



Ref/Sec/205 &amp; 266/216/2019-2020

October 09, 2019

**The National Stock Exchange of India Limited**

Listing Department

Exchange Plaza, Bandra Kurla Complex,

Bandra (East),

Mumbai 400 051.

Company symbol: LAKSHVILAS

Dear Sir/ Madam,

**Sub: Response to clarification sought by The National Stock Exchange of India Limited ("NSE") vide e-mail dt. 07.10.2019**

Ref: Our Letter Ref/Sec/205 &amp; 266/190/2019- 2020 dt. 26.09.2019

This is to inform that NSE had sought certain clarification on the announcement filed by our Bank on 26.09.2019. The clarification sought by NSE and our responses to the same are as follows:

**Clarification sought:**

1. Expected financial implications, if any, due to compensation, penalty etc;
2. Quantum of claims, if any

**Our Response:**

We have earlier reported that Bank had sanctioned limits to M/s. RHC Holding and M/s. Ranchem against the deposits of M/s. Religare Finvest Ltd (RFL) given as security for the said loans. As the borrowers failed to clear the liability, bank has closed the deposits and appropriated towards the outstanding loans. The legal opinions taken by the bank confirmed that the said appropriation by the bank is legally tenable. Aggrieved by the same RFL had filed a suit in the Delhi High Court. The same is still pending before Delhi High Court. In the very same matter RFL has now filed complaint with EOW, Delhi Police.

The EOW, Delhi has registered FIR No.189/2019 under section 409 & 120 IPC on 26.09.2019 and forwarded the FIR to Patiala House Districts courts, New Delhi. The amount involved in the complaint is Rs.791 crores (approximately). As per the criminal procedure code, the question of compensation will arise only after the



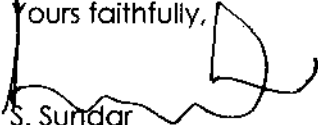
**LAKSHMI VILAS BANK**

Secretarial Department

CIN L65110TN1926PLC001377

completion of the investigation and filing charge sheet by the police before the concerned criminal court and after the termination of the trial by the court. At the time of termination of the trial, if the court finds that the Accused arrayed in the case are involved in the offences of criminal breach of trust & criminal conspiracy and finds guilty, then may order for compensation to victims of the crime who have suffered damages because of the criminal conduct of the Accused. The investigation is in the preliminary stage and outcome of the same is not known. If the investigation do not find any cognizable offence, case may be closed. Hence there is no immediate threat over the bank with regard to the compensation.

Thanking you,  
Yours faithfully,

  
S. Sundar  
Chief Financial Officer