

# SUDARSHAN

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

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code – 506655**  
**Scrip Code NCDs - 974058**

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
**Scrip Symbol - SUDARSCHEM**

Dear Sir / Madam,

**Sub : Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Para B of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13<sup>th</sup> July, 2023, we enclose herewith details of pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity, by way of **Annexure A**.

Kindly take the same on record.

Thanking You,  
Yours Faithfully,  
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

MANDAR VELANKAR  
GENERAL COUNSEL AND COMPANY SECRETARY

**Sudarshan Chemical Industries Limited**

**Registered Office:**

7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25,  
Near PAN Card Club Road, Baner, Pune – 411 045,  
Maharashtra, India

Tel. No.: +91 20 682 81 200

Email: [contact@sudarshan.com](mailto:contact@sudarshan.com)

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Corporate Identity No.: L24119PN1951PLC008409

## ANNEXURE A

### i) Details of litigation with Maharashtra State Electricity Distribution Co. Ltd.:

Sr. No.	Particulars	Details
a)	Brief details of litigation:	
	Name(s) of the opposing party	Maharashtra State Electricity Distribution Co. Ltd. ("MSEDCL")
	Court / Tribunal / Agency where litigation is filed	Bombay High Court
	Brief details of dispute / litigation	The Government of Maharashtra vide its notification dated 13 <sup>th</sup> April, 2015, increased the rate of electricity duty payable on captive power generation. Accordingly, MSEDCL also increased the rate of electricity duty payable on captive power generation effective 1 <sup>st</sup> April, 2015. Since the revised rate of electricity duty payable on captive power generation was very high, The Captive Power Producers' Association filed a writ petition with Bombay High Court and which was admitted by the Court. The Bombay High Court passed an interim stay order dated 5 <sup>th</sup> July, 2016, due to which the Company has been paying the electricity duty on captive power generation at old rate of electricity duty. The matter is pending with the Bombay High Court.
b)	Expected financial implications, if any, due to compensation, penalty etc.	Refer (c) below
c)	Quantum of claims, if any	Disputed amount involved is ₹23.71 Crores as on 31 <sup>st</sup> March, 2023. This has been disclosed as a part of Contingent Liability in the Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2023.

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ii) Details of the Show Cause Notice issued by Deputy Commissioner of State Tax:

Sr. No.	Particulars	Details
a)	Brief details of litigation:	
	Name(s) of the opposing party	Deputy Commissioner of State Tax (PUN – LTU – 518)
	Court / Tribunal / Agency where litigation is filed	The Department has issued a Show Case Notice (“SCN”) dated 9 <sup>th</sup> June, 2023, for which the Company has filed a reply in response to the said SCN.
	Brief details of dispute / litigation	<p>As per the SCN received for the tax period 1<sup>st</sup> July, 2017 to 31<sup>st</sup> March, 2018, the GST Department has asked the Company to reverse the Input Tax Credit (“ITC”) in respect of electricity generated on a captive basis and supplied to Maharashtra State Electricity Board (“MSEB”) since the supply of electricity is an exempted supply to MSEB in terms of applicable legal regulations.</p> <p>Reversal of ITC on electricity generation i.e. ITC claimed on Installation of Wind Mill (₹1.70 Crores) and reversal of common credit towards exempted supply of electricity units to MSEB (₹1.40 Crores)</p> <p>The Company has filed a reply covering the following points:</p> <p>There is an advance ruling by The Authority of Advance Ruling in Karnataka on similar arrangement of Solar farm units utilised entirely for captive use.</p> <p>As per the ruling, full ITC can be claimed. Thus, no reversal of ITC is required as units used shall be considered as captive consumption and not supply.</p>
b)	Expected financial implications, if any, due to compensation, penalty etc.	Refer (c) below
c)	Quantum of claims, if any	ITC amounting to ₹3.10 Crores and interest amounting to ₹2.96 Crores, aggregating to ₹6.06 Crores.

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