

August 11, 2023

The Manager
The Department of Corporate Services
BSE Limited
P. J. Towers,
Dalal Street, Mumbai - 400 001
Scrp Code – 540775

The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Symbol - KHADIM

Dear Sir / Madam,

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

Pursuant to amendment in Regulation 30 read with Para B of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide its Notification No. SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, we hereby submit the details as per “**Annexure-I**” in relation to “Pendency of any litigation(s) or dispute(s) or the outcome thereof with its impact on the Company”.

We request you to take the same on record.

Thanking You,

Yours faithfully,

For **Khadim India Limited**

Company Secretary & Head – Legal
ICSI Membership No.: A21358

Encl. as above

Annexure-I

A. Excise matter before Customs, Excise & Service Tax Appellate Tribunal, Delhi

Sl. No.	Particulars	Details
1.	Brief description of the dispute / litigation including name(s) of the opposing party, court / tribunal / agency where litigation is filed	<p>The dispute relates to the audit of "Delhi Excise Unit" for the period 2012-13 to 2015-16 and it was alleged that the manufactured-out goods which the Company had cleared as "NIL" rated goods under Serial No. 179 of Notification No. 12/2012-CE dt. March 17, 2012 should be considered as "Exempted Goods or Traded Goods" and reversal to be made under Rule 6(3) of CENVAT Credit Rules, 2004.</p> <p>A Show Cause Notice was issued in this regard and subsequently, Principal Commissioner vide Order No. 07/C.E/P.Commr./R.P./D.N./2022-23 dated December 15, 2022 issued a demand of ₹ 5,00,45,353/- (Rupees Five Crores Forty Five Thousand Three Hundred and Fifty Three) under section 11A of the Central Excise Act, 1944 along with applicable interest and penalty of ₹ 5,00,45,353/- (Rupees Five Crores Forty Five Thousand Three Hundred and Fifty Three) under section 11AC of the Central Excise Act, 1944 read with relevant section of Central Goods and Services Tax Act, 2017.</p> <p>Aggrieved by the said Order, the Company has filed an appeal against the Order before the Customs, Excise & Service Tax Appellate Tribunal, Delhi on March 17, 2023.</p>
2.	Expected financial implications due to compensation, penalty etc.	<p>Relying on the judicial precedents, it seems that the Company has a fair chance to finally succeed in the matter.</p> <p>However, the amount of penalty imposed on the Company vide Order dated December 15, 2022 is ₹ 5,00,45,353/- (Rupees Five Crores Forty Five Thousand Three Hundred and Fifty Three)</p>
3.	Quantum of claims	<p>Total amount of claim involved in the dispute is ₹ 5,00,45,353/- (Rupees Five Crores Forty Five Thousand Three Hundred and Fifty Three) along with applicable interest and penalty of ₹ 5,00,45,353/- (Rupees Five Crores Forty Five Thousand Three Hundred and Fifty Three).</p>

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B. Appeal against Arbitral Award dated June 27, 2022

Sl. No.	Particulars	Details
1.	Brief description of the dispute / litigation including name(s) of the opposing party, court / tribunal / agency where litigation is filed	<p>The dispute relates to arbitrary decision to withhold the receivables by the Company and forfeiture of Performance Bank Guarantee, by Samagra Shiksha Abhiyan Authority (SSAA), Punjab through Director General School Education-cum-State Project Director (DG-School) ("the Tenderer") in respect of a tender for supply of school shoes and uniform, floated by it.</p> <p>The Tenderer vide its Order dated August 28, 2020, withheld ₹ 32,00,00,000/- (Rupees Thirty Two Crores) (approx.) and forfeited the Performance Bank Guarantee of ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs) and ₹ 35,00,000/- (Rupees Thirty Five Lakhs).</p> <p>Being aggrieved, the Company took legal recourse and finally entered into an arbitration before the Arbitral Panel.</p> <p>On June 27, 2022, Arbitral Panel passed an Arbitral Award in favour of the Company whereby Khadim is entitled to get ₹ 31,96,86,729/- (Rupees Thirty One Crores Ninety Six Lakhs Eighty Six Thousand Seven Hundred and Twenty Nine) along with interest @ 9% p.a. and refund of Performance Bank Guarantee forfeited with interest @ 4.5% p.a. plus proportionate Cost of Arbitration.</p> <p>The Tenderer has filed an application under Section 34 of the Arbitration and Conciliation Act, 1996, before the District Court at Mohali challenging the Award of the Arbitral Tribunal dated June 27, 2022, passed in favour of the Company.</p>
2.	Expected financial implications due to compensation, penalty etc.	<p>Relying on the Award of Arbitration, it seems that the Company has a fair chance to finally succeed in the matter. In case, the matter is decided in favour of the Company, the Company shall receive a sum of ₹ 31,96,86,729/- (Rupees Thirty One Crores Ninety Six Lakhs Eighty Six Thousand Seven Hundred and Twenty Nine) along with interest @ 9% p.a. and refund of forfeited Performance Bank Guarantee amounting to ₹ 1,50,00,000/- (Rupees One Crore and Fifty Lakhs) and ₹ 35,00,000/- (Rupees Thirty Five Lakhs) along with interest @ 4.5% p.a. plus proportionate Cost of Arbitration.</p>
3.	Quantum of claims	<p>In case, the matter is decided in favour of the Company, the Company shall receive sum of ₹ 31,96,86,729/- (Rupees Thirty One Crores Ninety Six Lakhs Eighty Six Thousand Seven Hundred and Twenty Nine) along with interest @ 9% p.a. and refund of forfeited Performance Bank Guarantee amounting to ₹ 1,50,00,000/- (Rupees One Crore and Fifty Lakhs) and ₹ 35,00,000/- (Rupees Thirty Five Lakhs) along with interest @ 4.5% p.a. plus proportionate Cost of Arbitration.</p>

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C. Title Suit filed before the Commercial Court of South 24 Parganas at Alipore, Kolkata

Sl. No.	Particulars	Details
1.	Brief description of the dispute / litigation including name(s) of the opposing party, court / tribunal / agency where litigation is filed	Mafag Reflexa AG, Casa Everz GmbH and Iatric Industries Pvt. Ltd. filed Title Suit No.19 of 2023 on July 11, 2023 before the Commercial Court of South 24 Parganas at Alipore, Kolkata for an alleged violation of a Patented foot base of Footwear.
2.	Expected financial implications due to compensation, penalty etc.	Unascertainable
3.	Quantum of claims	The Suit is valued at ₹ 60,00,00,000/- (Rupees Sixty Crores). However, any basis for the same has not been given. The matter has come up in the usual course of business that is prevalent in footwear industry. The Company has sufficient grounds to defend the litigation successfully.