

April 6, 2023

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C-1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051.

BSE Limited

Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Subject: Update on pending dispute under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref.: Scrip ID - STLTECH/ Scrip Code – 532374

Dear Sir/Madam,

Pursuant to Regulation 30 read with Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. **SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123** dated July 13, 2023, Sterlite Technologies Limited ('STL' or 'the Company') hereby submits the details of a dispute, enclosed herewith as Annexure 'A'.

We request you to take the same on record.

Thanking you.

Yours faithfully,
For **Sterlite Technologies Limited**

Amit Deshpande
General Counsel & Company Secretary (ACS 17551)

Annexure A

S. No.	Particulars	Description
1.	<p>Brief details of litigation viz.</p> <p>a. name(s) of the opposing party;</p> <p>b. court/ tribunal/agency where litigation is filed;</p> <p>c. brief details of dispute/litigation</p>	<p>a. Order-in-Original No. o1/CGST/ADC/2o24-25 dated 04 April 2024 (received on 05 April 2024) passed by the Additional Commissioner, CGST & Central Excise, Aurangabad arising out of Show Cause Cum Demand Notice under SCN No DGGI/SZU/36-91/2021-22 dated 22 March 2022.</p> <p>b. Brief details of litigation</p> <ul style="list-style-type: none"> • Basis the investigation carried out by Directorate General of Intelligence (“DGGI”), show cause notice was issued to the Company demanding GST on account of non-inclusion of management salary cost while raising invoices on distinct persons qua support services provided by the corporate office. • At the investigation stage, there were mixed views regarding applicability of GST on employee cost based on the Appellate Advance Rulings passed in the matter of Columbia Asia Hospitals Private Limited as well as Cummins India Limited. Thus, the demand raised by the Authorities of INR 21.51 Crs was already paid by the Company before issuance of Show Cause notice (“SCN”). • However, pursuant to issuance of SCN, the underlying issue of inclusion of employee cost while raising invoices qua cross charge has been clarified by Central Board of Indirect Taxes and Customs (“CBIC”) vide Circular No. 199/11/2023-GST dated July 17, 2023 (“Circular”). The said Circular has clearly clarified that employee cost of the Head office is not mandatorily required to be included while computing the taxable value for cross charge, even in cases where full input tax credit is not available to the concerned branch offices. It is settled position that circulars issued by the CBIC, are binding the Authorities. Accordingly, in

		<p>terms of the said Circular, the Company has good case on merits.</p> <ul style="list-style-type: none"> • In any event, it is settled position in law that in case of interpretational issue, penalty cannot be levied. <p>Given the above, the Company has good case on merits. The Company will either file an appeal against the Order confirming demand or will file a writ petition before the High Court.</p>
2.	Expected financial implications, if any, due to compensation, penalty etc.	Financial implications can be assessed on disposal of the matter.
3.	Quantum of claims, if any	<p>a) Interest under Section 50 of CGST Act read with Section 20 of the IGST Act on the tax amount of Rs. 21,51,41,913/- (Rupees Twenty-One Crores Fifty-One Lakhs Forty-One Thousand Nine Hundred Thirteen only)</p> <p>b) Penalty of Rs. 21,51,41,913 (Rupees Twenty-One Crores Fifty-One Lakhs Forty-One Thousand Nine Hundred Thirteen only) under Section 74(1) of the CGST Act read with Section 122(2)(b) of the CGST Act and IGST Act.</p>