

NESTLÉ INDIA LIMITED

(CIN: L15202DL1959PLC003786)

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

Email: investor@in.nestle.com, Website: www.nestle.in

Phone: 011-23418891, Fax: 011-23415130

ADDENDUM TO THE NOTICE OF THE 60TH ANNUAL GENERAL MEETING

Nestlé India Limited ("the Company") had issued a Notice dated 14th February, 2019 ("the Notice of the AGM") for convening of the 60th Annual General Meeting ("AGM") of the shareholders of the Company scheduled to be held on Thursday, 25th April, 2019 at 10.00 a.m. at the Air Force Auditorium, Subroto Park, New Delhi – 110 010. The Notice of the AGM has been despatched to all the shareholders of the Company in due compliance with the provisions of the Companies Act, 2013 read with the Rules made thereunder.

Subsequent to the issuance of the Notice of the AGM, there have been regulatory and other developments, as mentioned in the Addendum to the Explanatory Statement of the modified Resolution of Agenda Item No.6 of the Notice of the AGM, which necessitates modifications in the Ordinary Resolution set out at Agenda Item No. 6 of the Notice of AGM.

The Company is providing members facility to exercise their right to vote on resolutions by electronic means, as detailed in the Notice of the AGM. To enable the members to exercise their voting rights by electronic means or at the AGM on an informed basis, the Company deems it appropriate to notify the modifications in the Ordinary Resolution to Agenda Item No.6 of the Notice of the AGM and Addendum to the Explanatory Statement thereof. Accordingly, the members are requested to note the same.

The Addendum to the Notice of the AGM shall form an integral part of the Notice dated 14th February, 2019 circulated to the shareholders of the Company.

MODIFIED ORDINARY RESOLUTION SET OUT AT AGENDA ITEM NO. 6 OF THE NOTICE OF THE AGM

6. To consider and if though fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 23 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any amendment(s) or modification(s) or deferment(s) or re-enactment thereof), approval of the members of the Company be and is hereby accorded for continuation of the payment of general licence fees (royalty) by Nestlé India Limited ("the Company") to Société des Produits Nestlé S.A. ("the Licensor"), being a related party, at the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company as per the terms and conditions of the existing General Licence Agreements ("GLAs"), notwithstanding that the transaction(s) involving payments to the Licensor with respect to general licence fees (royalty), during any financial year including any part thereof, is considered material related party transaction(s) being in excess of the limits specified under the Listing Regulations at any time.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised by the members of the Company to make amendment/s to the GLAs, from time to time, for the updation of products and/or updation of schedule of trademarks and/or change of the Licensor to any other Nestlé affiliate entity and/or other terms relating to operation of the GLAs, provided that the payment of general licence fees (royalty) shall not exceed the rate of 4.5% (Four and a half percent), net of taxes, of the net sales of the products sold by the Company as per the terms of the GLAs.

RESOLVED FURTHER that this Resolution shall be effective from 1st July, 2019 or such other date notified for the implementation of Regulation 23(1A) of the Listing Regulations.

RESOLVED FURTHER that approval of members shall be sought every 5 (five) years in compliance with the applicable laws and regulations."

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ADDENDUM TO THE EXPLANATORY STATEMENT OF THE MODIFIED RESOLUTION OF AGENDA ITEM NO. 6 OF THE NOTICE OF THE AGM

Item No. 6

As per Regulation 23(1A) ("said Regulation") of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), transactions involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions, during a financial year, exceed 2% of the annual consolidated turnover of the listed entity as per last audited financial statements of the listed entity.

At the time of issuing the Notice of the 60th AGM the said Regulation was to come into effect from 1st April, 2019.

The Securities and Exchange Board of India (SEBI) vide its press release PR. No. 11/2019 dated 27th March, 2019 has deferred the implementation of said Regulation for three months i.e. till 30th June, 2019, in view of the representations received on the subject and with a view to analyzing them. Further, the Company has after issue of Notice of AGM received valuable feedback from the stakeholders on this Agenda Item.

Based on the above, following modifications have been made to the Ordinary Resolution :

1. Since the approval is being sought pursuant to Regulation 23(1A) of the Listing Regulations the resolution has been made effective from 1st July, 2019 or such other date notified for the implementation of Regulation 23(1A) of the Listing Regulations.
2. Respecting the feedback received and the commitment of the Company to high standards of corporate governance including shareholder rights, approval of members shall be sought every 5 (five) years in compliance with the applicable laws and regulations.

In view of the above, the Agenda Item No.6 of the Notice of the AGM, for voting by electronic means and at the AGM by ballot paper, shall bear following text :

"Ordinary Resolution for continuation of payment of royalty to Société des Produits Nestlé S.A effective from 1st July, 2019 or such other date notified for implementation of Regulation 23(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and approval of members every 5(five) years in compliance with applicable laws and regulations"

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution with modifications as set out in this Addendum.

The Board of Directors recommend the Ordinary Resolution with modifications as set out in this Addendum to the Notice of the AGM for approval by members.

By Order of the Board

Date : 14th April, 2019
Place : Gurugram

B. Murlu
Senior Vice-President Legal
& Company Secretary