

Ref: HIL/SE/2023-24/66

October 19, 2023

To
BSE Limited
P.J. Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 509675
Through: BSE Listing Centre

To
National Stock Exchange of India Limited
5th Floor, Exchange Plaza, Bandra (E),
Mumbai – 400 051
Scrip Symbol: HIL
Through: Neaps Portal

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

Pursuant to amended Regulation 30 and Part B of Para A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023, please find enclosed disclosure of continuing event or information (i.e. ongoing litigations) of the Company which became material as per the criteria prescribed under Regulation 30(4)(i)(c) of the Listing Regulations as Annexure A.

The Company, based on its assessment, believes that these disputes/litigations or its potential outcomes will not have any adverse material impact on the Company.

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

Yours sincerely,
For **HIL Limited**

(Ajay Kapadia)
Chief Financial Officer

Encl. As stated

Annexure A

Sr. No.	Disclosure requirement	Details
A. Income Tax matters:		
1.	Brief details of litigation viz. names of the opposing party, court/tribunal/ agency where litigation is filed, brief details of dispute litigation.	<p>a. Long term capital gain matters related to slump sale and relinquishment of right involving a tax demand including interest of Rs. 15.31 crore for AY 2006-07 and AY 2014-15 are pending with the High Court of Telangana and Andhra Pradesh.</p> <p>b. Tax demand including interest of Rs. 10.88 crore was raised on various matters related to disallowance of expenses related to ESOP, R&D, under section 43B, 40(a)(ia) of the Income Tax Act, 1961 for the AY 2018-19 to 2020-21. The appeal against these orders are pending before the Commissioner of Income Tax (Appeals). (For matter related to AY 2018-19 an writ is also filed with the High Court of Telangana and Andhra Pradesh)</p>
2.	Expected financial implications, if any, due to compensation, penalty etc.	The Company, based on its preliminary assessment, and on the advice of the subject matter expert, is confident of a favorable outcome in the said matters. The Company has disclosed above as contingent liability in its Annual Report.
3.	Quantum of claims, if any.	Rs. 26.19 crore plus interest and penalty as applicable.
B. Goods and Service Tax matters:		
1.	Brief details of litigation viz. names of the opposing party, court/tribunal/ agency where litigation is filed, brief details of dispute litigation.	Appeals pending before Dy. Commissioner (Appeals), North Division, Chennai, against orders passed for treating the product of the Company as concrete blocks instead of fly ash bricks/blocks and levied tax at a higher rate by raising demand on tax, interest and penalty of Rs.71.60 crore, from FY 2017-18 to 2022-23. Hearing against such appeals completed during June'23 and are pending for disposal. A further demand order of Rs. 4.70 crore for the balance period of FY23 (Sep'22 – Mar'23) has been received during this Q2FY24.
2.	Expected financial implications, if any, due to compensation, penalty etc.	The Company, based on its preliminary assessment, and on the advice of the subject matter expert, is confident of a favorable outcome in the said matters. The Company has disclosed above as contingent liability in its Annual Report.
3.	Quantum of claims, if any.	Rs.76.30 crore plus interest and penalty as applicable.

C. National Green Tribunal matter:		
1.	Brief details of litigation viz. names of the opposing party, court/tribunal/ agency where litigation is filed, brief details of dispute litigation.	<p>In the year 2020, the District Mining Officer, Chaibasa, Jharkhand (DMO), had sought payment of environment compensation amounting to Rs.13.44 crore from the Company on the application filed by few persons claiming to be the workers / relatives of workers / residents of Roro Village before the National Green Tribunal, New Delhi (NGT), alleging that their health has been affected due to the mining activity undertaken by the Company for extraction of asbestos fibre in late 1970s.</p> <p>The Civil Appeal filed by the Company is being heard by the Supreme Court.</p>
2.	Expected financial implications, if any, due to compensation, penalty etc.	<p>The Company, based on its preliminary assessment, and on the advice of the subject matter expert, is confident of a favorable outcome in the said matter. The Company has disclosed above as contingent liability in its Annual Report.</p>
3.	Quantum of claims, if any.	Rs.13.44 crore plus interest and penalty as applicable.