

24<sup>th</sup> February, 2025

The Manager,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

The Manager,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

BSE Scrip Code: 544320

NSE Symbol: CARRARO

**Sub.:** Intimation of Show-Cause Notice dated 24<sup>th</sup> February, 2025 received from Income Tax Department ("Subsequent SCN").

**Ref.:**

1. Intimation of initial Show-Cause Notice dated 14<sup>th</sup> February, 2025 ("Initial Intimation") regarding Show-Cause Notice dated 13<sup>th</sup> February, 2025 ("Initial SCN").
2. Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Dear Sir/Madam,

With reference to the above-mentioned Listing regulations and Initial Intimation, we would like to inform that the Company has received a Subsequent SCN from the faceless assessment unit of the income-tax department, under the provisions of Section 144B of the Income-tax Act, 1961, wherein the amount of contention, as against the amount contented in Initial SCN, has significantly been revised downwards by the Income-tax department and the Company is required to furnish response to the Subsequent SCN.

The Subsequent SCN has been received on 24<sup>th</sup> February, 2025 at 11.07 a.m.

The Company will file its detailed reply to the Subsequent SCN within the prescribed timelines with the required factual evidences and explanations, basis the legal advice, to substantiate its position. The Company believes that it would receive a favourable relief upon submission of the replies.

The details required under Para A of Part A of Schedule III of the Listing Regulations read with SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11<sup>th</sup> November, 2024 are enclosed as Annexure A.

Thanking you,

Yours faithfully,  
**For Carraro India Limited**

*Nakul Shivaji Patil*  
*Company Secretary and Compliance Officer*  
*Membership No.: A39990*

Encl.: As above.

**Annexure A**

Sr. No.	Details of Events that need to be provided	Information of such events(s)
1.	Name of the authority	Assessment Unit, Income-tax Department
2.	Nature and details of the action(s) taken or order(s) passed.	A Subsequent Show-Cause Notice dated 24 <sup>th</sup> February, 2025
3.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	<p>24<sup>th</sup> February, 2025.</p> <p>This is a show cause notice and there are no ad interim orders.</p>
4.	Details of violation(s)/contravention(s) committed or alleged to be committed.	<p>A Subsequent SCN has been issued by the assessment unit of the income-tax department citing variation to be made to the total income of the Company.</p> <p>The amount of contention, as compared to the Initial SCN, has significantly been revised downwards to Rs. 145,24,80,957/- from Rs. 10,06,74,63,516/-.</p> <p>The subsequent contentions raised by Income-tax department with regarding additions, primarily with respect to:</p> <ol style="list-style-type: none"> <li>1. Transfer pricing assessment order dated 28 January 2024;</li> <li>2. Adhoc disallowance of Interest accrued but not due on borrowings.</li> <li>3. Adhoc disallowance of certain expenditures citing non-deduction of tax at source; and</li> <li>4. Adhoc disallowance of certain expenditures reflected in the financial statements of the Company.</li> </ol> <p>The Assessment Unit has required the Company to furnish factual information in response to the above.</p>
5.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.	<p>The Company will be filing detailed reply with facts, figures and justification to the Subsequent SCN before the Adjudicating Authority within the prescribed timelines with the required evidences substantiating its tax position.</p> <p>There is no immediate impact on financial, operations or other activities of the Company. owing to Subsequent SCN.</p> <p>The Company believes, basis the legal advice, that it would receive a favourable relief upon submission of the factual evidences on substantiating its tax position to Adjudicating Authority within the prescribed timelines.</p>