



JKLC :SECTL:SE :23
11th August 2023

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| <p>1 BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Through: BSE Listing Centre
Security Code No.500380</p> | <p>2 National Stock Exchange of India Ltd.
Exchange Plaza”
Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051
Through: NEAPS
Symbol: JKLAKSHMI, Series : EQ</p> |
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Dear Sirs / Madam,

**Sub.: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') –
Intimation of material events**

With reference to the captioned subject and pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 and proviso to Regulation 30(iv)(i) of SEBI Listing Regulations, information which becomes material pursuant to notification of above Amendment Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD/PoD-1/P/CIR/ 2023/123 dated 13th July 2023, are disclosed as under :-

1. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company – Refer Annexure – I.
2. Giving of guarantees or indemnity or becoming a surety by whatever name called, for any 3rd party – Refer Annexure – II.

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For JK Lakshmi Cement Limited

Amit Chaurasia
Company Secretary

Encl.: As above.





Pending Litigations

1. Environment & Health Cess

The State Government of Rajasthan vide its Notification dated 25th February 2008, had promulgated the Rajasthan Environment & Health Cess Act through the Finance Act, 2008 whereby a Cess of Rs.5 Per MT was imposed on Limestone dispatched from the Mines. The Company had through a Writ Petition challenged the Validity of this Notification in the High Court of Rajasthan, Jodhpur on the ground that Levy of Cess on Mines & Minerals is subject matter of Central legislation. Subsequently, our Writ Petition was dismissed & we filed a Special Leave Petition (SLP) before Supreme Court which has been admitted & the matter has now been referred to a Larger Bench of Supreme Court comprising of Nine Judges for Final hearing. The Estimated Liability for the Company for this Environment & Health Cess is approximately ₹ 35.62 Crore exclusive of any interest thereon.

2. Electricity & Water Cess

The Company had entered into an Agreement in July 2007 as Captive Consumer for sourcing of power from M/s. VS Lignite Power Ltd alongwith eight other participants holding 26% Shares in the said company. As per the Agreement, each of the Participant was required to draw power from M/s. VS Lignite Power Ltd in proportion to its Holding. Subsequently, on account of non-drawl of proportionate power by two of the Participants, Jodhpur Vidyut Vitran Nigam Ltd (JVVNL) had raised Water Conservation Cess, Electricity Duty & Cross Subsidy Charges amounting to ₹ 29.12 Crore for the period July 2010 to February 2015. The Company had filed a Writ Petition before the Honorable High Court of Rajasthan, Jodhpur challenging the Demand imposed by JVVNL. The Honorable High Court had granted stay on the Demand. The matter is pending before the Honorable High Court of Rajasthan, Jodhpur.





3. Sales Tax / VAT

The Company has been supplying diesel to its Contractors for transporting Limestone from Mines to the Crusher & transportation of Clinker from its Integrated Plants to its various Grinding Units. The Rajasthan Commercial Tax Department issued Notice that this Supply of Diesel to Transporters tantamounts to Sale under the Rajasthan Value Added Tax, 2013 & levied Sales Tax/VAT on the Company aggregating to ₹ 23.83 Crore (exclusive of Interest & Penalty). The Company had filed a Writ Petition in High Court of Rajasthan, Jodhpur challenging these Notices & the Honorable High Court of Rajasthan, Jodhpur had granted stay on the Demand. Subsequently, the Department's Application to vacate the Stay has also been dismissed by the Honorable High Court of Rajasthan, Jodhpur on the ground that the Department had failed to produce fundamental facts based on which the Notices were issued to the Company. The Department is yet to file the reply. The Estimated Liability for the Company for this Sales Tax/VAT is ₹ 23.83 Crore (exclusive of Interest & Penalty) thereon.





ANNEXURE-I (CONTD..)

- (a) The details of any change in the status and / or any development in relation to such proceedings**

As stated above.

- (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 at this stage.





ANNEXURE - II

Corporate Guarantees

Sr. No.	Particulars	Details
1	Name of party for which such Guarantee or Indemnity or Surety was given	Udaipur Cement Works Ltd. (UCWL), a Subsidiary of the Company.
2	Whether the Promoter / Promoter Group / Group Companies have any interest in this transaction? If, yes, nature of interest and details thereof and whether same is done at "arm's length"	The Promoter / Promoter Group have no interest in the transaction. The Corporate Guarantees given by the Company are at arm's length basis.
3	Brief details of such Guarantee or Indemnity or becoming a Surety viz. brief details of Agreement entered (if any) including significant term and conditions	The Company has given Corporate Guarantees aggregating to ₹ 1,640 Crore (outstanding ₹ 1,099 Crore) in favour of Debenture Trustee (for the NCDs issued by UCWL) & in favour of various Term Lenders (i.e. Axis Bank Ltd., State Bank of India, Indian Bank and HDFC Bank Ltd.) who have granted Term Loans to UCWL. These Guarantees are valid upto the full repayment of various Term Loans of the Term Lenders / redemption of the NCDs, as the case may be.
4	Impact of such Guarantee or Indemnity or Surety on listed entity	The financials of Udaipur Cement Works Ltd. are consolidated with the Company. Hence, there will not be any impact on the Company.

