

February 20, 2024

To,
BSE Limited : Code No. – 544042
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

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

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) by Bajel Projects Limited (the “Company”)

Pursuant to the Regulation 30 of the SEBI Listing Regulations, read with the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, and in accordance with the Company's Policy on Determination of Materiality for Disclosure of Events or Information, the Company has identified material Tax dispute requiring disclosure under sub-paragraph 8 of paragraph B of Schedule III to the Listing Regulations, as per the revised materiality criteria prescribed in the SEBI Amendments. The details of the material Tax dispute is enclosed as **Annexure**.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI Listing Regulations.

Thanking you,

Yours faithfully,
For Bajel Projects Limited

Ajay Nagle
Executive Director, Company Secretary &
Chief Compliance Officer

Encl.: As above.

Annexure A

Disclosure as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, and SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023:

Income Tax Assessment Proceedings – Assessment Year (AY) 2023-24:

At the time of becoming the party:	
(a)	<p>Brief details of litigation viz. name(s) of the opposing party, court / tribunal / agency where litigation is filed, brief details of dispute / litigation.</p> <p>The Company and Bajaj Electricals Limited (“BEL”) entered into a scheme of arrangement (“Scheme”) to demerge and transfer Power Transmission and Power Distribution Business (hereinafter referred to as “Demerged Undertaking”) of BEL to the Company.</p> <p>The Hon’ble National Company Law Tribunal (“NCLT”) approved the said scheme of demerger vide order dated 08 June 2023. Pursuant to the approval of the Scheme of demerger, the Demerged Undertaking was transferred to the Company from the Appointed Date viz. 1 April 2022. Till the date of order of the NCLT, the transactions related to the Demerged Undertaking (both related to income and expense) were reported in the books of account of BEL, as BEL was carrying on the business of the Demerged Undertaking in trust of the Company.</p> <p>In order to give effect to the scheme of demerger, the income and expense pertaining to the demerged Undertaking for the FY 2022-23 was transferred and recorded as income and expense of the Company.</p> <p>The customers of the Demerged Undertaking had deducted TDS on the Permanent Account Number of BEL and therefore TDS credit on the income of the demerged undertaking was appearing in Form 26AS of BEL. However, since the income was of the Demerged Undertaking and reported in the financial statements of the Company, the TDS credit though appearing in Form 26AS of BEL was claimed through the revised return of income filed by the Company for the FY 22-23. Further, the said credit was</p>

		<p>not claimed by BEL in its return of income for the year under consideration.</p> <p>The Company has received an intimation, under Section 143(1) of the Income Tax Act, 1961 ("Act"), from the Deputy Director of Income Tax, Central Processing Centre (CPC), Bengaluru - Income Tax Department ("Income Tax Authority"). In the said intimation, the CPC did not grant credit in respect of Tax Deducted at Source amounting to Rs. 4,04,60,648/-. Further, no reasons were provided by the CPC in the impugned intimation for not granting the said TDS credit.</p> <p>The Company has now filed appeal on February 19, 2024 to the Income Tax Authority, requesting them to carry out the required corrections, in this regard.</p>
(b)	Expected financial implications, if any, due to compensation, penalty etc.	Upon the Income Tax Authority taking the corrective actions in response to Company's appeal filed on February 19, 2024, the Company anticipates a refund of income tax in the matter.
(c)	quantum of claims, if any.	Not Applicable
Regularly till the litigation is concluded or dispute is resolved:		
(a)	The details of any change in the status and / or any development in relation to such proceedings.	Not Applicable
(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.	Not Applicable
(c)	In the event of settlement of the proceedings, details of such settlement including terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.	Not Applicable