

# No impact of Swiss withdrawal of MFN status to India: Nestlé India

**PRESS TRUST OF INDIA**

New Delhi, 19 December

Fast-Moving Consumer Goods (FMCG) major Nestlé India on Thursday said the suspension of the MFN (most favoured nation) clause granted to India by Switzerland will have 'no impact' on the company.

The suspension of MFN status under the Double Taxation Avoidance Agreement (DTAA) is a policy issue between the government of India and Switzerland and is not

'Nestlé-specific', the FMCG firm said in a statement. Nestlé India, which owns popular brands such as Maggi, Nescafe and KitKat, said the company was already "deducting 10 per cent withholding tax" on cross-country payments.

Earlier on December 11, the Swiss government had announced the suspension of the MFN status granted to India following a ruling by the Supreme Court of India, which in a

judgement last year had said MFN status under the DTAA cannot be enforced unless notified under Section 90 of the Income Tax Act.

This judgement of the apex court had come in a case related to Nestle, where it overturned an earlier order passed by the Delhi High Court in 2021, which had upheld the residual tax rates' applicability after considering the MFN clause in DTAA.

