dividend to any member directly in their bank accounts through Electronic Clearing Service or any other electronic means, due to non-registration of the Electronic Bank Mandate or other reasons whatsoever, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such member, as soon as possible.

22. 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 consecutive years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The Company had, accordingly transferred unpaid or unclaimed dividend amounts of ₹ 16,08,472/- pertaining to Third Interim Dividend 2014; ₹ 48,13,619/- pertaining to Final Dividend 2014 & First Interim Dividend 2015 during the financial year 2022 to the IEPF.

The Company has been sending reminders to members having unpaid/ unclaimed dividends 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 Final Dividend 2015 and Interim Dividend 2016 or any subsequent dividend(s) declared by the Company, are advised to write to the Company immediately.

23. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend remains unpaid or 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, 7,146 equity shares of ₹ 10/- each on which the dividend remained unpaid or unclaimed for seven consecutive years, were transferred to the IEPF Account during the financial year 2022, after following the procedure prescribed.

Further, members who have not claimed or encashed their dividend(s) in the last seven consecutive years from 2016 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.

24. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
25. Documents referred to in the accompanying Notice of the 64<sup>th</sup> AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee during normal business hours (9:00 A.M. to 5:00 P.M. IST) on all working days except Saturday, up to and including the date of the 64<sup>th</sup> AGM of the Company.
26. 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 64<sup>th</sup> AGM. During the 64<sup>th</sup> AGM, members may access the scanned copy of these documents, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

27. Details as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the appointment of Directors seeking appointment/ re-appointment at the 64<sup>th</sup> AGM, forms an integral part of the Notice of the 64<sup>th</sup> AGM. Requisite declarations have been received from the Directors seeking appointment/ re-appointment.

**I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4**

On the recommendation of the Audit Committee, the Board of Directors at their meeting held on 16<sup>th</sup> February 2023 approved the appointment of M/s. Ramanath Iyer & Co., Cost Accountants, New Delhi (Firm Registration No.: 00019), as Cost Auditors 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 ending 31<sup>st</sup> December 2023 at a remuneration of ₹ 2,22,000/- (Rupees two lakhs twenty-two thousand only) plus out of pocket expenses and applicable taxes.

Considering limited scope of audit, time and resources deployed by the cost auditors, in the opinion of the Directors, the proposed remuneration payable would be fair and reasonable and do not in any way impair the independence & judgment of the Cost Auditors.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice of the 64<sup>th</sup> AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> December 2023.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested Financial or otherwise, in the proposed Resolution. The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice of the 64<sup>th</sup> AGM for approval by the members.

**Item No. 5**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 16<sup>th</sup> February 2023 appointed Ms. Svetlana Leonidovna Boldina (DIN: 10044338) as an Additional Director of the Company with effect from 1<sup>st</sup> March 2023. As per Section 161(1) of the Companies Act, 2013 ("the Act") read with Article 127 of the Articles of Association of the Company, she holds office up to the date of this 64<sup>th</sup> AGM of the Company. A notice has been received from a member proposing Ms. Svetlana as a candidate for the office of Director of the Company.

Further, at the same meeting held on 16<sup>th</sup> February 2023, the Board of Directors appointed Ms. Svetlana as a Whole-time Director, designated as "Executive Director – Finance & Control and Chief Financial Officer" (Key Managerial Personnel) of the Company for a term of five consecutive years effective from 1<sup>st</sup> March 2023 to 29<sup>th</sup> February 2028, subject to approval of the members at the 64<sup>th</sup> AGM, the Central Government and such other approval as may be required under applicable laws.

Ms. Svetlana is a Russian National and holds an Engineering Degree from Moscow Telecommunication University and Masters in Business Administration, Accounting and Finance Technology from Russian Academy for Economics. Ms. Svetlana has worked in Nestlé markets in Russia, Eastern Europe and Indonesia with strong operational experience and an excellent track record of over 25 years with Nestlé Group. Before this assignment, she was Head of Finance & Control of Nestlé Indonesia. Ms. Svetlana has contributed significantly towards effective business decisions, as well as developing and shaping up a professional Finance and Information Technology teams in her previous roles and has displayed strong functional capabilities, combined with leadership & drive to achieve business outcomes.

Ms. Svetlana is not a director or a committee member of any other Company in India and she does not hold by herself or for any other person on a beneficial basis, any shares in the Company. Ms. Svetlana is a member of Risk Management and Sustainability Initiatives Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company with effect from 1<sup>st</sup> March 2023.

The approval of members is also being sought for remuneration payable and to the terms, conditions and stipulations for the appointment of Ms. Svetlana as a Whole-time Director for a term of five consecutive years effective from 1<sup>st</sup> March 2023 to 29<sup>th</sup> February 2028.

The proposed terms and conditions are in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to important position as that of the 'Executive Director- Finance & Control and Chief Financial Officer' and is in accordance with the Nomination and Remuneration Policy of the Company.

The material terms of appointment and remuneration, as contained in the draft agreement, are given below: -

**I) Salary, Allowances and Commission (hereinafter referred to as "Remuneration"):**

**a) Salary Comprising:**

- (i) Basic salary : At the rate not exceeding ₹ 11,00,000 per month; and
- (ii) Allowances : Not exceeding four times the Basic salary,

with increments as per the Company's policy and as may be determined by the Board of Directors, from time to time, subject to a ceiling on increment of 30% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1<sup>st</sup> April every year, commencing from 1<sup>st</sup> March 2023.

**b) Commission and Performance linked incentive:**

On net profits of the Company determined in accordance with the relevant provisions of the Act as per the criteria and rate to be determined by the Board of Directors, from time to time, but not exceeding an amount equivalent to the Salary in I(a) above, for the relevant period. The payment may be made on a pro-rata basis every month or on an annual basis or partly monthly and partly on an annual basis at the discretion of the Board of Directors. Commission may include elements of fixed remuneration payable based on net profits as per Rules of the Company. The performance linked incentive shall also be linked to the performance during the relevant year.

**II) Perquisites:**

1. In addition to the Remuneration as stated above, Ms. Svetlana shall be entitled, as per Rules of the Company, to perquisites like:
  - a. Rent-free furnished residential accommodation with free use of all the facilities and amenities, such as air conditioners, geysers etc. In case no accommodation is provided by the Company, she shall be entitled to House Rent Allowance as per policy of the Company.
  - b. Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization.
  - c. Personal Accident Insurance Premium.
  - d. Air passage and/or leave travel allowance for self and members of her family residing in India and for visit to India of the members of her family not residing in India.
  - e. Use of Company maintained cars with drivers for business and personal use.
  - f. Use of communication devices such as telephones, audio and video conference facilities etc., at the residence. Personal long distance telephone calls shall be borne by Ms. Svetlana.
  - g. Education Allowance for children, whether abroad or in India.
  - h. Encashment of leave at the end of her tenure as per policy of the Company.
  - i. Contributions to provident fund, superannuation or annuity fund and any other retirement benefits or any re-charge cost(s) thereof.
  - j. Terminal benefits:  
Air/Sea passage together with cost of transportation of household belongings to such places as may be approved by the Board of Directors at the time of leaving the service of the Company.
  - k. Expenses on shifting of residence.
  - l. Joining allowances and other benefits.
  - m. Participation in any/ all employee stock option schemes/ performance stock unit plans of the Company, if any or that of Nestlé S.A.
  - n. Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Ms. Svetlana.

The value of the perquisites evaluated as per Income-tax Rules, 1962, wherever applicable, and at cost in the absence of any such Rule, shall be subject to an overall annual ceiling of an amount not exceeding the Salary in I(a) above for the relevant period. The perquisites mentioned above from (h) to (m) shall be based on the actual amounts and excluded from the aforesaid perquisites limit.

2. The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the stipulated limits.

**III) Minimum Remuneration:**

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of her office as the Whole-Time Director, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Ms. Svetlana as provided herein above.

#### **IV) Other Terms:**

Subject to the superintendence, control and direction of the Board of Directors, Ms. Svetlana shall manage and conduct the business and affairs of the Company relating to the Finance and Control and as Chief Financial Officer (CFO) of the Company. She shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

The appointment can be terminated by Ms. Svetlana or the Company, by one party giving to the other 3(three) calendar months' notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

The period of office of Ms. Svetlana shall be liable to determination by retirement of directors by rotation. If Ms. Svetlana is re-appointed as a director, immediately on retirement by rotation, she shall continue to hold office of Whole-time Director, designated as "Executive Director- Finance & Control and CFO" and such re-appointment as director shall not be deemed to constitute break in her appointment as a Whole-time Director, designated as "Executive Director- Finance & Control and CFO.

Based on the recommendation of Nomination and Remuneration Committee and given her expertise, knowledge and experience, the Board of Directors, considers appointment of Ms. Svetlana as the Whole-time Director, designated as "Executive Director- Finance & Control and CFO" (Key Managerial Personnel) to be in the interest of the Company and in view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Act, recommends the Ordinary Resolution as set out in the accompanying Notice for the approval of the members.

Copy of the draft Agreement referred to in the Resolution would be available for inspection without any fee by the members at the Registered Office of the Company during business hours on any working day, excluding Saturday, upto and including the day of the 64<sup>th</sup> AGM.

Except Ms. Svetlana, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, Finance or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice. Ms. Svetlana is not related to any Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

#### **Item No. 6**

The members of the Company at their 59<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> May 2018, had approved by way of a Special Resolution under Section 197 of the Companies Act, 2013 ("the Act"), the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a period of five years commencing from 1<sup>st</sup> January 2019. As per the aforesaid approval, none of the non-executive directors shall receive individually a sum exceeding ₹ 25,00,000/- (Rupees Twenty-Five Lakh only) in a financial year. The Board of Directors have approved commission of ₹ 25,00,000/- payable to each of the non-executive director for the year 2022 or on a pro-rata basis, subject to the adoption of the financial statements by the members at the 64<sup>th</sup> AGM. With the above, the limits approved by the members will be exhausted and a fresh approval is required from the members.

Pursuant to provisions of Sections 149, 197 and any other relevant provisions of the Act, Listing Regulations and the Nomination & Remuneration Policy of the Company and taking into account the increased participation of the directors in Board and Committee meetings, roles and responsibilities of the directors and with a view to align the remuneration payable to non-executive directors with the industry standards, it is proposed that the Directors other than Managing Director and the Whole-time Directors, be paid for each of the financial years during their tenure commencing from 1<sup>st</sup> January, 2023, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with Section 198 of the Act. The remuneration referred above will be distributed amongst non-executive directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act. None of the non-executive directors shall receive individually a sum exceeding ₹ 1,00,00,000/- (Rupees one crore only) in a financial year.

It is pertinent to note here that the Directors, other than Managing Director and Whole-time Directors of the Company, bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as business and strategy skills, strong leadership and management experience, governance, industry and sector knowledge, financial and risk management, global business/ international expertise, philanthropy etc.

The remuneration referred above shall be in addition to fee payable to the non-executive directors for attending the meetings of the Board or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board of Directors, and reimbursement of expenses for participation in the Board and other meetings.

Accordingly, approval of the members is sought by way of a Special Resolution under the applicable provisions of the Act and Listing Regulations for payment of remuneration by way of commission to the Directors of the Company other than the Managing Director and the Whole-time Directors, for each of the financial years commencing from 1<sup>st</sup> January 2023 as set out in the Resolution set at Item No. 6 of the Notice of the 64<sup>th</sup> AGM.

The Managing Director, Whole-time Directors and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 of the Notice of the AGM.

Directors other than the Managing Director and the Whole-time Directors of the Company may be deemed to be concerned or interested in the resolution set out at Item No. 6 of the Notice to the extent of the remuneration that may be received by them.

All the members of the Nomination & Remuneration Committee (NRC) are Independent Non-Executive Directors and therefore, all members of NRC being interested, the Board of Directors considered the above proposal without recommendation of NRC.

The Board of Directors recommends the Special Resolution as set out at Item No. 6 of the Notice of the 64<sup>th</sup> AGM for approval by the members.

## **II. DETAILS IN TERMS OF REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

### **Item No. 3**

In terms of Section 152(6) of the Companies Act, 2013, Mr. Matthias Christoph Lohner (DIN: 08934420) shall retire by rotation at the 64<sup>th</sup> AGM and being eligible offers himself for re-appointment.

Mr. Lohner was appointed as a Whole-time Director of the Company designated as "Executive Director – Technical" for a term of five consecutive years with effect from 1<sup>st</sup> November 2020. As per the terms of his appointment, his re-appointment at the 64<sup>th</sup> AGM as a director retiring by rotation would not constitute break in his appointment as a Whole-time Director, designated as "Executive Director – Technical".

Mr. Lohner aged 52 years, holds qualification of bachelor's in chemical engineering and has over 26 years of rich and exhaustive experience in the Technical function including the Production function. He held senior management positions during his career.

Before joining the Company, Mr. Lohner was Operations Manager NESCAFÉ Dolce Gusto, GBU which he successfully led for almost four years. He joined Nestlé Group in 1996 and held positions of increasing responsibility in the technical function in various markets/ zones such as Vietnam, Mexico, El Salvador, Canada, Chile, Switzerland and America.

Mr. Lohner brings with him diverse experience in the areas such as technical function, e-commerce, digital, new technologies, operation management, risk mitigation, sustainability and general management. He is responsible for, amongst others, the management and conduct with respect to the technical areas of the Company including all factories.

Mr. Lohner is not a director or a Committee member of any other Company in India nor he was a director in any other company in India during past three years and he does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Except Mr. Lohner, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the 64<sup>th</sup> AGM. During the year 2022, Mr. Lohner attended all the 7 Board Meetings held during the year and does not hold membership in any committee of the Board of Directors. Mr. Lohner is an invitee to the Corporate Social Responsibility Committee of the Company.

Mr. Lohner is not related to any Director or Key Managerial Personnel of the Company. Upon his re-appointment as a director, Mr. Lohner shall continue to hold office as a Whole-time Director designated as "Executive Director – Technical". Accordingly, the Board of Directors recommends his re-appointment to the members for their approval by way of an Ordinary Resolution as set out at Item No. 3 of the 64<sup>th</sup> AGM.

**By Order of the Board**

**Date : 16<sup>th</sup> February 2023**  
**Place : Gurugram**

**Pramod Kumar Rai**  
**Company Secretary**

## COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Pursuant to the provisions of the Income Tax Act, 1961 ("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

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 21<sup>st</sup> April 2023 ("Record Date"). Please note that these details as available on Record Date in the Register of Members/ Register of Beneficial Ownership 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 Act i.e. Resident or Non-Resident for FY 2022-23.
- 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. Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person (AJP)
  - viii. Individual
  - ix. Hindu Undivided Family (HUF)
  - x. Firm
  - xi. Limited Liability Partnership (LLP)
  - xii. FPI/FII: Others (being Individual, Firm, Trust, AJP, etc.)
  - xiii. Trust
  - xiv. Domestic company
  - xv. Foreign company.
- IV. Email 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 196(iv) 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 194 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 197A (1F) 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 Rule 3 of Part A of Fourth 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 Rule 2 of Part B of Fourth 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 Rule 2 of Part C of Fourth Schedule to the IT Act needs to be submitted.
- vii. **National Pension Scheme:** No TDS is required to be deducted as per Sec 197A (1E) of the IT Act.
- viii. **Government (Central/State):** No TDS is required to be deducted as per Sec 196(i) 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% under u/s 194 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 ₹ 5000. Normal dividend/s declared in the preceding financial year 2021- 2022 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 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income).
  - d) TDS is required to be deducted at the rate of 20% u/s 206AA of the IT Act, if valid PAN of the member is not available.
  - e) As per Section 206AB of the IT Act, TDS is required to be deducted at twice the applicable rates, if Income Tax Return is not filed by the resident members for preceding financial year, for which the time limit for filing has expired. In this regard, the Company would rely on Compliance Check Utility made available by Central Board of Direct Taxes.
  - f) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued u/s 197 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 at the rate of 20% (plus applicable surcharge and cess) u/s 196D of the IT Act (For FPI and FII) and u/s 195 of the IT Act for other non-resident members.
  - b) Members 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 37BC of the Income-Tax Rules, 1962;
    - 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 Form 10F (it should be noted that vide notification number 03/2022 issued by the CBDT, it has been mandated to issue Form 10F electronically for it to be considered valid); 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 1 to this Communication).
  - c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued u/s 197 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 email address of the member with PAN being mentioned in the subject of the email to reach investor@in.nestle.com by Record Date. Please note that no communication in this regard, shall be accepted post Record Date.



The Resident Non-Individual Members such as Insurance companies, Mutual Funds, Alternative Investment Fund (AIF) and other domestic financial institutions established in India and Non-Resident Non-Individual Members such as Foreign Portfolio Investors may submit the relevant forms, declarations and documents through their respective custodians who are registered with NSDL for tax services, on or before the aforesaid timelines.

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 email, 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 Registered Members/ Beneficial Owners as appearing on 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 email address in due course. Members will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal>.

#### IV. Surcharge rates applicable for financial year 2022 - 23 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%

- (ii) 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 2021 – 2022 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. Equity shares of the Company, which were transferred by the Company in the name of Investor Education and Protection Fund ("IEPF") in terms of Section 124(6) of the Companies Act 2013 and Rules framed thereunder, the TDS shall be deducted basis the available details of the underlying members.
- VIII. 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.
- IX. 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.
- X. 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 1**

**FORMAT FOR DECLARATION FOR CLAIMING BENEFITS UNDER DTAA**

Date:

To,  
Nestlé India Limited  
100 / 101, World Trade Centre, Barakhamba Lane, New Delhi - 110 001  
Email: 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, ... ..... <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, 1961 ("the IT Act"). A copy of the valid tax residency certificate for ..... <period>, which is valid as on the Record Date, is attached herewith.
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(1)(i) 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, our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.

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, 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, I 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>