



APAR

Tomorrow's solutions today

SEC/1912/2024

By E-Filing

December 19, 2024

National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051. Scrip Symbol : APARINDS Kind Attn.: Listing Department	BSE Limited Corporate Relations Department, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. Scrip Code : 532259 Kind Attn. : Corporate Relationship Department
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Sub. : Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI LODR")

Dear Sir/ Madam,

Pursuant to Regulation 30, of SEBI LODR, we hereby inform you that, penalty of Rs. 1,15,47,372/- has been imposed on the Company by Directorate General of Goods and Service tax ("DGGI").

The details of the above penalty, as required under Clause 20 of Para A of Part A of Schedule III of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 is enclosed as an **Annexure A**.

You are requested to take the same on your record

Thanking you,

Yours Faithfully,

For APAR Industries Limited

(Sanjaya Kunder)
Company Secretary

APAR Industries Limited

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Annexure A

Name of the authority	Directorate General of Goods and Services Tax Intelligence (DGGI)
Nature and details of the action(s) taken, initiated or order(s) passed	Closure of proceedings received on December 19, 2024 which inter-alia also includes penalty
Date of receipt of direction or order, including any ad- interim or interim orders, or any other communication from the authority;	December 19, 2024
Details of the violation(s)/contravention (s) committed or alleged to be committed	Rule 89 (4) of the CGST Act, 2017 allows refund of accumulated ITC when such accumulation arises due to export made without payment of IGST under Bond/ LUT. We had imported inputs under Advance Authorization claiming exemption of custom duty (including IGST). However, the contention of DGGI/authority was when exemption of IGST was claimed under Notification No.79/2017-Cus. on imports made under Advance Authorization, the refund of IGST paid on other inputs and packing materials used therein can only be claimed under sub-rule (4B) of Rule 89 of CGST Rules, 2017 not based on formula given in Rule 89(4). If fact, there is no such non-obstante clause given in statute [or Rule 89(4B)] which takes precedence over any conflicting provision Rule 89(4). Principle section 54 also does not make any distinction & confusion. This issue was agitated for the prior period in our case up to March 2022, and on representation to Govt. now this confusing rule 89(4A), 89(4B) and 96(10) got deleted from CGST Rules, 2017 vide Notification No.20/2024-C.T. dated 08.10.2024. Though we have strong prima facie case in favour, we calculated the differential amount between Rule 89(4) & Rule 89 (4B) and reversed the credit due to which the penalty has been levied. As we have now paid the interest and penalty, we are eligible to reclaim the credit that we had to reverse.
Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.	There is no material impact on the financials, operations or other activities of the Company. The company has paid penalty amount of Rs 1,15,47,372/-

