

July 30, 2024

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G – Block,
BKC, Bandra (East),
Mumbai – 400 051

Scrip Code: 532641

Scrip Symbol: NDL

Dear Sir/ Madam,

Sub.: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Company has received an Assessment Order from Income Tax Department under Section 143(3) of the Income Tax Act, 1961 for Assessment Year 2016-17, 2017-18 and 2018-19.

The detailed disclosure with respect to the Order as required under the SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed herewith as 'Annexure – I'.

Kindly take the same on record.

Thanking You,

Yours sincerely,
For NANDAN DENIM LIMITED

Jyotiprasad Ciripal
Managing Director
(DIN: 00155695)

Nandan Denim Limited
(CIN: L51909GJ1994PLC022719)

Registered Office

Corporate office

Annexure I

Name of the authority	Income-tax Department		
Nature and details of the action(s) taken, initiated or order(s) passed	Deputy commissioner of income tax, Ahmedabad has issued Assessment Order under Section 143(3) of the Income Tax Act, 1961 for:- <u>Assessment Year</u> 2016-17 2017-18 2018-19		
Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	Assessment Year	Date of Order	Date of receipt of Order
	2016-17	July 22, 2024	July 29, 2024
	2017-18		
	2018-19		
Details of the violation(s)/contravention(s) committed or alleged to be committed	Based on loose papers and scattered materials found from third party premises, allegations of unaccounted sales were made by the Income Tax Department. a. Demand notice of Rs. 15,04,44,555 /- has for the Assessment Year 2016-17 (Existing Demand of Rs. 4,33,43,408 and Additional Demand of Rs. 10,71,01,147) b. Demand notice of Rs. NIL for Assessment Year 2017-18 c. Demand notice of Rs. 23,94,61,416 for Assessment year 2018-19 (Existing Demand of Rs. 19,92,11,280 and Additional Demand Rs. 4,02,50,136)		
Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	The assessment of our Company selected for scrutiny assessment for Assessment Year 2016-17, 2017-18 and 2018-19. During assessment proceeding, the company has furnished all details, explanation and information called for by the Assessing officer from time to time. The assessing officer has completed assessment by estimating income based on certain alleged transactions by comparing the profits earned by the company with another peer companies. Further the assessing officer has also disallowed the claim of deduction u/s 80IA in respect of self-generated power. This issue has already been held in its favour by the Income Tax Tribunal in earlier years. The Company has raised also in appeal additional ground of treating Capital subsidy as revenue receipt for the Assessment year 2016-17. There are more than fair chances that the		

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	<p>addition made by AO would be deleted and / or substantially reduced at the first appellate level which the Company has already preferred.</p> <p>We have effectively countered all such allegations by furnishing appropriate explanations in the assessment proceedings. All requisite details asked by AO from time to time were duly submitted along with the explanation and information. The Assessing Officer has made the addition of alleged profit on alleged unaccounted sales by taking/estimating the exorbitant rate of profit which is far from the real income of the assessee. We substantively objected to any such allegation mainly on following grounds:</p> <p>(a)The material relied upon was not systematic record of proper books of account.</p> <p>(b) Scattered materials were used against us without providing any opportunity of cross-examination of such persons.</p> <p>(c) Veracity of such scattered and non-systematic material is doubtful and questionable.</p> <p>We are quite hopeful that the demand raised will be deleted by appellate authorities before whom such assessment orders are challenged.</p> <p>Further, we also understand that the aforesaid event has no material impact on its operations and taking deduction u/s. 80IA and claim of interest subsidy, it will result in refund.</p>
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