

2nd August, 2023

To

The Manager - Listing,
BSE Limited,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543276

The Manager - Listing,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex ,
Bandra (East),
Mumbai - 400 051
Stock Code: CRAFTSMAN

Dear Sir/Madam,

Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that, the Additional Commissioner of GST & Central Excise, Coimbatore has pronounced an order towards short payment of CGST, SGST, IGST on the products cleared by classification issues. The details required as per Regulation 30 is attached as Annexure.

Brief Facts:

In the indirect tax matters of the Company, for the pre-GST period (i.e., central excise regime), CBIC department has demanded that the Company's locomotive parts supplies to Indian railways are to be classified as general parts instead of railway parts and subsequently a demand of Rs.1,26,91,614 and equivalent penalty was raised by the CBIC department vide order OIO 07/2022- ST(ADC) dt 29 Apr 2022. The said classification issue was appropriately contested by company in department's legal forum and received orders in favour of the company on merits vide order 07/2023-CBE-CEX-APP dt 27/Feb/2023. This order is currently binding in nature for the Company and Department. Also in this order, Company's classification was upheld and subsequently both (demand and penalty) were dropped.

The same issue was raised by the CBIC for the GST period from July 2017, and a demand was raised by the department as order vide reference OIO 24/2023 - GST(ADC) dated 30/Jun/2023 received by email on 01st August, 2023 for a demand value of Rs 29,28,79,564 excluding penalty and interest and the same will also be legally contested by the company in similar manner. The classification would not change for the GST period as company is already holding a favourable order where in classification followed by the company (in pre-GST period-central excise period) is already upheld by the department.

Craftsman Automation Limited

Registered Office:
123/4, Sangothipalayam Road,
Arasur Post, Coimbatore - 641 407
Tamil Nadu, India

Corporate Office:
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Tamil Nadu, India

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www.craftsmanautomation.com

CIN NO: L28991TZ1986PLC001816
GST NO: 33AABCC2461K1ZW

Kindly take the same into your records.

Thanking you.

Yours faithfully,
for CRAFTSMAN AUTOMATION LIMITED

Shainshad Aduvanni
Company Secretary & Compliance Officer

Encl: As above

Annexure

Additional Details as per Regulation 30:

Name of the Authority	Additional Commissioner of GST & Central Excise, Coimbatore
Nature and details of the order(s) passed;	Demand for short payment of CGST, SGST, IGST and Imposition of Penalty
Date of receipt of order	1 st August, 2023
Details of the Violation(s)/Contravention(s) committed;	Classification issues reagrding the products supplied to locomotive at lesser rate of 5%/12% instead of GST rate of 18%/28% claimed by the department.
Impact on financial, operational or other activities of the listed entity, quantifiable in monetary terms to the extent possible	Demand value of Rs 29,28,79,564 excluding penalty and interest.