

IRC:F48:291:49:2024

December 21, 2024

The Manager,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C-1, 'G' Block,
Bandra- Kurla Complex,
Bandra (East), Mumbai – 400051.

The Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.

Scrip Code: KARURVYSYA

Scrip Code: 590003

Dear Sir/Madam,

Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that pursuant to receipt of Show Cause Notice under section 73 of the Goods and Services Tax Act, 2017, for the FY 2020-21, issued by State Tax Officer, Team Head, Audit Team-2, Office of the Joint Commissioner (ST), Erode Division, the Bank has filed a writ petition in Hon'ble High Court of Madras challenging the same, where the Court has granted interim stay in the matter (copy of the order is yet to be received). The Bank shall intimate as and when there are further material developments in the pending litigation.

Further, the disclosures as required under SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed as **Annexure-I**.

Kindly take the same on record.

Yours faithfully,

Srinivasarao M
Company Secretary &
Deputy General Manager

THE KARUR VYSYA BANK LIMITED
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CIN: L65110TN1916PLC001295

Annexure I

Disclosure as per SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023:

Sl. No	Description	Details
1	Brief details of litigation or dispute:	
	Name of the opposing party	Party 1 - State Tax Officer, Team Head, Audit Team-2, Office of the Joint Commissioner (ST), Erode Division. Party 2 – The Joint Commissioner (ST), Erode Division.
	Court/Tribunal	Hon'ble High Court of Madras
	Brief details of dispute/litigation	<p>The Bank received DRC-01 under section 73 of the Goods and Services Tax Act, 2017, charging tax and penalty for the financial year 2020-21.</p> <p>The Bank is of the view that it has been consistent in discharging its tax liabilities as per applicable GST laws and hence, the instant SCN issued is without any merits and lacks legal as well as material basis.</p> <p>Accordingly, the Bank filed writ petition challenging the SCN issued charging thereunder :</p> <ol style="list-style-type: none"> 1. GST on the entire Interest Income earned by the bank across all states which is exempt under GST Act and also GST on interest income earned from Tamil Nadu state. 2. GST under Reverse Charge Mechanism on the total expenses of the bank including salary payment to employees whereas the bank had

		<p>discharged GST on RCM basis wherever applicable.</p> <p>3. GST on the entire other income of the bank earned across all states (on which GST has already been paid in the respective states).</p> <p>4. GST on the amount appropriated from profits earned on sale of investments transferred to Capital Reserve.</p> <p>Hearing was held on 17/12/2024. The order passed by the Hon'ble High Court is yet to be uploaded in the High Court Portal. However our advocates informed us based on the case status update in the portal, that an ad interim stay has been granted in favour of the bank in the matter.</p>
2	Expected financial implications, if any, due to compensation, penalty etc.:	The Bank does not expect any material financial implications on account of the above SCN.
3	Quantum of claims, if any:	Show cause notice (DRC-01) issued for Rs. 2,537 Cr [Rupees Two Thousand Five Hundred and Thirty Seven Crore]