

GHCL Limited

1/5

May 20, 2015

Mr. Hari K
Vice President
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
Fax # 022 26598237/38

Mr. S Subramanian
DCS - CRD
The Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring, Rotunda Building, P.J.
Towers,
Dalal Street, Fort, Mumbai - 400 001
(Fax: 022 2723121/2037/2041/3714/2039/2061)

Dear Sirs,

Subject: Legal updates pursuant to Clause 36 of Listing Agreement

In line with the requirement of Clause 36 of Listing Agreement read with Guidance Note on the same issued by NSE & BSE and in continuation to our earlier communications, we would like to enclose the updates on the pending legal cases.

You are requested to kindly acknowledge the receipt and disseminate the same to your website.

We shall be pleased to provide any further clarification in the matter.

With kind regards

For GHCL Limited

Bhuneshwar Mishra**General Manager & Company Secretary**

2/5

Annexure - 1:

A: Income tax related cases:**1. AY 2009-10:**

Assessing officer had passed draft order disallowing Rs. 30.96 Crores for claim for Write off of Invocation of Stand By Letter of Credit (SBLC) given on behalf of its subsidiary, against which, GHCL Limited had filed objection before Dispute Resolution Panel (DRP). The Hon'ble DRP has allowed the claim of GHCL. The department has preferred appeal before ITAT.

2. AY 2010-11:

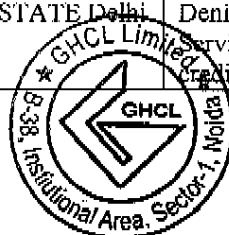
AO had disallowed Rs. 140.60 Crores for write off of Loan given to one of its subsidiary, upward adjustment of 3.31 Crores and disallowance u/s 14A of Rs. 0.63 Crores. Against the said order, GHCL Limited had preferred an appeal before CIT (Appeal) - Ahmedabad. The CIT(A) had passed an order allowing claim of 140.60 Crores in favour of GHCL and also granted partial relief in case of TP adjustment and of disallowance u/s 14A. Department had filed appeal before ITAT against the order of CIT (Appeal).

3. AY 2011-12:

AO has passed order disallowing claim of Write off Corporate guarantee given on behalf of one of its subsidiary of Rs. 184.75 Crores, Export Sales Commission Rs. 3.95 Crores, TP upward adjustment 1.56 Crores and Disallowance u/s 14 A Rs. 0.64 Crores. After adjustment of bought forward loss, the AO has raised a demand of 3.06 Crores. GHCL limited has preferred appeal before CIT (A) against said order.

B: Excise Tax, Sales Tax and Service Tax cases:**(Rs. in lacs)**

Sl. No	Case Reference	Order No & Date against which appeal filed / remanded	Authority at which matter is pending	Brief Facts	Amount	Remarks
1.	Service tax	OIO no. 29 to 34/BVR/Commissioner/2011 dt 11.08.11	COMMISSIONER- BHAVNAGAR	CENVAT OF Service Tax taken on defective invoices, ineligible services, case remanded back by CESTATE.	887.16	Status Quo
2.	Excise	OIA no. 46 to 48/2012(BVR)/COMMR(A)/RBT/RAJ dt 18.05.2012	CESTAT, AHMEDABAD	Denial of CENVAT of Excise Duty on capital goods used captive (new Briquette Plant)	189.61	Status Quo
3.	Service Tax	OIO no. 07/ST/Commissioner /	CESTATE Delhi	Denial of Service Tax Credit on	129.31	

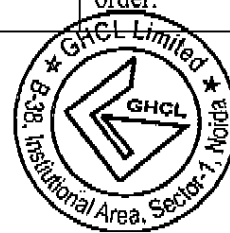


3/5

		Noida/2014-15 dt 22.08.2014		service availed for FCCB issue		
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C: Legal cases:				
Sl. No.	Case No./ Court	Nature of dispute	Present status	
1.	FIR Crime No. 96/12 JFMC Court, Madurai	State has registered a case of land grabbing against sellers and buyers of land at Pasumalai Colony on the ground that the land was assigned for public purpose, which cannot be sold.	Madurai Bench of Madras IIC stayed the proceedings in the FIR Case till 18.6.2013. Bail granted. Case not listed after that.	
2.	Cr. No. 78/2012 before EOW, Mumbai	Criminal case has been registered against Mr. Sanjay Dalmia, & Others relating to sale of land of Golden Tobacco Ltd. This matter does not related to GHCL Ltd.	Mr. Sanjay Dalmia was granted bail on 08.05.2015 by the Session Court at Mumbai.	
3.	F.I.R. 214 / 2010 P.S. Kalkaji, New Delhi	Criminal case was filed in the Kalka Ji Police Station New Delhi against Promoter Directors and Executive Directors of GHCL Limited in the year 2010.	Police have filed a Closure Report. Case is pending before the Magistrate for consideration of the Closure Report.	Next date of hearing: 01.06.2015
4.	C. P. No. 25 /2011 & Ors. Gujarat High Court.	Winding up Petitions against Rosebys Interiors India Ltd., a WoS of GHCL were admitted and Provisional Liquidator was appointed.	Statement of Affairs has been filed.	Next date of hearing: 15.06.2015
5.	LPA 492/2014 Delhi IIC	Central Govt. vide its Notification No. SOS 707 dt. 17.03.1993 prohibited the employment of contract labour in certain specified categories like raising of minerals including breaking, sizing, sorting of limestone / dolomite and its transportation within the Limestone and Dolomite Mines.	GHCL's writ petition was finally heard and dismissed on 2.7.2014. GHCL filed an appeal before Division Bench of HC, which has ordered that no coercive action should be taken pursuant to single judge order.	Next date of hearing- To come up in due course.

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11/5

			When case came up for hearing on 13.02.2015, HC made the interim order absolute till the disposal of appeal.	
6.	C.P 215/2014 HT Media Vs. GHCL Guj HC	HT Media has filed a winding up petition against GHCL for its inability to repay Rs. 5 Crs. Along with interest @ 15% p.a. under the Debenture Subscription Agreement dt. 24.02.2009 executed with GHCL & RIIL after HT Media failed to get relief before the Delhi High Court. GHCL already appointed Mr. O.P. Khaitan as its arbitrator. HT Media has not appointed its arbitrator.	GHCL filed its reply on the ground that agreement is covered by arbitration proceedings and HT media has already invoked the arbitration clause and by nomination of arbitrator by GHCL arbitration proceedings have already been commenced.	Next date of hearing: 22.06.2015
7.	C.P 224/2014 Rectella Ltd. Vs. GHCL	Rectella Ltd, of U.K. has filed a winding up petition against GHCL Ltd. for payment of Rs.3,73,53,288/- under a Deed of Guarantee dt. 11.06.2008 executed by GHCL.	GHCL filed its reply and opposed the petition on merits and on the point of jurisdiction.	Next date of hearing: 18.06.2015
8.	C.P. No.379 / 1999 before Delhi High Court	DSS Mobile Comm. Ltd., (in which two of our promoter directors were directors) was ordered to be wound up in a petition brought by Motorola India Ltd.	In terms of Hon'ble Delhi High Court directions, one of Promoter Directors appeared before Official Liquidator and stated his position.	Next date of hearing: 18.09.2015
9.	E.P. No. 109 / 2011 Civil Judge (SD) at Valsad	Kipfold Ltd. has filed a petition before the Civil Judge at Valsad for executing an ex-parte foreign decree passed against GHCL for payment of £ 442963 alongwith interest @ 8 % pa.	GHCL has filed its reply and the case is fixed for arguments of Kipfold.	Next date of hearing: 18.06.2015
10.	SCA No. 9913/12 Gujarat HC	Gordon John, which was unsuccessful in executing an ex-parte foreign decree for payment of £ 3,65,051 plus £ 6,034 towards interest @ 8% on a corporate guarantee issued by GHCL has approached Gujarat HC.	GHCL opposed the writ petition on the ground that Gordon John's foreign decree is dismissed by trial court as not being enforceable in India. Case is pending for argument.	Next date of hearing: 26.06.2015




5/5

11.	Summary Civil Suit 2643/2014 Ahmedabad Civil Court	BCR Romaina Case: GHCL by a corporate guarantee dated 25.07.2006 undertook to pay to Banca Comerciala Romania SA, a Romanian Bank, in relation to a Corporate Guarantee undertaken by M/s Indian Britain BV, Netherlands, a 100% subsidiary of GHCL Ltd. in respect to a loan taken by its 100% subsidiary GHCL UPSOM SA, a Romanian entity. GHCL UPSOM went into liquidation and the Bank got EUROS 5,402,641.00 from liquidation proceedings. Now the Bank has filed a recovery suit for balance EUROS 10,391,306 equivalent to Rs. 81,35,75,195.84 plus interest.	GHCL filed its reply opposing the suit on the ground on Jurisdiction since guarantee is governed by Romanian laws.	Next date of hearing: 12.06.2015
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