



National Steel & Agro Industries Ltd

Date: 8th June, 2020
Ref. No.: NSAIL/SEC/2020

To
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P.J. Tower,
Dalal Street, Fort
Mumbai – 400 001

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Sub: Intimation - Details of Litigation under Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sir/Ma'am,

As required under Regulation 30 of the SEBI (Listing obligations and Disclosure Requirements), Regulations 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, we hereby inform you that the Hon'ble High Court of Madhya Pradesh has passed an order dated May 13, 2020 ("**May 2020 Court Order**") in connection with the usage of electricity by the Company through a meter of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd ("**MPPKVVCL**") installed at the Company's factory premises. The May 2020 Court Order has allowed the review petition preferred by MPPKVVCL in connection with the demand raised by it, through retrospective effect, for the period between May 2009 and May 2016.

Due to the unforeseen events over the last few weeks caused by the spread of the coronavirus - COVID-19 pandemic and the restrictions imposed by the Government Authorities to contain the spread of Covid-19, there was a delay in the receipt of a copy of the aforesaid May 2020 Court Order. Therefore, there is a genuine delay in the intimation of the said May 2020 Court Order along with the details of litigation under Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

MPPKVVCL, in the year 2015, through an assessment order ("**Assessment Order**"), raised a demand against the Company, at a rate equal to twice the actual tariff rates, retrospectively, for the period between May 2009 and May 2016, amounting to Rs.61.73 Crores (excluding the interest) ("**Assessed Amount**"). In case of delay in payment of the Assessed Amount to MPPKVVCL, an interest was payable



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CIN: L27100MH1985PLC140378

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at the rate of 16 percent per annum compounded every 6 months over the Assessed Amount). Thereafter, MPPKVVCL had asked the Company to make the payment of the entire Assessed Amount in 36 equal installments and additionally, an amount of interest on the Assessed Amount was payable as per the provision under section 127(6) of the Electricity Act, 2003.

In response to the Assessment Order, the Company, after receiving constant demands from MPPKVVCL, made a part payment of Rs. 30.27 Crores in 36 installments to MPPKVVCL while an amount of Rs. 31.46 Crores along with interest was due to be paid under the Assessment Order. Simultaneously, the Company filed a writ petition ("**Writ Petition**") before the Hon'ble High Court of Madhya Pradesh against MPPKVVCL, challenging the quantum of the demand under the Assessment Order. The Hon'ble High Court of Madhya Pradesh initially stayed the demand by its order dated December 21, 2017 and further by its final order dated October 22, 2018 ("**2018 HC Order**") exempted the amount of penalty of Rs. 37.85 Crores and directed MPPKVVCL to issue a fresh assessment order at the rate equal to the actual tariff rate instead of the rate equal to twice the actual tariff rate. Aggrieved by the 2018 HC Order, MPPKVVCL preferred a review petition. The May 2020 Court Order allows the review petition filed by MPPKVVCL on November 20, 2018.

Pursuant to the said May 2020 Court Order, the Company has now received a demand of Rs. 79.18 Crores from MPPKVVCL vide its demand letter dated May 21, 2020. This demand of Rs. 79.18 Crores is inclusive of the pending amount due to be paid under the Assessment Order, i.e. Rs. 31.46 Crores and the amount of interest calculated at the rate of 16 percent per annum compounded every 6 months over the said pending amount. The amount of interest has been calculated for the period between June 12, 2015 and May 31, 2020.

The Company is seeking appropriate legal advice and will proceed accordingly.

The details of the background and the history regarding the above said litigation was set out in detail under the title "*Significant and Material Orders*" in the annual report of the Company for the FY 2018-19.



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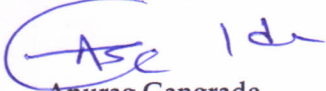
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In compliance with the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, we annex the brief details of developments concerning the above said litigation in Annexure A herewith.

Kindly take the same on record and oblige.

Thanking you,
Yours faithfully,

For National Steel and Agro Industries Limited


Anurag Gangrade
Company Secretary
Membership No. FCS9187





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Annexure A

Sr. No.	Particulars	Brief details of litigation
(a)	the details of any change in the status and/or any development in relation to such proceedings;	In relation to the on-going litigation between Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Ltd ("MPPKVVCL") and the Company, in connection with the usage of electricity by the Company through a certain meter of MPPKVVCL installed at the Company's factory premises, the Hon'ble High Court of Madhya Pradesh has passed an order dated May 13, 2020 allowing the review petition preferred by MPPKVVCL. MPPKVVCL had filed the review petition on November 20, 2018. Pursuant to the said Court order, MPPKVVCL has issued a demand notice, dated May 21, 2020, to the Company, for an amount of Rs.79.18 Crores. The Company is seeking appropriate legal advice and will proceed accordingly.
(b)	in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and/or any development in relation to such proceedings;	N.A.
(c)	in the event of settlement of the proceedings, details of such settlement	N.A.





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	including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.	
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