

भारत इलेक्ट्रॉनिक्स लिमिटेड

(भारत सरकार का उद्यम, रक्षा मंत्रालय)

पंजीकृत कार्यालय :

आउटर रिंग रोड, नागवारा, बेंगलूर - 560 045, भारत

Bharat Electronics Limited

(Govt. of India Enterprise, Ministry of Defence)

Registered Office : Outer Ring Road,
Nagavara, Bangalore - 560 045, INDIA.

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To

National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

No. 17565/4/SE/MUMC/SEC
01st October, 2018

Dear Sir/Madam,

Sub : Disclosure under regulation 30 (1) of SEBI (LODR) Regulations, 2015 – Intimation about Quashing of Sales Tax demand notice, for Rs. 850.80 crores, by Joint Commissioner of Commercial Taxes (JCCT Appeals), Bangalore, Karnataka in favour of Bharat Electronics Ltd. (BEL)

Dear Sir/Madam

The Company had vide its letter dt. 7th April, 2017 (No. 17565/4/SE/MUMC/SEC) intimated the Stock Exchanges regarding receipt of Sales Tax Demand Notices to the extent of Rs. 850.80 crores from Deputy Commissioner of Commercial Taxes, Bangalore, Karnataka and stating that such demand was issued without assigning proper reasoning and the Company would be appealing against the same.

In continuation to aforesaid letter dt. 7th April, 2017 & Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, We now wish to inform that the Honourable High Court of Karnataka had passed suitable orders in favour of BEL, quashing the sales tax demand notices and the necessary re-assessment orders have been passed in favour of BEL by JCCT Appeals. The status update is attached for information and record.

Thanking you,

Yours faithfully,

For Bharat Electronics Limited


S Sreenivas
Company Secretary



BANGALORE

SUB: Intimation about Quashing of Sales Tax demand notice, for Rs. 850.80 crores, by Joint Commissioner of Commercial Taxes (Appeals), Bangalore, Karnataka in favour of Bharat Electronics Ltd. (BEL), resulting in refund of the deposit made of Rs.85 Crores.- Status Update.

- Disclosure to stock Exchanges.

The Bangalore Unit of the Company received Demand Notices for Rs.850.80 Crores from Deputy Commissioner of Commercial Taxes (DCCT), Karnataka for already completed assessments for financial years 2008-09 to 2013-14 & 2015-16. The demand notice disputed the goods sold at concessional rates of Sales Tax and sought to charge at non-concessional rates of sales tax, without taking cognizance of the previous orders of the Appellate Authorities in favour of BEL.

The company had filed appeals with JCCT (Appeals), Bangalore, Karnataka challenging the demand.

The Company had also filed a writ petition in High Court of Karnataka and as directed by the Honorable High Court of Karnataka, BEL had paid 10 % of demand (Rs.85.08 Crores) as deposit and furnished Bank Guarantees for 20% of the demand, till disposal of appeals.

JCCT (Appeals) admitted the appeals and passed the Order for all the years, in favour of BEL, on 25.05.2018.

DCCT, Commercial Taxes, Peenya, Bangalore has passed re-assessment orders for all the years, in favour of BEL, in line with the Order of JCCT (Appeals).

The Bank Guarantees have since expired and the cash deposit of Rs.85 Crores has been refunded to BEL, by the Department, on 29.09.2018.

 