



14th August 2023

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Dept. of Corporate Service
BSE Limited
P. J. Towers, Dalal Street
Mumbai – 400 001

NSE Symbol: **RENUKA**

BSE Scrip Code: **532670**

Sub: Disclosure of continuing events under Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the details of continuing events/legal cases which became material pursuant to notification of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 as Annexure.

The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with SEBI circular dated SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023 are provided in the said Annexure.

You are requested to take the above information on your record.

For **Shree Renuka Sugars Limited**

Deepak Manerikar
Company Secretary

Shree Renuka Sugars Limited

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Annexure

Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity

| Sr. No. | Name(s) of the opposing party /Authority | Court/ tribunal/ agency where litigation is filed | Brief details of dispute/litigation | Period | Expected financial implications, if any, due to compensation, penalty etc. | Quantum of claims, if any (Rs. in Cr) |
|---------|---|---|--|-----------|--|---------------------------------------|
| 1. | The Central Board of Indirect Taxes and Customs (Customs) | Hon'ble Supreme Court of India | Duty Demand on procurement of raw sugar under Advance Authorization/ Duty Free Import Authorization (DFIA) license. The Department has raised the demand on the ground that, to import under license, the Polarimeter reading of raw sugar should be between 98.5% to 99.5%, whereas Polarimeter reading of imported raw sugar is 98.1%. Therefore, the benefit of license has been denied. The fact is that the company has already complied with the export terms. | 2004-05 | Good Merit The Company does not expect any financial implications as it has already fulfilled the export obligations and fulfilled polarimeter criteria. Hence Polarimeter for Import is not applicable. | 24.90 |
| 2. | Customs | Customs Excise and Service Tax Appellate Tribunal (CESTAT), Kolkata | Special Additional Duty (SAD) on imported raw sugar. SAD demand paid along with interest. SAD is in lieu of local taxes, there are no local taxes on sugar in West Bengal. However, the department has levied duty with interest and penalty on the grounds of malafide intention of evasion of duties. Equivalent penalty has been levied even for revenue neutral transactions. | 2011-2015 | No financial implications are expected as the Company has already paid duty with interest. 100% Penalty is levied on suppression + redemption fine. The department is aware of the facts. Also, goods were not available for seizure. Hence no suppression and/or confiscation fine applies. | 96.05 |

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| 3. | Customs | Hon'ble High Court of Gujarat | Special Additional Duty (SAD) on imported raw sugar. SAD demand paid along with interest. SAD is in lieu of local taxes. There are no local taxes on sugar in Gujarat. However, the department has levied duty with interest and penalty/fine on the grounds of mala fide intention of evasion of duties. | 2011-2015 | The company does not expect any financial implication as it has already paid duty with interest before receipt of show cause notice. Further the department has levied penalty/fine on import under advance authorisation. | 64.20 |
| 4. | Central Excise | CESTAT, Kolkata | Availing of Sugar Cess credit on domestic procurement/import of raw sugar. The department has confirmed the demand with equivalent penalty on the ground that sugar cess is not specified under Rule 3 of Cenvat Credit Rules, hence credit not eligible | 2011-2014 | The company does not expect any financial implication as they are Revenue Neutral transactions. As per the law, there is no need to pay the sugar cess if the same is already paid on raw sugar. Further, the Hon'ble Karnataka High Court and various Tribunals have set aside the demand considering our own matter of sugar cess. | 43.09 |
| 5. | Central Excise | CESTAT, Kolkata | Availing of Cenvat on Special Additional Duty based on duty payment challan (TR6). The department has confirmed the demand on the ground that challan is not a valid document to avail the credit. | 2013-2017 | The company does not expect any financial implication as it is settled law that the benefit cannot be denied only on procedural aspects. | 128.05 |
| 6. | GST | Hon'ble High Court of Karnataka, Dharwad bench (WP against SCN) | Department has issued demand notice to levy GST on supply of Extra Neutral Alcohol (ENA) to liquor manufacturing company on the ground that ENA is not exempt under GST by proposed tax with equivalent penalty. The Company has preferred Writ before the Hon'ble High Court, the High Court has granted stay on adjudication proceedings against 25% BG. | July 2017 to Mar 2018 | The company does not expect any financial implication for levy of tax on ENA. Decision itself is pending before GST council and GST council directed to maintain the status quo. | 16.20 |

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| 7. | Income Tax Department | Hon'ble High Court of Karnataka, Dharwad bench | Income tax department has levied the penalty u/s 270A on the ground of wrong availing of deductions which are not available under Income tax Act. | 2018-19 | Good merit. The company does not expect any financial implication as it is not fit case to levy the penalty. | 227.08 |
| 8. | Karnataka Government, Fair and Remunerative Price (FRP) | Hon'ble High Court of Karnataka, Bangalore | Challenging the order of payment to farmers over & above the FRP for the season 2022 - 2023 committee appointed by state (Rs. 100 & 150 revenue sharing of Ethanol products) (For Non-Ethanol Factories Rs. 100/- & Ethanol based Sugar factories Rs. 150/- PMT) | 2022-23 | The company does not expect any financial implication, considering the merits in the case. | 64.60 |
| 9. | Income Tax Department | Commissioner of Income Tax (Appeal) | During the Income Tax assessment, a transfer pricing addition was made on account of Corporate guarantee fees receivable from Renuka Commodities DMCC, a wholly-owned subsidiary of the Company. This has been challenged before the CIT(Appeals). | Assessment Year 2016-17 | Reduction in carry forward losses under Income tax. No cash outlay and no direct financial impact to the Company is expected. | 12.62 |
| 10. | Income Tax Department | Commissioner of Income Tax (Appeal) | During the Income Tax assessment, a transfer pricing addition was made on account of Corporate guarantee fees receivable from Renuka Commodities DMCC. This has been challenged before the CIT(Appeals). | Assessment Year 2017-18 | Reduction in carry forward losses under Income tax. No cash outlay and no direct financial impact to the Company is expected. | 12.86 |
| 11. | Income Tax Department | Commissioner of Income Tax (Appeal) | During the Income Tax assessment, a deduction on account of waiver of principal amount of the loan from Standard Chartered Bank was claimed treating the same as capital receipt. The same was disallowed. This disallowance is challenged before the CIT (Appeals). | Assessment Year 2018-19 | Reduction in carry forward losses under Income tax has already been done. No cash outlay and no direct financial impact to the Company is expected. | 330.78 |

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| 12. | Income Tax Department | Commissioner of Income Tax(Appeal) | During the Income Tax assessment, a transfer pricing addition was made on account of Corporate Guarantee fees receivable from Renuka Commodities DMCC. This has been challenged before the CIT(Appeals) | Assessment Year 2018-19 | Reduction in carry forward losses under Income tax. No cash outlay and no direct financial impact to the Company is expected. | 12.62 |
| 13. | Joint Commissioner, Central Goods & Service Tax, Kutch-Gandhidham | Commissioner, Central Goods & Service Tax, Kutch-Gandhidham | We had closing balance of INR 8.89 Cr. in CENVAT (Erstwhile Central Excise & Customs regime), which was carried forward to new GST regime. While filling TRAN 1, the Company had erroneously mentioned service tax registration number in which there was no balance as on 30 th June 2017. | 2017-18 | There are many notifications and judgements favoring transfer of such closing balance in the old regime to the new regime. As per Company's view, this is only a procedural issue and the Company does not expect any financial impact. | 8.89 |
| 14. | Joint Commissioner, Central Goods & Service Tax, Belagavi Audit | High Court of Karnataka, Dharwad bench | We have discharged applicable GST in the cases where ENA was supplied to Industries/ vendors, other than KSBCL (a Government canalizing agency). As regard ENA supply through KSBCL for portable purpose, we have not paid GST as per the circular of the Government of Karnataka and since matter of applicability of GST on ENA, is pending before GST Council and that the Council has advised to maintain status quo to all the concerned. | 2017-18 | This matter is a PAN INDIA issue. We expect no financial liability in this case. | 16.23 |

| Litigation involving the company, its directors and subsidiary company | | | | | | |
|--|-----------------------------|--|---|------|---|-------|
| 15. | Tiger Infra Projects, Bihar | Commercial Court, Pune, Delhi Dwarka Court, and Delhi High Court | <p>KBK Chem-Engineering Private Limited (KBK), wholly owned subsidiary of the Company had assigned sub-contract work to its vendor M/s. Tiger infra-Projects at Bihar, M/s. Tiger has abandoned the site. However, raised invoices for the work not done or extra/fake billing. During conciliation meeting, as directed by the Court, KBK has offered to settle the matter @ 65-70 Lakhs based on actual work done but party does not agree.</p> <p>Recovery suit against KBK & SRSL pending before commercial court Pune.</p> <p>Tiger has also filed a private criminal complaint against, KBK, Shree Renuka Sugars Limited & its Sr. Managers for non-payment of outstanding dues.</p> <p>In 2016, KBK filed a petition (4993543/2016) before Delhi High Court to quash criminal complaints which is pending.</p> | 2009 | <p>The expected liability would be around Rs. 80 Lakhs on a very conservative basis.</p> <p>Service provider has raised the demand without completion of works as per contractual terms.</p> <p>The Police have filed their report stating that the matter is CIVIL and not criminal.</p> | 24.02 |