



# M.K. EXIM (INDIA) LIMITED

## ANNUAL REPORT

2022-23



## 31st Annual Report 2022-23

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## CORPORATE INFORMATION

<b>Board of Directors:</b>	<p><b>Shri Murli Wadhmal Dialani</b> Chairman &amp; Whole-Time Director</p> <p><b>Shri Manish Murlidhar Dialani</b> Managing Director</p> <p><b>Mrs. Lajwanti M. Dialani</b> Whole-Time Director</p> <p><b>Mr. Vishesh Mahesh Nihalani</b> Independent Director</p> <p><b>Ms. Priya Murlidhar Makhija</b> Independent Director</p> <p><b>Mr. Gaurav L. Patodia</b> Independent Director</p>
<b>Company Secretary: &amp; Compliance Officer</b>	<b>Mr. Babu Lal Sharma (w.e.f. 24.04.2023)</b>
<b>Chief Financial Officer:</b>	<b>Mr. Azad Kumar Tripathi (w.e.f. 14.12.2022)</b>
<b>Statutory Auditors:</b>	<p><b>Rishabh Agrawal &amp; Associates,</b> Chartered Accountants Above Shop No. 426-427, Chandpole Bazaar, Jaipur, Rajasthan – 302001</p>
<b>Banker:</b>	<b>State Bank of India</b>
<b>Plant &amp; Registered Office:</b>	G-1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022
<b>Phone:</b>	+91 141 3937501, 3937504.
<b>E-mail:</b>	mkexim@mkexim.com
<b>Web-Site:</b>	www.mkexim.com
<b>Corporate Identity Number (CIN):</b>	<b>L63040RJ1992PLC007111</b>
<b>Registrar &amp; Share Transfer Agent:</b>	<p><b>Beetal Financial &amp; Computer Services (P) Ltd.</b> Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi – 110 062 Tel: (011) 2996 1281/82 Fax: (011) 2996 1284 Email: beetalrta@gmail.com Website: www.beetalfinancial.com</p>

## NOTICE

**NOTICE** is hereby given that the 31st Annual General Meeting of M.K. Exim (India) Limited will be held on Tuesday, 05th September, 2023 at 11.00 A.M. IST through Video Conference/Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022:

### ORDINARY BUSINESS

- To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the year ended 31st March 2023 together with Report of Auditors and the Board of Directors thereon and to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2023 and the Reports of the Board of Directors’ and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

- To appoint a Director in place of Mrs. Lajwanti Murlidhar Dialani (DIN:05201148), who retires by rotation in terms of Section 152(6) of the Companies Act 2013 and being eligible, offers herself for re-appointment and to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Mrs. Lajwanti Murlidhar Dialani (DIN: 05201148), who retires by rotation at this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

### SPECIAL BUSINESS

- Re-appointment of Mr. Vishesh Mahesh Nihalani (DIN: 06786707) as an Independent Director of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act 2013 (the Act) and the Rules made there under and the applicable provisions of SEBI LODR 2015 (Listing Regulations) (including any statutory modification{s} or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for re-appointment of Mr. Vishesh Mahesh Nihalani (DIN:0786707) whose first term of five years ended on 19th June 2023, as an Independent Director of the Company and who has submitted a declaration that he meets the criteria of independence under section 149(6) of the Act, the Rules made thereunder and the Listing Regulations and is eligible for re-appointment under the provisions of the Act, the rules made thereunder and the Listing Regulations, and In respect of whom the Company has received a notice in writing under section 160(1) of the Act proposing his candidature for the office of an independent director, not liable to retirement by rotation, to hold office for a term of five consecutive years, i.e. From 20th June 2023 to 19th June 2028.

**RESOLVED FURTHER THAT** the Board of directors be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to this resolution.”

- Re-appointment of Mrs. Priya Murlidhar Makhija (DIN:07109712) as Independent Director**

To consider and if thought fit, to pass the following resolution as a special resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules made thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the LODR Regulations”) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee, and that of the Board, Mrs. Priya Murlidhar Makhija (DIN: 07109712), who was appointed an independent director of the Company for a 5 years term up to April 10, 2024 by the shareholders and being eligible, be and is hereby re-appointed as an independent director of the Company, not liable to retire by rotation, for a second term of 5 (five) years with effect from April 11, 2024 up to April 10, 2029.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

- Approval of Material Related Party Transaction(s) between the Company and M/s Manish Overseas**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provision of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“listing regulations”) read with section 188 of the Companies Act 2013, (the Act) and other applicable provisions, if any, along with the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, and the Company’s policy on related party transactions and based on the recommendation/approval of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and or continuing with Material Related Party transactions /contracts/arrangements/agreements or modifications thereto, as detailed in the explanatory statement an-

nexed to this notice, with Manish Overseas, a related party for purchase of cosmetic and other FMCG products for the purpose of sale/distribution for a period of five years commencing from financial year 2023-2024 to financial year 2027-2028 individually and/or in the aggregate upto an amount not exceeding Rs. 80.00 Crore (Rupees Eighty Crores) in a financial year provided however that the said contracts/arrangements/transactions shall be carried out at an arm's length in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or in connection with any matter related to or contemplated in this resolution be and are hereby approved, ratified and confirmed in all respects."

#### 6. Approval of Material Related Party Transaction(s) between the Company and M/s Laaj International

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provision of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("listing regulations") read with section 188 of the Companies Act 2013, (the Act) and other applicable provisions, if any, along with the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, and the Company's policy on related party transactions and based on the recommendation/approval of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and or continuing with Material Related Party transactions /contracts/arrangements/agreements or modifications thereto, as detailed in the explanatory statement annexed to this notice, with M/s Laaj International, a related party of the Company for purchase/sale of textile fabrics and job work related to grey out of the yarn for a period of five years commencing from financial year 2023-2024 to financial year 2027-2028 individually and/or in the aggregate upto an amount not exceeding Rs. 50.00 Crores (Rupees Fifty Crores) in a financial year provided however that the said contracts/arrangements/transactions shall be carried out at an arm's length basis in the ordinary course of business of the Company."

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

#### 7. Approval of Material Related Party Transaction(s) between the Company and M/s Kolba Farm Fab Pvt. Ltd, an associate company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provision of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("listing regulations") read with section 188 of the Companies Act 2013, (the Act) and other applicable provisions, if any, along with the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, and the Company's policy on related party transactions and based on the recommendation/approval of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and or continuing with Material Related Party transactions /contracts/arrangements/agreements or modifications thereto, as detailed in the explanatory statement annexed to this notice, with M/s Kolba Farm Fab Pvt. Ltd, a related party of the Company for purchase/sale of textile fabrics and job work in grays, cloth and other related textile products for a period of five years commencing from financial year 2023-2024 to financial year 2027-2028 individually and/or in the aggregate upto an amount not exceeding Rs. 50.00 Crores (Rupees Fifty Crores) in a financial year provided however that the said contracts/arrangements/transactions shall be carried out at an arm's length basis in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary and expedient, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental authorities in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.”

By order of the Board  
For M.K. EXIM (INDIA) LIMITED

Place: Jaipur

Date: 04.08.2023

**Registered Office:**

G1/150, Garment Zone, E.P.I.P.,

RIICO Industrial Area, Sitapura,

Tonk Road, Jaipur-302022

CIN: L63040RJ1992PLC007111

Babu Lal Sharma

Company Secretary

M. No. ACS 52487

## Notes:

1. The Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December 2021, 21/2021 dated 14th December 2021, 03/2022 dated 5th May, 2022 and 10/2022 dated 28th December 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing (VC) /Other Audio-Visual Means (OAVM) facility on or before 30th September 2023. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 31<sup>st</sup> AGM of the Company is being convened and conducted through VC/OAVM. Further, Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  2. The deemed venue for Thirty-first-AGM shall be the Registered Office of the Company.
  3. The Company has enabled the Members to participate at the 31<sup>st</sup> AGM through VC/OAVM facility. The instructions for participation by members are given in the subsequent pages
  4. Institutional/Corporate Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy(pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to parikhanshu26@gmail.com with a copy marked to complianceofficer@mkexim.com.
  5. The Register of members and share transfer books of the Company will remain closed from **Wednesday, 30<sup>th</sup> August 2023 to Tuesday, 05<sup>th</sup> September 2023**(both days inclusive) for the purpose of the Annual General Meeting.
  6. The relative Explanatory Statement pursuant to Section 102 of the Act, concerning the business as set out in Item Nos. 3 to 7 above are annexed hereto.
  7. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking re-appointment/appointment at the AGM are provided in **Annexure-1** of this notice. Requisite declarations have been received from the Directors seeking re-appointment. The Independent Directors of the Company have been appointed/re-appointed for a term of 5 years in accordance with the relevant provisions of the Companies Act, 2013 and are not eligible to retire by rotation.
  8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, for assistance in this regard.
  9. Since the meeting will be conducted through VC/OAVM facility, the route map and attendance slip are not annexed to this Notice.
  10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
  11. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The process and instructions for remote e-voting are provided in the subsequent pages. Such remote e-voting facility is in addition to voting that will take place at the 31<sup>st</sup> AGM being held through VC.
  12. In accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the financial statements (including Board's Report, Auditors' Report or other documents required to be attached therewith) for the Financial Year ended 31st March, 2023 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode. Members may note that the Notice and Annual Report for FY2023 will also be available on the Company's website at [www.mkexim.com](http://www.mkexim.com) and website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Company shall send the physical copy of the Annual Report for FY2023 only to those Members who specifically request for the same at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com).
- A copy of the Notice of this AGM along with Annual Report for the FY 2022-23 is available on the website of the Company at <https://www.mkexim.com>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. Members are requested to register the e-mail Address and Mobile No. with their respective Depository Participant/s. Those Members, whose email address and Mobile No. is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 31<sup>st</sup> AGM and the Annual Report for the year 2022-23 and all other communication sent by the Company, from time to time, can get their email address and Mobile number registered with the Company.

**REGISTRATION OF EMAIL ID/MOBILE NO.**

- a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [futuristicsolutionsltd@gmail.com](mailto:futuristicsolutionsltd@gmail.com) and to RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com)
- b) In case shares are held in demat mode, please contact the Depository Participant and register the email Address and Mobile No. as per the process advised by the Depository Participant.
14. This AGM Notice is being sent by email only to those eligible Members who have already registered their email address with the Depositories/the DP/the Company's RTA/ the Company or who will register their email address with M/s Beetal Financial & Computer services (P) Ltd on or before 04.08.2023.
15. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
17. Non-Resident Indian Members are requested to inform the Company's Registrar & Transfer Agent (RTA) immediately:
- (a) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
- (b) Any change in their residential status on return to India for permanent settlement.
18. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market. The Form ISR-1 is available on the website of the Company at [www.mkexim.com](http://www.mkexim.com).
19. **Nomination facility:** Section 72 of the Act provides for facility to the members for making nomination in respect of the shares held by them in the Company. Members holding shares in single name and who have not registered the nomination should submit to the Company form SH-13 for making nomination. Members holding the shares in electronic form should submit the form to their depository participants. Members can change the nomination by filing form SH-14 with the Company (in case of shares held in physical form) or to the depository participant (in case shares are in electronic form). Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit **Form No. ISR-3**. The said forms can be downloaded from the company's website at [www.mkexim.com](http://www.mkexim.com). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
20. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Jaipur, Rajasthan:
- (a) Register of contracts or arrangements in which directors are interested under section 189 of the Act.
- (b) Register of directors, key managerial personnel, and their shareholding under section 170 of the Act. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com).
21. The Company has appointed M/s. Anshu Parikh & Associates (proprietor Ms. Anshu Parikh), PCS (Membership no. FCS 9785), as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
22. Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes
23. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**
- The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company are available on the website of the Company and on Ministry of Corporate Affairs' website. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.

The Members/Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)).

24. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA M/s Beetal Financial & Computer services (P) Ltd at New Delhi. The forms for updating the same are available on the website of the company [www.mkexim.com](http://www.mkexim.com).

Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or has failed to link their PAN with Aadhaar before June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002

25. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Beetal Financial & Computer services (P) Ltd, New Delhi by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
26. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at [www.mkexim.com](http://www.mkexim.com) and on the website of the Company's RTA at [www.beetalfinancial.com](http://www.beetalfinancial.com). It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
27. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Tuesday 29<sup>th</sup> August, 2023, such person may obtain the user id and password from Beetal Financial & Computer services (P) Ltd by email request on [beetalrta@gmail.com](mailto:beetalrta@gmail.com).

**The Instructions for remote e-voting, joining the e-AGM and e-voting at e-AGM are as follows:**

- i. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- ii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL
- iii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- v. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

- vi. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.mkexim.com](http://www.mkexim.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. [www.evotingindia.com](http://www.evotingindia.com)).
- vii. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 10/2022 dated December 28, 2022.

#### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **<02.09.2023 at 9:00 a.m.>** and ends on **<04.09.2023 at 5:00 p.m.>**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) **<29.08.2023>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step-1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/ KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> . The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>(i) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>(ii) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>(iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the **M.K. EXIM (INDIA) LIMITED** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter

etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance during the period from 02 September 2023 (from 9.00 a.m.) to 03 September 2023 (upto 5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance during the period from 02 September 2023 (from 9.00 a.m.) to 03 September 2023 (upto 5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com). These queries will be replied to by the company suitably by email. Please note that only questions of the members holding the shares as on cut-off date will be considered. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.
- viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- x. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA at their email IDs**.
- ii. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
- iii. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**GENERAL INSTRUCTIONS:**

- i. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 31<sup>st</sup> AGM and announce the start of the casting of vote through the e-voting system of CDSL.
- ii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinisers' report of the total votes cast in favour

or against, if any.

- iii. The scrutinizer shall submit her report to the Chairman of the Company, as the case may be, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website [www.mkexim.com](http://www.mkexim.com) and shall also be communicated to the stock exchanges.

### 31<sup>ST</sup> ANNUAL GENERAL MEETING INFORMATION AT A GLANCE

31 <sup>ST</sup> ANNUAL GENERAL MEETING	
Day and Date of AGM	Tuesday, September 05, 2023
Time	11:00 A.M.
Mode/Venue	Through Video Conferencing or Other Audio-Visual Means from the Registered Office of the Company  #G-1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022
Financial Year	2022-23
Date of book closure	30.08.2023 to 05.09.2023  (Both days inclusive)
Helpline number for VC participation	1800-225-533
Cut-off date for e-voting	29 <sup>th</sup> August 2023
E-voting start date and time	02.09.2023 at 09.00 A.M.
E-voting end date and time	04.09.2023 at 05.00 P.M.
E-voting website of CDSL	<a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a>
Name, address and contact details of e-voting service Provider	Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futu- rex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013  <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>  Toll-free No. 1800-225-533
Name, address and contact details of Registrar and Transfer Agent	BEETAL Financial & Computer Services (P) Ltd.  Beetal House, 3rd Floor, 99, Madangir Behind Local Shop- ping Centre Near Dada HarsukhdasMandir,  New Delhi – 110 062 Tel: (011)2996 1281/82  Fax: (011) 2996 1284
<b>Company Details:</b>  M.K. Exim (India) Limited  CIN:L63040RJ1992PLC007111  G1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022	Phone: +91 1413937501, 3937504.  E-mail: <a href="mailto:mkexim@mkexim.com">mkexim@mkexim.com</a>  Web Site: <a href="http://www.mkexim.com">www.mkexim.com</a>

By order of the Board  
For M.K. Exim (India) Limited

Place: Jaipur

Date: 04.08.2023

Babu Lal Sharma  
Company Secretary  
M. No. ACS 52487

## ANNEXURE-1

Information pursuant to the Listing Regulations and Secretarial Standards in respect to Appointment/  
Re-appointment/appointment by rotation of Directors

Name of Director	Mrs. Lajwanti Murlidhar Dialani	Mr. Vishesh Mahesh Nihalani	Mrs. Priya Murlidhar Makhija
Category	Director	Independent Director	Independent Director
DIN	05201148	06786707	07109712
Date of birth and age	08.05.1956 67 years	01.01.1985 38 Years	04.06.1978 45 Year
Qualification	Graduate	Graduate	Chartered Accountant
Nature of experience / expertise	Finance and Market Analyst	Finance and Market Analyst	Finance, Accounts and Market Analyst
Brief resume	having 46 years experience in Finance and Market Analysis	Having 11 years experience in Finance/ account, Marketing and Advanced Valuation Analysis	Having 20 years experience in Finance/ account, Marketing and Advanced Valuation Analysis
Terms and conditions Of appointment / Re -Appointment	As Director liable to retire by rotation	Re-appointment for second term of 5 years Not liable to retire by rotation	Re-appointment for second term of 5 years Not liable to retire by rotation
Number of shares Held in the Company	971978	NIL	NIL
Relationship with Other directors/ KMP	Relative of Mr. Manish Murlidhar Dialani And Mr. Murli Wadhupal Dialani	None	None
No of board meetings Attended out of 7 Board meetings in the year 2022-23	7	7	7
Directorship details	Kolba Farm Fab Private Limited	Pebbles Infra Projects Limited	P L A Exports Private Ltd. Spectra Industries Limited PLA Entertainment Pvt. Ltd.
Listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL	Spectra Industries Limited
Listed entities from which the person has resigned in the past three years	NIL	NIL	NIL
Skills and capabilities required by Independent Director, for the role and the manner in which the proposed person meets such requirements.	NA	As per the resolution at Item No. 03 of this Notice, read with the explanatory statement thereto.	As per the resolution at Item No. 04 of this Notice, read with the explanatory statement thereto.

**Annexure to the Notice****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item No.'s 3 to 7 of the accompanying Notice:

**Item 3: Re-Appointment of Mr. Vishesh Mahesh Nihalani (DIN: 06786707) as an Independent Director of the Company.**

First term of Mr. Vishesh Mahesh Nihalani (DIN: 06786707), Non-Executive Independent Director of the Company has expired on 19th June 2023. Accordingly, on the recommendation and performance evaluation by the Nomination & Remuneration Committee, the Board of Directors in its meeting held on June 20, 2023 has approved to seek the approval of shareholders of the Company in the ensuing Annual General Meeting, for the re-appointment of Mr. Vishesh Mahesh Nihalani (DIN: 06786707), Non -Executive Independent Director for consecutive second term of five years with effect from 20th June, 2023 to 19th June, 2028.

The Board, based on the performance evaluation of Independent Director and as recommended by the Nomination and Remuneration Committee, also considers that, given his background, experience and substantial contributions made by him during his tenure, the continued association of Mr. Vishesh Mahesh Nihalani would be beneficial to the Company and it is desirable to continue availing his services as Independent Director. The Board therefore, proposed to re-appoint Mr. Vishesh Mahesh Nihalani(DIN: 06786707) as an Independent Director of the Company, not liable to retire by rotation, for a second consecutive term of five years from 20th June, 2023 to 19th June, 2028. Mr. Vishesh Mahesh Nihalani (DIN: 06786707) who has been actively participating in all Board and Committee proceedings. Pursuant to Secretarial Standards on General Meetings, the performance evaluation of Mr. Vishesh M. Nihalani is summarized herein and the same serves as adequate justification for recommending his re-appointment. The performance evaluation of Independent Director was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc. Mr. Vishesh M. Nihalani extensively helps in bringing judgment on the Board of Directors deliberations especially on issues of strategy, performance, Finance/account, marketing and Advanced Valuation Analysis. He participates constructively and actively in the meetings of the Board, of which he is a member. He applies independent judgment and effectively deploys expertise and knowledge in Board proceedings, while keeping the interest of all the Stakeholders at the forefront. He has upheld ethical standards of integrity and rectitude, maintained confidentiality and have abstained from performing any action that would lead to loss of their independence.

In terms of Regulation 25(2A) of the Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a Listed Company, shall be subject to the approval of shareholders by way of a special resolution. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Vishesh M. Nihalani for the office of Independent Director of the Company.

The Company has also received from Mr. Vishesh M. Nihalani (i) consent to act as Director in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 (iii) declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under Regulation 16(1)(b) of the SEBI Listing Regulations and he is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority. In terms of Regulation 25(8) of Listing Regulations, Mr. Vishesh Nihalani has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

The directorships held by him are within the limits as prescribed under the Act and Regulation 25 of the Listing Regulations. The Board of Directors is of the opinion that Mr. Vishesh M. Nihalani(DIN: 06786707) fulfills the conditions specified in the Act and the Rules framed thereunder read with the Listing Regulations for his re-appointment as an Independent Director and he is independent of the Company's management. He also possesses appropriate skills, experience and knowledge required for discharge of his duties as Independent Directors. Brief resume, the nature of expertise in specific functional areas, names of companies in which he holds directorships, committee memberships/ chairmanships, his shareholding, and other details as required under the Listing Regulations and Secretarial Standard on General Meetings, are separately annexed hereto.

He shall be paid remuneration by way of sitting fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings. Details of Mr. Vishesh M. Nihalani are provided in the "Annexure-1" to the notice pursuant to the provisions of (i) the Securities and Exchange Board of India( Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Save and except Mr. Vishesh M. Nihalani (DIN: 06786707), no Director and key Managerial Personnel of the Company or their relatives, financially or otherwise concerned or interested in the resolution No. 3. The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**Item: 4 Re-Appointment of Mrs. Priya Murlidhar Makhija (DIN: 07109712) as an Independent Director of the Company.**

Mrs. Priya Murlidhar Makhija(DIN: 07109712) was appointed as an Independent Director of the Company by the members at the Annual General Meeting of the Company held on 28<sup>th</sup> September 2019 for a period of five consecutive years from 11<sup>th</sup> April 2019 to 10<sup>th</sup> April 2024.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto 5 (Five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (Five) consecutive years on the Board of a Company.

And In terms of Regulation 25(2A) of the Listing Regulations, the appointment, re-appointment or removal of an Independent Director of a Listed Company, shall be subject to the approval of shareholders by way of a special resolution.

Mrs. Priya Murlidhar Makhija (DIN: 07109712) have a wide knowledge and experience on Corporate Governance, accounting and market analysis. On the basis of the report of performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Priya M. Makhija, being eligible for re-appointment as an Independent Director and offering herself for re-appointment for second term of 5 (Five) consecutive years from 11<sup>th</sup> April 2024 to 10<sup>th</sup> April 2029 and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from Mrs. Priya Murlidhar Makhija, , being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time.

The Company has also received a declaration from Mrs. Priya Murlidhar Makhija confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Mrs. Priya Makhija is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. She has also confirmed that she is not debarred from being appointed or continuing as director of Company by any statutory authority in terms of Securities and Exchange Board of India and any other regulatory authority. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management. She confirmed that her name is included in IICA data bank and she has also provided exemption certificate from appearing in online proficiency exam.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member for proposing the candidature of Mrs. Priya Murlidhar Makhija to be re-appointed as an Independent Director of the Company as per the provisions of the Companies Act, 2013.

She shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings. Details of Mr. Priya Makhija are provided in the "Annexure-1" to the notice pursuant to the provisions of: (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Save and except Mrs. Priya Murlidhar Makhija (DIN: 07109712), no Director and key Managerial Personnel of the Company or their relatives, financially or otherwise concerned or interested in the resolution No. 4. The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

#### **Item Nos. 5, 6 and 7**

##### **For Item no. 5**

Background, details and benefits of the transaction: Manish Overseas

M/s Manish Overseas has been in the business of importing, marketing and selling of hair and personal care products of global brands through extensive network of dealers/sub dealers/direct marketing for a quite long time. M/s Manish Overseas has appointed by the Company as the Principal Dealer for distribution and marketing of the products. The business activities of fast moving consumer products such as hair care products, personal hygiene and health products will substantially improve the top line and bottom line of the Company thereby enhancing the value of the investments made by the shareholders in the Company.

A summary of the information provided by the management of the listed entity to the audit committee:

Name of the related party	M/s. Manish Overseas
Name of the director or key managerial personnel who is related	Mr. Manish M Dialani, Managing Director Mrs. Lajwanti M Dialani, Whole time director Mr. Murli Dialani, Whole time Director
Nature of relationship with the Company	Mr. Murli Dialani is the sole proprietor of M/s. Manish Overseas. Mr. Manish Dialani is the son of Mr. Murli Dialani and Mrs. Lajwanti Dialani is the wife of Mr. Murli Dialani Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murli Dialani are related to each other.

Nature, materials terms, monetary value and particulars of contract or arrangement	The proposed resolution is an enabling one for the transactions of purchase/sale of Cosmetic Products (FMCG), already entered or proposed to be entered during a financial year up to Rs. 80.00 Crores and such transactions shall be at arm length basis and in the ordinary course of business of the Company. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement.
Tenure of the proposed transaction (particular tenure shall be specified)	5 Years
Value of the proposed transaction	Purchase/sale of Cosmetic Products (FMCG) Up to Rs. 80.00 Crores for each financial year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	38%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, · nature of indebtedness; · cost of funds; and · tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable
Justification as to why the RPT is in the interest of the listed entity	Manish Overseas has been in the business of importing, marketing and selling of hair and personal care products of global brands through extensive network of dealers/sub dealers/direct marketing for a quite long time. M/s Manish Overseas has appointed by the Company as the Principal Dealer for distribution and marketing of the products. The business activities of fast moving consumer products such as hair care products, personal hygiene and health products will substantially improve the top line and bottom line of the Company thereby enhancing the value of the investments made by the shareholders in the Company.
Any other information relevant or important for members to take a decision on the proposed resolution	Nil

**For Item no. 6****Background, details and benefits of the transaction: Laaj International**

M/s Laaj International has been in the textile business for a considerably long time. It has a large modern weaving, processing unit in Bhiwandi, Maharashtra. The Company's business mainly consists of export of fabrics, cloths and grey. It would be more economical and cost efficient if the job work is done for making grey out of the yarn supplied by the Company to M/s Laaj International.

A summary of the information provided by the management of the listed entity to the audit committee:

Name of the related party	M/s. Laaj International
Name of the director or key managerial personnel who is related	Mr. Manish M Dialani, Managing Director Mrs. Lajwanti M Dialani, Whole time director Mr. Murli Dialani, Whole time Director

Nature of relationship with the Company	Mr. Manish Dialani is the sole proprietor of M/s. Laaj International. Mr. Manish Dialani is the son of Mr. Murli Dialani and Mrs. Lajwanti Dialani is the wife of Mr. Murli Dialani Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murli Dialani are related to each other.
Nature, materials terms, monetary value and particulars of contract or arrangement	The proposed resolution is an enabling one for the transactions of purchase/sale of textile Fabrics, job work for making grey out of the yarn, already entered or proposed to be entered during a financial year up to Rs. 50.00 Crores such transactions shall be at arm length basis and in the ordinary course of business of the Company. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement.
Tenure of the proposed transaction (particular tenure shall be specified)	5 Years
Value of the proposed transaction	Purchase/sale of textile Fabrics, job work for making grey out of the yarn up to Rs. 50.00 Crores for each financial year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	24%
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, · nature of indebtedness; · cost of funds; and · tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable
Justification as to why the RPT is in the interest of the listed entity	Laaj International has been in the textile business for a considerably long time. It has a large modern weaving, processing unit in Bhiwandi, Maharashtra. The Company's business mainly consists of export of fabrics, cloths and grey. It would be more economical and cost efficient if the job work is done for making grey out of the yarn supplied by the Company to M/s Laaj International.
Any other information relevant or important for members to take a decision on the proposed resolution	Nil

**For Item no. 7**

Background, details and benefits of the transaction: Kolba Farm Fab Pvt. Ltd

M/s. Kolba Farm Fab Private Limited, an Associate company, has an upgraded and modern weaving unit in Surat. The Associate Company has been meeting the requirements of various customers for fabric and other related products in and around Gujarat. The company is known for its quality products. The Company in the ordinary course of business has been buying yarn from various units for manufacture of fabrics clothes, etc for the export business. It is proposed to enter into contract or arrangement with Kolba Farm Fab Private Limited for job work in grays, cloth and other related textile products.

Name of the related party	M/s. Kolba Farm Fab Private Limited
Name of the director or key managerial personnel who is related	Mr. Manish M Dialani, Managing Director Mrs. Lajwanti M Dialani, Whole time director Mr. Murli Dialani, Whole time director

Nature of relationship	Mr. Manish Dialani is a director and member of Kolba Farm Fab Private Limited. Mrs. Lajwanti Dialani is a director and member of Kolba Farm Fab Private Limited. Mr. Murli Dialani is a director and member of Kolba Farm Fab Private Limited. Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murli Dialani are related to each other.
Nature, materials terms, monetary value and particulars of contract or arrangement	The proposed resolution is an enabling one to enter in to transactions of purchase/sale of textile Fabrics, job work for making grey out of the yarn up to Rs. 50.00 Crores during a year at arm length basis. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement.
Tenure of the proposed transaction (particular tenure shall be specified)	5 Years
Value of the proposed transaction	Purchase of Textile Fabric / Job Work Up to Rs. 50.00 Crore for each financial year
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Nil
If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, · nature of indebtedness; · cost of funds; and · tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not applicable
Justification as to why the RPT is in the interest of the listed entity	M/s. Kolba Farm Fab Private Limited has an upgraded and modern weaving unit. The Associate Company has been meeting the requirements of various customers for yarns and other related products in and around Gujarat. The company is known for its quality products.
Any other information relevant or important for members to take a decision on the proposed resolution	Nil

## DIRECTOR'S REPORT

TO

**THE MEMBERS OF M.K. EXIM (INDIA) LIMITED**

Your Directors have pleasure in presenting their 31<sup>st</sup> Annual Report and the audited financial statements for the financial year ended on 31st March 2023.

**STANDALONE FINANCIAL RESULTS**

The financial results of the Company during the year under review are summarized as under:

(Rs. in Lakhs)

Particulars	Year ended 31.03.23	Year ended 31.03.22
Income from operations	10703.68	7424.92
Profit before finance cost and Depreciation	2271.63	1846.44
Finance cost	20.51	34.17
Depreciation & amortization Expenses	31.31	28.69
Profit before tax	2219.81	1783.58
Taxation	583.73	459.01
Profit after tax	1636.08	1324.57
Balance brought forward from previous year	69.19	2029.04
Less Dividend	---	---
Less Transfer to General Reserve	---	3300.00
Disposable surplus available after adjustments	1705.27	53.60
Balance carried to balance sheet	1705.27	53.60
Earning per share		
-Basic	6.08	4.92
-Diluted	6.08	4.92

**OPERATIONAL REVIEW:**

The high lights of the Company's performance are as under:

During the year under review, the total revenue of the company has improved by 44% i.e. Rs.10703.68 Lakhs as compared to Rs. 7424.92 Lakhs in the previous year. The Company's division of distributorship of cosmetics (FMCG) products contributed revenue Rs. 7461.07 Lakhs during the year. The profit after tax is Rs. 1636.08 Lakhs for the year under report compared to Rs. 1324.57 Lakhs for the financial year ended 31st March 2022, an increase of about 24%. The sales by way of exports are Rs. 2904.51 Lakhs during the year ended 31st March 2023 compared to Rs. 2103.01 Lakhs in the previous year. Export sales constitute about 27% of the total revenue during the year.

**Change in nature of business, if any**

The Company is engaged in business of export of fabrics and distributorship of Cosmetics (FMCG) products consisting of personal care and personal hygiene products of internationally reputed brands, pan India.

During the reporting period 2022-23 there is no change or addition of in nature of business of the company.

**DIVIDEND DISTRIBUTION & TRANSFER TO RESERVES:**

M.K. Exim has always endeavored to retain a balance by providing an appropriate return to the Shareholders while simultaneously retaining a reasonable portion of the profit to maintain healthy financial leverage with a view to support and fund the future expansion plans. M.K. Exim has a well-defined dividend policy which ensures the availability of sufficient distributable income to its members as per Regulation 43(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the listing regulations).

With a view to conserve the resources for the business of the Company, during the financial year your Board do not recommended dividend for the financial year ended 31st March 2023.

Further, the Board of Directors have decided to retain the entire amount of profit for Financial Year 2022-23 in the Statement of Profit & Loss as at March 31, 2023.

Your Board doesn't propose to transfer any amount to General Reserve for the financial year ended on March 31, 2023.

#### **SHARE CAPITAL:**

The paid-up Equity Share Capital of the Company as on 31st March, 2023 was Rs. 2691.15 Lakhs comprising 26911500 equity shares of Rs. 10 each. During the year under review, the Company has not issued shares with differential voting rights nor has it granted any stock options or sweat equity. None of the directors of the Company hold instruments convertible into equity shares during the financial year ended 31st March, 2023.

#### **FINANCE & ACCOUNTS:**

The Company prepares its financial statements in accordance with the requirements of the Companies Act 2013 (hereinafter referred as "the Act" or "Act") and the Generally Accepted Accounting Principles (GAPP) as applicable in India. The financial statements have been prepared on historical cost basis in conformity with the Indian Accounting Standards ("IndAS"). The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the financial year ended 31st March, 2023.

Cash and cash equivalents as at March 31, 2023 was Rs. 902.37 Lakhs.

The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters under strict monitoring.

#### **PERFORMANCE HIGHLIGHTS:**

##### **(a) Share Capital**

The Authorized Share Capital of the Company is 30,00,00,000/- comprising of 3,00,00,000 equity shares of Rs. 10/- each. The paid-up share Capital of the Company is Rs. 26,91,15,000/- comprising of 2,69,11,500 Equity shares of Rs. 10/- each.

##### **(b) Loan funds**

During the year the Secured Loan of the Company was decreased by 38.75%, i.e. from Rs. 396.18 Lakhs to Rs. 242.64 Lakhs.

##### **(c) Sales**

During the year the turnover of the Company has increased by 42%, i.e. from Rs. 7318.27 Lakhs to Rs. 10365.58 Lakhs, the board is making their possible efforts to improve the performance of the company during the current financial year.

#### **DEPOSITS:**

During the financial year under review, the company did not accept any deposits covered under chapter V of the Companies Act, 2013 and Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. No amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

There were no Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013. The detail of the investments made by company is given in the notes to the financial statements.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company between the close of the year till the date of this report. There have been no changes, which affects the financial position of the Company.

As such there is no significant and material order by the regulator/court/tribunal impacting the going concern status and the Company operation in future.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down.

M/s Rishabh Agrawal & Associates the statutory auditors of the company have audited the financial statements included in this annual report and have issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

The internal audit is entrusted to R Attar & Company, Chartered Accountants. The Audit Committee reviews the adequacy and effectiveness of the internal control systems and suggests improvements, wherever required.

### **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in **Annexure-E** of this Report.

The Company complies with the provisions of section 135 of the Companies Act, 2013, has framed, and implemented a CSR policy, which is available on the website of the Company at [www.mkexim.com](http://www.mkexim.com).

The CSR committee of the Company comprises of five directors including one independent director. The detailed composition and terms of reference of the committee can be referred in the Corporate Governance Report annexed to this Annual Report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

#### **A. CONSERVATION OF ENERGY:**

- i. The Company has committed to conserve energy, improve energy efficiency through reduction of wastage and optimum utilization.
- ii. Steps taken for utilizing alternate sources of energy: Nil
- iii. Capital investment on energy conservation: Nil

#### **B. TECHNOLOGY ABSORPTION:**

The Company has no technology agreement and the issue of technology absorption does not arise.

#### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign exchange earnings: Rs. 2904.51 Lakhs

Foreign Exchange out go: NIL

### **INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### **DIRECTORS & KEY MANAGERIAL PERSONNEL:**

#### **DIRECTORS**

Mrs. Lajwanti Murlidhar Dialani, Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers for re-appointment.

Pursuant to the provisions of Section 149 and 152 read with Schedule IV of the Companies Act, 2013 and Rules made thereunder, on recommendation and performance evaluation of Nomination and Remuneration Committee, the board of directors appointed Mr. Vishesh Mahesh Nihalani as Independent directors with effect from 20<sup>th</sup> June, 2018 for a term of five years upto 19<sup>th</sup> June 2023 and approved by the shareholders in Annual General Meeting held in the year 2018.

As per the provisions of Section 149(10) of the Companies Act, 2013, Independent Directors can be re-appointed for a second term of five consecutive years on passing of special resolution by shareholders of the Company and disclosure shall be made of such appointment in its Board's report. Accordingly, in terms of Sections 149(10) and 149(11) of the Companies Act, 2013, the first term of Mr. Vishesh Mahesh Nihalani was due to expire on 19<sup>th</sup> June 2023. The Board of Directors at its meeting held on 20<sup>th</sup> June 2023 after considering the recommendation and performance evaluation of the Nomination and Remuneration Committee, on the basis of vast knowledge and experience of Mr. Vishesh Mahesh Nihalani in Finance/account, Marketing and Advanced Valuation Analysis and subject to approval of the shareholders, recommended re-appointment of Mr. Vishesh Mahesh Nihalani for a second consecutive term of five(5) years w.e.f. 20<sup>th</sup> June, 2023 to 19<sup>th</sup> June, 2028 as Independent Director on the Board of the Company. Since Mr. Vishesh Mahesh Nihalani re-appointed as an Independent Director for the second consecutive term of five years on the board of the Company, approval from the members has been sought by way of special resolution in the ensuing Annual General Meeting.

Brief resume of the Directors proposed to be appointed/re-appointed, the nature of their expertise in specific functional areas and the names of the companies in which they hold the directorship and Chairmanship/Membership of Board Committees etc. are provided in the Notice to Members and report on Corporate Governance forming part of this Annual Report.

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. The Directors of the Company have made necessary disclosures as required under various provisions of the Companies Act.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets

the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive Independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

During the year under review, the Shareholders in their AGM held on September 30, 2022, on the approval and recommendation of Board and the Nomination and Remuneration Committee ('NRC'), approved the re-appointment of Mrs. Lajwanti M Dialani as Whole-time Director of the Company for a further period of five years with effect from 26<sup>th</sup> August 2022 to 25<sup>th</sup> August 2027.

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the board of directors of the company had appointed Mr. Gaurav L Patodia as an additional Independent director of the Company on November 13, 2021 to hold office upto the next Annual General meeting to be held in the year 2022-23 and was subject to approval of members by way of special resolution. During the under review the members at the Annual General Meeting held on 30<sup>th</sup> September 2022 approved the appointment of Mr. Gaurav L Patodia as an Independent Director on the Board for a first term of five consecutive years with effect from 13<sup>th</sup> November 2021 and upto 12<sup>th</sup> November 2026.

### KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the key managerial personnel of the Company are given below:

Sr. No.	Name	Designation
1	Mr. Murli Wadhmal Dialani	Chairman and Whole Time Director
2	Mr. Manish Murlidhar Dialani	Managing Director
3	Mrs. Lajwanti M Dialani*	Whole Time Director
4	Mr. Mahaveer Prasad Jain**	Chief Financial Officer
5	Mr. Azad Kumar Tripathi***	Chief Financial Officer
6	Mrs. Prakriti Sethi****	Company Secretary
7	Mr. Babu Lal Sharma*****	Company Secretary

\* During the year under review, the Shareholders in their AGM held on September 30, 2022, approved the re-appointment of Mrs. Lajwanti M Dialani as Whole-time Director of the Company for a further period of five years with effect from 26<sup>th</sup> August 2022 to 25<sup>th</sup> August 2027.

\*\* Mr. Mahaveer Prasad Jain has resigned w.e.f. October 31, 2022.

\*\*\* Mr. Azad Kumar Tripathi appointed w.e.f. December 14, 2022.

\*\*\*\* Mrs. Prakriti Sethi resigned w.e.f. April 15, 2023.

\*\*\*\*\* Mr. Babu Lal Sharma appointed w.e.f. April 24, 2023.

### CORPORATE GOVERNANCE REPORT:

Our corporate governance report for FY2022-23 forms part of this Annual Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated under Regulation 34 read with Para E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the corporate governance report.

### ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of the Directors as well as the evaluation of the working of its Committees.

The NRC has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia structure of the Board, including qualifications, experience and competence of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressed for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development;

degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Directors were evaluated on aspects such as qualifications, prior experience, knowledge and competence, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Areas on which the Committees of the Board were assessed included mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent

Directors who also reviewed the performance of the Board as a whole. The NRC also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board. The Board of directors expressed satisfaction of the evaluation process adopted by the Company.

### **BOARD MEETINGS AND MEETINGS OF MEMBERS**

The board met 7 (Seven) times during the financial year 2022-23 under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this Annual Report.

### **COMMITTEES OF THE BOARD**

Currently, the board has Four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the CSR Committee. The majority of the members of these committees are Independent and non-executives director.

#### **Audit Committee:**

Your Company has an Audit Committee to meet the requirements of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of the Audit Committee are given under the Corporate Governance Report. There are no recommendations of the Audit Committee which were not accepted by the Board.

#### **Nomination and Remuneration Committee:**

Your Company has in place a duly constituted Nomination and Remuneration Committee to meet the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Nomination and Remuneration Committee are given under the Corporate Governance Report.

The Board has framed (i) Policy on Board Diversity; and (ii) Nomination & Remuneration Policy which lays down a framework in relation to the remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. This Policy is placed on the website link of the Company at [www.mkexim.com](http://www.mkexim.com).

#### **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act. The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at the web link: [www.mkexim.com](http://www.mkexim.com).

#### **Stakeholders Relationship Committee:**

Your Company has in place a duly constituted Stakeholders Relationship Committee to meet the requirements of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Stakeholders Relationship Committee are given under the Corporate Governance Report.

A detailed note on the composition of the board and other committees is provided in the Corporate Governance report section of this annual report.

### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year, all of Independent Directors convened a separate meeting without the presence of Non-Independent Directors

and members of the management as per provisions of Clause VII of Schedule IV to the Companies Act, 2013. In that meeting of Independent Directors, performance of non-independent directors, Chairman and the Board as a whole were reviewed and evaluated.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2022-23.

To the best of knowledge and belief and according to the information and explanation obtained by them, your directors make the following statement in terms of section 134(3) (c) of the Companies Act 2013:

- a) that in preparation of the annual accounts for the year ended 31st March 2023 the applicable accounting standards have been followed and that there were no material departures;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2023 and of the profit of the Company for the year ended on that date;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis
- e) that proper internal financial controls were laid down and that such internal financial controls were adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

##### **a) Transfer of unclaimed dividend to IEPF**

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to Rs. 1,88,315.00 lying with the Company for a period of seven years were transferred during the Financial Year 2022-23, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

##### **b) Transfer of shares to IEPF**

As required under Section 124 of the Act, 2,91,983 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the Financial Year 2022-23. Details of shares transferred to IEPF have been uploaded on the Website of IEPF as well as the Company.

#### **SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES**

M/s Kolba Farm Fab Private Limited is the associate company. The salient features of the financial statement of the associate company are given in form **AOC-1** in **Annexure "A"**.

#### **CONSOLIDATED FINANCIAL STATEMENT**

The consolidated financial statements of the Company are prepared in accordance with the relevant accounting standards issued by the Institute of Chartered Accountants of India and form an integral part of this report.

Pursuant to section 129(3) of the Act and the relevant rules made thereunder, a statement containing salient features of the financial statement of the associate company is given in form **AOC-1** and forms an integral part of this report as **Annexure "A"**.

#### **PURTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link [www.mkexim.com](http://www.mkexim.com).

During the year, the Company has not entered into any materially significant transaction, which may have potential conflict of interest in the Company. All the related party transactions entered during the year were in ordinary course of business and at arm's length basis

During the year under review, the Audit Committee of Directors approved all transactions entered into with related parties. Certain transactions, which were repetitive in nature, were approved through omnibus route.

Pursuant to SEBI Listing Regulations, the resolution for seeking approval of the shareholders on material related party transactions and modification of previously approved by the audit committee and board of directors of the company is being placed at the ensuing AGM.

There were material transactions of the Company with its related parties at arm's length basis, therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form **AOC-2** is annexed herewith as **Annexure-B**.

#### **FAMILIARISATION PROGRAMME**

The details of the familiarization programme undertaken, has been provided in the Corporate Governance Report.

#### **CODE OF CONDUCT**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31<sup>st</sup> March 2023.

#### **POLICY ON DIRECTOR'S APPOINTMENT/REMUNERATION/DETERMINING QUALIFICATIONS/POSITIVE ATTRIBUTES ETC.**

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the profiles of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

Company has constituted Nomination and Remuneration Committee and on the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the applicable Compliance with Section 178 of the Companies Act, 2013 read with rules thereunder and of the SEBI (LODR) Regulations, 2015. The remuneration determined for Executive / Independent Directors is subject to the recommendation of the NRC and approval of the Board of Directors. The said policy is of the company on director's appointment and remuneration, including the criteria for determining qualification, positive attribute, independence of a directors and other matters as required under sub section (3) of section 178 of the companies act, 2013 is available on our website at <https://www.mkexim.com/investor1.html>.

The Executive Directors are not paid sitting fees; however, the Non-Executive Directors are entitled to sitting fees for attending the Board / Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company. The Company's Policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act and Regulation 19 of the Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of the Annual Report.

#### **AUDITORS**

##### **i) Statutory Auditors**

The Members of the Company at their Annual General Meeting held on September 28, 2019 had approved the appointment of M/s Rishabh Agrawal & Associates, Chartered Accountants (Firm Registration No. 018142C), as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 27<sup>th</sup> AGM held on September 28, 2019 until the conclusion of 32<sup>nd</sup> AGM of the Company to be held in the year 2024.

As required under Regulation 33 of the SEBI (LODR) Regulations, 2015, the Statutory Auditors have a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Pursuant to the provisions of Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of Statutory Auditors.

The Auditors' Report for the 2023 does not contain any qualification, reservation or adverse remark. These reports are self-explanatory and do not require any comments thereon. The Report is enclosed with the financial statements in this Annual Report

##### **ii) Branch Auditor**

The Company is having a branch office at Mumbai, Maharashtra and the company has appointed M/s M S Joshi & Company, Chartered Accountant (FRN: 138082W) as branch auditor in its AGM dated 30.09.2020 for the period of 5 years i.e. till the 33<sup>rd</sup> AGM to be held in the year 2025.

##### **iii) Internal Auditors**

The Board on the recommendation of the Audit Committee has appointed M/s. R. Attar & Company Chartered Accountants as the Internal Auditors of the Company.

**iv) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Anshu Parikh & Associates Prop. Anshu Parikh, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended on 31st March 2023.

The Secretarial Auditors' Report is enclosed as **Annexure-D** to the Board's report.

The Secretarial Audit Report for the Financial Year ended March 31, 2023, does not contain any qualification, reservation, or adverse remarks.

The report is self-explanatory and do not require any comments thereon.

**REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

**COST RECORDS**

The company is not required to maintain cost record as specified by the Central Government under section 148(1) of the Companies Act, 2013. The provisions of the Companies (Cost Records and Audit) Rules 2014 are not applicable to the Company's operations.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

A certificate from M/s Anshu Parikh & Associates, Prop. Anshu Parikh, (Membership No.9785, COP No.10686), Practicing Company Secretary to the effect that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority is attached at the end of this report.

**EXTRACT OF THE ANNUAL RETURN**

In accordance with section 134(3)(a) of the Companies Act, 2013, the annual return of the company is available on our website [www.mkexim.com](http://www.mkexim.com).

**RISK MANAGEMENT**

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. On the basis of risk assessment criteria of the Company has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise wide risk management framework; and overseeing that all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place, capable of addressing those risks.

The Audit Committee of the Board evaluating risks management policy of the Company on quarterly basis. A risk management policy is available on our website <http://www.mkexim.com>.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in a separate section forming part of the Annual Report.

**PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report. Considering first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said information, was sent to the members of the Company and others entitled thereto. The said information is available for inspection at the registered office of the Company during working hours up to the date of ensuing annual general meeting. Any member interested in obtaining such information may write to the Company Secretary in this regard.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure – C** and forms part of this Report.

## **EQUAL OPPORTUNITY & POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has always provided a congenial atmosphere for work to all employees that is free from discrimination of any kind. It has provided equal opportunities of employment to all without regard to the nationality, religion, caste, colour, language, marital status and sex.

Pursuant to the disclosure requirements under section 134(3) and rules thereof of the Companies Act, 2013 the Company has also constituted internal complaint committee as required under provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act 2013.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has revisited the Internal Complaints Committee members and emphasized on the roles and responsibilities expected from the members.

The Company continuously invests in enhancing the awareness on the Policy across its workforce.

The Company has not received any complaint of sexual harassment during the year under review.

## **CEO AND CFO CERTIFICATION**

Pursuant to the Regulation 17(8) of the Listing Regulations, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification is attached with the Annual Report.

## **COMPLIANCE WITH SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS**

The Board of Directors affirms that during the Financial Year 2022-23, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013. In the preparation of the Financial Statements, the Company has also applied the Indian Accounting Standards (IndAS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015.

## **LISTING FEES**

The Equity shares of the Company are listed with Bombay Stock Exchange Ltd (BSE), which has nationwide trading terminals. The annual listing fee for the year 2023-24 was paid within the scheduled time to BSE.

## **ENVIRONMENTS AND SAFETY**

The Company's operations do not pose any environment hazards and are conducted in such a manner that safety of all concerned and compliances with environmental regulations are ensured.

## **TRANSFER OF SHARES**

As notified under Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

## **ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For & on behalf of Board

Place: Jaipur

Date: 04.08.2023

Murli Wadhmal Dialani

Chairman

DIN: 08267828

**ANNEXURE “A” TO DIRECTOR’S REPORT****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/ Associate Companies/Joint Ventures****Part “A”: Subsidiaries****(Rs. in Lakhs)**

S. No.	Particulars	Details
1.	Name of the subsidiary	NIL
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NIL
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
4.	Share capital	NIL
5.	Reserves & surplus	NIL
6.	Total assets	NIL
7.	Total Liabilities	NIL
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	NIL
11.	Provision for taxation	NIL
12.	Profit after taxation	NIL
13.	Proposed Dividend	NIL
14.	% of shareholding	NIL

**Notes:** 1. Names of subsidiaries, which are yet to commence operations: NIL

2. Names of subsidiaries, which have been liquidated or sold during the year. NIL

**Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Kolba Farm Fab Private Limited
1. Latest audited Balance Sheet Date	31.03.2023
2. Shares of Associate held by the company on the year end	
2.1 No.	1
2.2 Amount of Investment in Associates/Joint Venture	Rs. 111.84 Lakhs
2.3 Extend of Holding%	48.98%
3. Description of how there is significant influence	Holding Exceeds 20%
4. Reason why the associate/joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 406.81 Lakhs
6. Profit/Loss for the year	
6.1 Considered in Consolidation	Rs. 27.56 Lakhs
6.2 Not Considered in Consolidation	Rs. 28.70 Lakhs

1. Names of associates or joint ventures which are yet to commence operations. NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL

**For M.K. Exim (India) Limited****Murli Wadhmal Dialani**  
Chairman**DIN: 08267828**

**ANNEXURE “B” TO DIRECTOR’S REPORT****FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	M/s. Manish Overseas Proprietor Mr. Murli Wadhmal Dialani	M/s. Laaj International Proprietor Mr. Manish Murlidhar Dialani
b)	Nature of contracts/arrangements/ transaction	Purchase/sale of Cosmetics (FMCG) Goods	Purchase of Fabrics and Textiles Goods
c)	Duration of the contracts/arrangements/ transaction	01.04.2022 to 31.03.2023	01.04.2022 to 31.03.2023
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Up to Rs. 50.00 Crore during the year	Up to Rs. 50.00 Crore during the year
e)	Amount paid as advances, if any	Rs. 14.50 Crore	Rs. 8.23 Crore

**ANNEXURE “C” TO DIRECTOR’S REPORT**

M.K. EXIM (INDIA) LIMITED  
(CIN: L63040RJ1992PLC007111)

The ratio of the remuneration of each director to the median employee’s remuneration and other details in terms of 197(12) of the Companies Act 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014.

Sr. No	Requirements	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31 <sup>st</sup> March 2023	Manish Dialani 5.89:1 Lajwanti Dialani 3.93:1 Murlidhar Dialani 0.98:1
2	Percentage increase in remuneration of each director and CEO in the financial year ended 31 <sup>st</sup> March, 2023	Lajwanti Dialani – 60%
3	The percentage increase of in the median remuneration of employees in the financial year.	Not applicable as the employee drawing median remuneration was employed for part of the year
4	The number of permanent employees on the role of the Company	46
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Having regard to the factors such as size of the operations of the Company, its profitability and the managerial remuneration paid by similar companies in the same group of industry, the Nomination & Remuneration Committee recommended the increase in remuneration of the managerial personnel which was approved by the Board of Directors of the Company.  The same criteria are applied while increasing their remuneration of other employees, after taking into account their performance.
6	The key parameters for any variable component of remuneration availed by the directors	There are no variable components in the remuneration of directors
7	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	No employee received remuneration in excess of the highest paid to any director during the year.
8	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. The remuneration paid is as per the remuneration policy of the Company

There were no employees who were In receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000 per annum or in part of year who were in receipt of remuneration which in aggregate was not less than Rs. 8,50,000 p.m. Hence no details are shown as required under section 197(12) of the Act and the relevant rules made thereunder.

**For M.K. Exim (India) Limited**

**Murli Wadhmal Dialani**  
**Chairman**  
**DIN: 08267828**

**ANNEXURE “D” TO DIRECTOR’S REPORT****ANSHU PARIKH & ASSOCIATES****Company Secretaries****Flat No-202, Alokik Orchid, D-159A, Savitri Path, Bapu Nagar, Jaipur****Mob: +91-9887658618.****E-mail: [parikhanshu26@gmail.com](mailto:parikhanshu26@gmail.com)****FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]***To,****The Members,****M.K. Exim (India) Limited****CIN: L63040RJ1992PLC007111****Registered Office: G1/150, Garment Zone, E.P.I.P,****Sitapura, Tonk Road, Jaipur-302022.**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M.K. Exim (India) Limited (hereinafter called the company) for the Financial Year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M.K Exim (India) Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31/03/2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company as made available to me and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: (Not applicable as no such events occurred during the financial year under review)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: (Not applicable as no such events occurred during the financial year under review)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board Of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) he Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: : Not applicable for the period under review.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable for the period under review.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client: Not applicable as the Company is not registered as Registrar to Issue and Share Transfer agent during the financial year under review.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable for the period under review; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable for the period under review.
- (i) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above except as below:

Sr. No.	Regulation/Circular No.	Deviations	Type of Action	Fine Amount	Management Response
1.	Regulation 34 (1) of SEBI (LODR), 2015	Non-submission of the Annual Report, 2022 within the period prescribed under this regulation	Stock exchange –BSE levied Fine of Rs. 2000/- per day till the date of compliance	Rs. 11800 (Including GST)	The Company deposited the fine amount within prescribed time period

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

I further report that: The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Except where consent of the directors was received for scheduling meeting at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

All the decisions of the Board and Committees thereof were carried out with requisite majority.

I further report that, based on the Compliance mechanism processes as explained by the Company, I am of opinion that there are adequate system and processes in place in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

#### For Anshu Parikh & Associates

##### Company Secretaries

**Anshu Parikh**

**Proprietor**

**FCS: 9785**

**CP No: 10686**

**UDIN: F009785E000629461**

**Date: 18.07.2023**

**Place: Jaipur**

**Note: This report is to be read with our letter of even date which is annexed as Annexure and an integral part of this report.**

## Annexure to Secretarial Audit Report

To,  
The Members,  
M.K. Exim (India) Limited  
CIN: L63040RJ1992PLC007111  
Registered Office: G1/150, Garment Zone, E.P.I.P,  
Sitapura, Tonk Road, Jaipur-302022

1. The compliance of the provisions of all laws, rules, regulations, standards applicable to the M. K. Exim (India) Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices, we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Anshu Parikh & Associates**

**Company Secretaries**

**Anshu Parikh**

**Proprietor**

**FCS: 9785**

**CP no: 10686**

**Date: 18.07.2023**

**Place: Jaipur**

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER OR CHIEF FINANCIAL OFFICER****IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2023]

The Board of Directors  
M/s. M.K. Exim (India) Limited

We have reviewed the financial statements and the cash flow statement of M.K. Exim (India) Limited for the financial year 2022-23 and certify that:

- a) These statements to the best of our knowledge and belief:
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors, Senior Management Personnel and the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee.
  - (i) Significant changes in Internal Controls with respect to financial reporting during the year.
  - (ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

Manish Murlidhar Dialani  
(Managing Director)

Azad Kumar Tripathi  
(Chief Financial Officer)

Place: Jaipur

Date: 30.05.2023

**ANSHU PARIKH & ASSOCIATES****Company Secretaries****Flat No-202, Alokik Orchid, D-159A, Savitri Path, Bapu Nagar, Jaipur****Mob: +91-9887658618 E-mail: parikhanshu26@gmail.com****Certificate of Non-Disqualification of Directors**

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,****The Members,****M.K. Exim (India) Limited****G1/150, Garment Zone, E.P.I.P,****Sitapura, Tonk Road, Jaipur-302022**

I have examined the relevant disclosures provided by the Directors of M.K. Exim (India) Limited having CIN L63040RJ1992PLC007111 and having registered office at G1/150, Garment Zone, E.P.I.P, Sitapura, Tonk Road, Jaipur-302022, (hereinafter referred to as 'the Company') produced before us for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, I hereby certify that none of the Directors on the Board of the Company as stated below for financial year ending on 31<sup>st</sup> March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, subject to the remarks mentioned below.

S. No	Name of Director	DIN	Date of appointment in the Company	Date of Cessation	Remarks
1	Murli Wadhmal Dialani	08267828	11.04.2019	-	-
2	Manish Murlidhar Dialani	05201121	29.09.2014	-	-
3	Lajwanti Murlidhar Dialani	05201148	30.03.2015	-	-
4	Priya Murlidhar Makhija	07109712	11.04.2019	-	-
5	Vishesh Mahesh Nihalani	06786707	20.06.2018	-	-
6	Gaurav Laxmikant Patodia	09317764	13.11.2021	-	-

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Disclaimer: We are unable to conclude any opinion on attraction of disqualification by any order of civil or criminal court which has not been presented for reporting.

**For Anshu Parikh & Associates****Company Secretaries****Anshu Parikh****Proprietor****FCS: 9785****CP no: 10686****Date: 14.07.2023****Place: Jaipur****UDIN: F009785E000606920**

## ANNEXURE “E” TO THE DIRECTOR’S REPORT

### Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken: CSR policy of the Company was approved by the Board of Directors; Corporate Social Responsibility (CSR) is a concept which integrates the company's business objectives with social and environmental concerns while interacting with their stakeholders.

To pursue these objectives we will continue:

- To lay down guiding principles to ensure strong corporate culture which emphasizes on integrating CSR values with Business Objectives.
- To do business by adding value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process to promote inclusive growth.
- To practice the Company's corporate values through its commitment to grow in a socially and environmentally responsible manner.

The Company shall give preference to the local area and areas around it where it operates.

2. Composition of CSR committee: The Composition of the Committee is as under:

S. No	Name of Director	Designation	Category	No. of meetings held during the year	No. of meetings attended
1	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	2	2
2	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	2	2
3	Mrs. Priya Murlidhar Makhija	Member	Non-Executive, Independent	2	2
4	Mr. Murli Wadhupal Dialani	Member	Executive	2	2

3. Web Link to the Company's CSR policy: <https://www.mkexim.com/investor1.html>
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable to the Company, since the Company did not meet the criteria specified under Section 135(5) of the Companies Act, 2013.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.: Not Applicable
6. Average net profit of the company for last three financial years: Average net profit: Rs. 1098.33 Lakhs
7. (a) Prescribed CSR Expenditure (Two percent of the amount as in item 6 above i.e. 1098.33 Lakhs):  
The company was required to spend Rs. 21.97 Lakhs during the year
- (b) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years: No applicable
- (c) Amount required to be set off for the financial year, if any: Not Applicable
- (d) Total CSR obligation for the financial year (7a+7b+7c): Rs. 21.97 Lakhs
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
22.00 Lakhs	Nil	NA	NA	Nil	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. In Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	21.97
(ii)	Total amount spent for the Financial Year	22.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

8. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

9. Details of CSR spent for the financial year:

(a) Total amount spent for the financial year: Rs. 22.00 Lakhs

Amount unspent if any: NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: Not applicable

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Project Programs 1) Local Area or Other 2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget project or program wise)	Amount spent on the project or program Sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency (Rs. In Lakhs)
1.	Kranti Agrani Dr. G D Bapu Lad Memorial Trust CSR00024404	Girls Education	Kundal, Distt.-Sangli Maharashtra	N.A.	N.A.	N.A.	14.50
2.	Akshaya Patra Foundation CSR00000286	Feeding the School Children under Mid-Day Meal Scheme	Jaipur Rajasthan	N.A.	N.A.	N.A.	1.00
3.	Fellowship of the Physically Handicapped CSR00050605	Training and rehabilitation of physically and mentally challenged adults from the age group 18 to 40 years.	Tulsiwadi S.O., Mumbai Maharashtra	N.A.	N.A.	N.A.	5.00
4.	Tara Sansthan CSR00003030	Eye Operation for Cataract Surgery	Udaipur Rajasthan	N.A.	N.A.	N.A.	1.50
	Total						22.00

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable – NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 22.00 Lakhs.

(g) Excess amount set off, if any: NIL

- 10 (a) Details of Unspent CSR amount for the preceding three financial year(s): NA  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA
11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). NA
12. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board Report : NA
13. A responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company:-
- CSR Committee hereby certifies that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company.

**For M.K. Exim (India) Limited**

**Mr. Manish Murlidhar Dialani**  
**(Managing Director)**

**Mr. Gaurav L Patodia**  
**(Chairman of CSR Committee)**

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations"]

The detailed report on Corporate Governance for the financial year ended March 31, 2023, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Your Company is committed to the highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. Your Company has a strong legacy of following fair, transparent and ethical governance practices and is committed to maintain the highest standards of Corporate Governance and strictly adheres to the Corporate Governance requirements as set out by SEBI. The Company's Corporate Governance policy is based on the belief that good governance is an essential element of business, which helps the Company to fulfill its responsibilities towards all its stakeholders. The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") forms an integral part of this Report. The requisite Certificate on Corporate Governance obtained from Ms. Anshu Parikh, Practicing Company Secretary for compliance with SEBI Regulations is attached to the report on Corporate Governance. A Certificate of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company in terms of Regulation 17(8) of the Listing Regulations is also annexed.

### BOARD OF DIRECTORS GOVERNANCE FRAMEWORK:

The Board of Director comprises of members from diversified fields and having varied skills, vast experience and knowledge. The Board consists of six members including three Executive Directors and three Non-Executive Independent Directors. Composition of the Board of your Company is in conformity with Regulation 17 of SEBI (LODR) Regulation 2015 read with section 149 of the Companies Act, 2013. Further the composition of board also is in compliance of second proviso of section 149(1) in terms of woman directors.

The Board being aware of its fiduciary responsibility recognizes its responsibilities towards all stakeholders to uphold highest standard in all matter concerning the Company. It has empowered responsible person to implement its board policies, guidelines and has set up adequate review process. The Board provides strategic guidance on the affair of the Company. The Independent Director provides independent and objective judgment on matters placed before them.

### Board Composition & Categories.

The Board of Directors of the Company consists of an optimum combination of executive and non-executive directors. The Board of Directors comprises six Directors out of which three Directors are Non-Executive Directors as on 31.03.2023. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of Independent Directors. None of the Directors on the Company's Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he/she is a Director as on 31.03.2023. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

As on March 31, 2023, the Board comprised of six Directors, designated as follows:

S. No	Name	Designation
1	Mr. Murlidhar Dialani	Chairman and Whole-time Director (executive director)
2	Mr. Manish Murlidhar Dialani	Managing Director (executive director)
3	Mrs. Lajwanti Murlidhar Dialani	Whole-time Director (executive director)
4	Mrs. Priya Murlidhar Makhija	Independent non-executive Directors
5	Mr. Vishesh Mahesh Nihalani	Independent non-executive Directors
6	Mr. Gaurav L Patodia*	Independent non-executive Directors

During the year under review, the Shareholders in their AGM held on September 30, 2022, on the approval and recommendation of Board and the Nomination and Remuneration Committee ('NRC'), approved the re-appointment of Mrs. Lajwanti M Dialani as Whole-time Director of the Company for a further period of five years with effect from 26<sup>th</sup> August 2022.

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the board of directors of the company had appointed Mr. Gaurav L Patodia as an additional Independent director of the Company on November 13, 2021 to hold office upto the next Annual General meeting to be held in the year 2022-23 and was subject to approval of members by way of special resolution. During the financial year under review the members at the Annual General Meeting held on 30<sup>th</sup> September 2022 approved the appointment of Mr. Gaurav L Patodia as an Independent Director on the Board for a first term of five consecutive years with effect from 13<sup>th</sup> November 2021 and upto 12<sup>th</sup> November 2026.

Further, the Independent Directors possesses integrity, expertise and experience which will bring tremendous value to the Board and to the Company. All the Independent Directors registered with the independent director's data bank and will comply with all the requirements, in the extended time period prescribed by Ministry of Corporate Affairs, if any.

There is no pecuniary relationship or transaction of the non-executive directors with the Company.

#### Board Meetings:

During the year, 7(Seven) Board Meetings were held on 30.04.2022, 30.05.2022, 30.7.2022, 26.08.2022, 09.11.2022, 14.12.2022, and 11.02.2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

#### Details of the attendance of Directors:

The requisite information as enumerated as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is made available to the Board of Directors for discussion and consideration at Board Meetings. The composition of the Board, attendance at Board Meetings (BM) held during the financial year (FY) under review and at last Annual General Meeting (AGM) and number of directorships and Memberships/ Chairmanships in other Public Companies are given below:

Name of the Director	Designation	FY 2022-23 Attendance at		No. Of Other Directorship held*	No. of Committee Positions held	
		BM	Last AGM		This Company	Other Company
Mr. Murli Wadhmal Dialani	Chairman and Whole-time Director (executive director)	7	YES	NIL	4	NIL
Mr. Manish Murlidhar Dialani	Managing Director (executive director)	7	YES	NIL	NIL	NIL
Mrs. Lajwanti Murlidhar Dialani	Whole-time Director (executive director)	7	YES	NIL	NIL	NIL
Mrs. Priya Murlidhar Makhija	Independent non-executive Directors	7	YES	1	4	3
Mr. Vishesh Mahesh Nihalani	Independent non-executive Directors	7	YES	1	4	NIL
Mr. Gaurav L Patodia	Independent non-executive Directors	7	YES	NIL	4	NIL

\* Excludes directorships held in Private Companies, Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

#### Relationships between directors:

S. No.	Name	Relationship	No. of Shares Held
1	Mr. Murli Wadhmal Dialani	Related to Mrs. Lajwanti Dialani And Mr. Manish Dialani	2515929
2	Mr. Manish Murlidhar Dialani	Related to Mrs. Lajwanti Dialani And Mr. Murli Dialani	7283220
3	Mrs. Lajwanti Murlidhar Dialani	Related to Mr. Murli Dialani And Mr. Manish Dialani	971978
4	Mrs. Priya Murlidhar Makhija	NA	NIL
5	Mr. Vishesh Mahesh Nihalani	NA	NIL
6	Mr. Gaurav L Patodia	NA	4920

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, one-third Directors of the Company, liable to retire by rotation retires at every Annual General Meeting. In the ensuing Annual General Meeting Mrs. Lajwanti Murlidhar Dialani (whole time Director) (DIN: 05201148) is liable to retire by rotation. Information as required under SEBI (LODR) Regulation, 2015 on director's appointed/reappointed at this Annual General Meeting is annexed to the Notice of the Annual General Meeting.

#### Performance evaluation of Board & Directors:

The Board is responsible for undertaking a formal annual evaluation of its own performance, that of its Committees and of individual Directors as per Section 134 of Companies Act, 2013 and regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to review their functioning and effectiveness and also for identifying possible paths for improvement. During the year, the Board in concurrence with Nomination and Remuneration Committee carried out a performance evaluation of itself, its Committees, and each of the executive/non-executive/independent directors through questionnaire.

The Independent directors were evaluated on various performance indicators including aspects relating to:

- Integrity and maintenance of confidentiality.

- Commitment and participation at the Board & Committee
- Effective deployment of knowledge and expertise
- Exercise of objective independent judgment in the best interest of Company
- Interpersonal relationships with other directors and management

The board and committee were evaluated on the following parameters:

- Size, structure and expertise of the Board.
- Review of strategies, risk assessment, robust policies and procedures by Board.
- Oversight of the financial reporting process & monitoring company's internal control system. Quality of agenda, conduct of meeting, procedures and process followed for effective discharge of functions.
- Effective discharge of functions and duties by Committee as per terms of reference. Appropriateness and timeliness of the updates given on regulatory developments.
- Board's engagement with Senior Management team.
- The Chairperson had an individual discussion with each director based on the peer analysis.

#### **Details of Familiarization programme to Independent Directors:**

Pursuant to the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time. The Familiarization Programmes imparted to Independent Directors of the Company has been disclosed on its website and a weblink thereto is: policy for familiarization programme (mkexim.com)

#### **Matrix of Core Skills/ Expertise/ Competencies of Directors in context of business of the Company**

The Matrix setting out the skills, expertise and competencies of Directors as on 31st March 2023, in context of business of the Company is as under:

Sl. No.	Name of Directors	Knowledge on Company's business- es, policies and culture	Behavioural skills – Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,	Financial and Management skills	Technical / Professional skills and specialized knowledge in relation to Company's business	Environment, Health and Safety and Sustainability Knowledge of working on environment, health and safety and sustainability activities
1	Mr. Murlu M Dialani	Y	Y	Y	Y	Y	Y
2	Mr. Manish M Dialani	Y	Y	Y	Y	Y	Y
3	Mrs. Lajwanti M Dialani	Y	Y	Y	Y	Y	Y
4	Mrs. Priya M Makhija	Y	Y	Y	Y	Y	Y
5	Shri Vishesh Mahesh Nihalani	Y	Y	Y	Y	Y	Y
6	Shri Gaurav L Paldia	Y	Y	Y	Y	Y	Y

#### **Independence of Independent Directors**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013; read with Regulations of the Listing Regulations that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulations of the Listing Regulations.

The Board of directors expressed satisfaction that independent directors fulfill the conditions specified in SEBI (LODR), 2015 regulations and are independent of the management.

#### **Separate Meetings of Independent Directors:**

As required by SEBI LODR, the Independent Directors held 01 meeting on 27/03/2023. Attendance of the members at the meetings was as follows:

S. No	Name of Director	Designation	Category	No. of meetings attended
1.	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	1
2.	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	1
3.	Mrs. Priya Murlidhar Makhija	Member	Non-Executive, Independent	1

The Independent Directors discussed / review the matters specified in Regulation 25 of SEBI LODR.

Performance evaluation criteria for independent directors

The performance evaluation of the independent directors was completed. The performance evaluation of the Chairman and non-independent directors was carried out by the independent directors and was accepted by the Board. The Board of directors expressed satisfaction of the evaluation process adopted by the Company

### **Composition of Board Committee**

The Board has constituted various Committees to support the Board in discharging its responsibilities. There are Four Committees constituted by the Board:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- CSR Committee

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable.

Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/ functional heads of Company are invited to present various details called or by the Committee in its meeting. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting. The recommendations of the Committees are submitted to the Board for approval.

The details regarding composition, meetings of committees of the board are as follows:

#### A. **Audit Committee**

##### (i) **Brief description of terms of reference:**

The powers, role and terms of reference of the audit Committee are in line with the provisions of Section 177 of the Companies Act 2013, and regulation 18 of SEBI (LODR) 2015.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors and notes the processes and safeguards employed by each of them.

The Committee also reviews the functioning of whistle blower & Vigil mechanism, adequacy and effectiveness of internal audit function, risk management and control systems and results of operation.

##### (ii) **Business Risk Evaluation and Management**

The overview of the risk management policy is also done by the Audit Committee.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Audit Committee regarding the Risk Management broadly comprise of;

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating, mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

(iii) **Meeting, Composition, designation, Category and Attendance thereof:**

During the year under report, the committee met 5 times on 30.05.2022, 30.07.2022, 26.08.2022, 09.11.2022 and 11.02.2023. All the members were present in all the meetings. The recommendations made by the Audit committee during the year were accepted by the Board.

The attendance and Composition of meetings is as under:

S. No	Name of Director	Designation	Category	No. of meetings attended
1.	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	5
2.	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	5
3.	Mrs. Priya Murlidhar Makhija	Member	Non-Executive, Independent	5
4.	Mr. Murli Wadhupal Dialani	Member	Executive	5

B. **Nomination & Remuneration Committee:**(i) **Brief description of terms of reference:**

The terms of reference of the Nomination & Remuneration Committee are in line with the provisions of section 178 of the Companies Act and Regulation 19 SEBI (LODR) 2015.

The purpose of the Committee is to oversee the nomination process for top-level management positions and review executive remuneration structure. The Committee identifies, screens and reviews individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and recommends, for approval by the Board, nominees for election at the AGM.

(ii) **Meeting, Composition, designation, Category and Attendance thereof:**

During the year under report, the committee met 3 times on 26.08.2022, 09.11.2022 and 14.12.2022. The Composition and other details of Nomination and Remuneration Committee of the Company are as follows:

The Committee comprises of three independent Directors:

S. No.	Name of Director	Designation	Category	No. of meetings attended
1	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	3
2	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	3
3	Mrs. Priya Murlidhar Makhija	Member	Non-Executive, Independent	3
4.	Mr. Murli Wadhupal Dialani	Member	Executive	3

Details of Remuneration paid to Directors: Payment to Non-Executive Directors

Non-executive Directors are paid the sitting fees for attending the Board Meetings and Committee Meetings

(In Rs.)

Name of Directors	Sitting fees
Mr. Vishesh M Nihalani	33,750
Ms. Priya Murlidhar Makhija	33,750
Mr. Gaurav L Patodia	33,750

Pecuniary relations or transactions of the Non-Executive Directors

There were no pecuniary relationships or transactions of non-executive directors' vis-à-vis the Company.

**Remuneration of directors:**

Details of Remuneration paid to the Directors for the financial year ended 31st March, 2023.

(Rs. in Lakhs)

Sl. No.	Name of Director	Salary	Benefits	Commission	Bonuses	Stock Option & Pension	Sitting Fee	Total
1	Mr. Murli Wadhmal Dialani	6.00	-	-	-	-	-	6.00
2	Mr. Manish Murlidhar Dialani	36.00	-	-	-	-	-	36.00
3	Mrs. Lajwanti Murlidhar Dialani	24.00	-	-	-	-	-	24.00

- i. No commission is payable to the Executive Directors.
- ii. No sitting fee is paid to Executive Directors for attending the meeting of Board of Directors of the Company or committees thereof.

#### Criteria of making payments to Non-Executive/ Independent Director(s)

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the same is as : [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)

#### C. Stakeholder Relationship Committee:

##### (i) Brief description of terms of reference:

The terms of reference of the Stakeholders Relationship Committee are in line with the provisions of section 178 of the Companies Act 2013 and Regulation 20 of SEBI (LODR) 2015.

The Stakeholders Relationship Committee is primarily responsible for redressal of shareholders'/ investors' /security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc. The Committee's terms of reference also include allotment of equity shares to option grantees under the prevailing ESOP Scheme of the Company.

##### (ii) Meeting, Composition, Designation, Category and Attendance thereof:

During the year under report, the committee met 7 times on 30.07.2022, 26.08.2022, 09.11.2022, 24.01.2023, 03.02.2023, 11.02.2023 and 27.03.2023. All the members were present in all the meetings. The recommendations made by the Stakeholders' relationship committee during the year were accepted by the Board.

The attendance and Composition of meetings is as under:

S. No.	Name of Director	Designation	Category	No. of meetings attended
1	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	2
2	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	3
3	Mrs. Priya Murlidhar Makhija	Member	Non-Executive, Independent	3
4	Mr. Murli Wadhmal Dialani	Member	Executive	3

The shares of the Company are being compulsorily traded in dematerialized form. Shares in physical form, received for transfer/dematerialization, were transferred/dematerialized within a period of 21 days from the date of lodgment of valid Share Transfer deed along with share certificate. These requests are processed through the Company's Registrar and share transfer Agent i.e. M/s. Beetal Financial & Computer Services (P) Ltd.

The Company has taken various steps to ensure that the shareholders-related matters are given due priority and the matters/issues raised are resolved at the earliest. During the year 2022-23 no complaint was received.

#### D. CSR Committee:

The Committee is constituted by the Board in accordance with the Act to:

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

- b. Recommend the amount of expenditure to be incurred on the activities referred to in the above clause (a); and
- c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The CSR Policy is uploaded on the Company's website [www.mkexim.com](http://www.mkexim.com) as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. As on date of this report, the CSR Committee comprises 3 IDs and the ED. During the period under review, 2 CSR Committee meetings were held on 30.05.2022 and 09.11.2022. The requisite quorum was present for all the meetings.

The composition of the CSR Committee and attendance of its Members at its meetings held during the year is as follows:

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. Gaurav L Patodia	Chairman	Non-Executive, Independent	2
2	Mr. Vishesh M Nihalani	Member	Non-Executive, Independent	2
3	Ms. Priya Murlidhar Makhija	Member	Non-Executive, Independent	2
4.	Mr. Murli Wadhupal Dialani	Member	Executive	2

#### WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

#### PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code. The Companies Code of Conduct is available on companies Website.

#### CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put up on the Company's website and can be accessed at <http://www.mkexim.com>. The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by the manually.

A declaration signed by the Company's Chairman is published in this Report.

#### COMPLIANCE

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued there-under, as applicable and Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

#### MD & CEO/CFO CERTIFICATION

Pursuant to the Regulation 17(8) of the Listing Regulations, The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

#### EMPLOYEE STOCK OPTIONS

The Company has not issue employee Stock Option during F.Y 2022-23.

#### TRANSFER OF UNCLAIMED/UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND:

During the Financial Year 2022-23, the Company has transferred following amounts and shares to Investor Education and Protection Fund Authority (IEPF):

Financial year	Amount of unclaimed dividend (In Rs.)	Number of shares transferred
2022-23	1,88,315.00	2,91,983

Details of shares transferred have been uploaded on the Company's website at [www.mkexim.com](http://www.mkexim.com).

#### COMPLIANCE OFFICER

Ms. Prakriti Sethi, Company Secretary was the Compliance Officer of the Company till April 15, 2023 and Now Mr. Babu Lal Sharma appointed as Company Secretary and Compliance Officer of the Company w.e.f. 24.04.2023.

#### GENERAL BODY MEETINGS

i. Details of the location and time of the last three AGM's (Annual General Meeting) held:

Year	Location	Date	Time	Whether any special resolution was passed
2019-20	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	30.09.2020	11:00 A.M.	NO
2020-21	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	29.09.2021	11:00 A.M.	NO
2021-22	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	30.09.2022	11:00 A.M.	Yes

#### DISCLOSURES

- The Company has complied with the requirements of the stock exchange or SEBI on matters related to Capital Market as applicable.
- The Company has complied with the mandatory requirements of SEBI (LODR) Regulation 2015.
- No Extra-ordinary General Meeting took place during the financial year 2022-23

#### POSTAL BALLOT

(i) The Company has not issued any Postal Ballot Notice during the year.

#### MEANS OF COMMUNICATION

The Company publishes its quarterly, half-yearly and yearly financial results in leading national newspapers such as Financial Express in English language and Business Remedies in Hindi. These results are displayed on the website of the Company along with other news releases and presentations, if any. All other vital information is also placed on the website of the Company. The results are not sent individually to shareholders. All price sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through BSE Listing Centre, for dissemination on their respective website. The stock exchange filings are also made available on the website of the Company at [www.mkexim.com](http://www.mkexim.com)

To facilitate prompt correspondence with investors/shareholders relating to their queries and grievances, the Company has a dedicated email-id viz: [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com).

#### GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting (AGM): Date, Time & Venue	Tuesday, 05.09.2023 at 11.00 A.M. through Video Conferencing / Other Audio Visual Means facility (Deemed Venue for Meeting: Registered Office at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022 (Rajasthan)
b) Financial Year	Financial Year: 1st April, 2022 – 31st March, 2023.
c) Date of Book Closure	Wednesday, 30.08.2023 to Tuesday, 05.09.2023 (both dates inclusive)
d) Dividend payment date:	Board do not recommend Dividend for the year 2022-23.
e) Listing of Shares on Stock Exchanges	1. BSE Limited Corporate Office Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Phones : (022) 22721233/4, (022) 66545695 (Hunting) Fax : (022) 22721919
f) Payment of Listing Fees	Annual Listing fees as applicable have been duly paid.

g) Stock Code / ISIN	Equity Shares : BSE: 538890 ISIN : INE227F01010
h) Whether S&P BSE 500 Index	No
Registrar & Share Transfer Agent	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harkushdas Mandir, New Delhi-110062
Share Transfer System	As per the Listing Regulations, shares cannot be transferred unless they are held in dematerialized mode. Shareholders who hold shares in physical form are advised to convert them into dematerialized mode to avoid the risk of losing shares, fraudulent transactions, and to receive better investor servicing. Only valid transmission or transposition cases that comply with the SEBI guidelines will be processed by the RTA of the Company. The RTA will process these cases only if they are technically found to be complete and in order. The Board has delegated the power to approve the transmission request to the Company Secretary of the Company.  Shareholders are advice to refer the latest SEBI guidelines/circular issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC detail updated all the time to avoid freezing their folio as prescribed by SEBI
Compliance Officer / Company Secretary	Mr. Babu Lal Sharma G-1/150, Garment Zone, EPIP, Sitapura, Tonk Road, Jaipur Jaipur RJ 302022 IN Phone: 0141-3937501 Fax: 0141-3937502 Email: csmkexim@gmail.com
Depository System	Currently 97.47% of the Company share capital is held in dematerialized form. For any assistance in converting physical shares in electronic form, investor may approach Beetal Financial & Computer Services (P) Ltd or Mr. Babul Lal Sharma, Company Secretary
Bank details for Electronic Shareholding	Members are requested to notify their Depository Participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank account, including the MICR codes of their bank.
Furnish copies of Permanent Account Number (PAN)	The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company/RTA.
Investor complaint to be addressed to	Beetal Financial & Computer Services (P) Ltd., RTA or Mr. Babu Lal Sharma, Company Secretary
E-mail ID of Grievance Redressal Division	<a href="mailto:info@mkexim.com">info@mkexim.com</a>
Outstanding Warrants GDRs/ ADRs, and Convertible Bonds, Conversion date and likely impact on equity	Not Applicable
Credit Rating	The Company has not taken credit rating from any Credit Rating Agency.

**Stock Market Price Data: Monthly High-Low values (in Rs.) at BSE:**

MONTH*	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
HIGH	119.70	104.55	84.50	89.95	92.50	102.50	95.00	96.00	96.90	95.00	93.50	93.99
LOW	86.95	69.60	67.85	66.30	69.30	82.20	77.00	77.50	76.05	81.15	78.00	72.60

\*Source: Websites of Stock Exchanges, BSE

**REGISTRAR AND TRANSFER AGENT**

M/s. Beetal Financial &amp; Computer Services (P) Ltd

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi – 110 062 Tel: (011) 29961281/82 Email:beetalrta@gmail.com

**SHARE TRANSFER SYSTEM**

SEBI had mandated that, effective from 1st April 2019, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was/were lodged prior

to 1st April 2019 and returned due to deficiency in the documents. Shares received in physical form for transfer are attended and transferred within the stipulated period from the date of lodgment subject to documents being valid and complete in all the respects. During the year, the Company had obtained, on half-yearly basis, a certificate, from a Company Secretary in practice, as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and filed copy of the same with the Stock Exchanges. Further, the Company is complied with the Operational guidelines issued by the SEBI for Transfer and Dematerialization of re-lodged physical shares.

#### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023:

M.K.EXIM (INDIA) LIMITED				
DISTRIBUTIONSCHEDULEASON31/03/2023				
NO. OF EQUITY SHARES HELD	NO. OF SHARE-HOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF HOLDING
UP TO 500	7709	82.66	648240	2.4088
501 TO 1000	578	6.20	451946	1.6794
1001 TO 2000	555	5.95	894483	3.3238
2001 TO 3000	172	1.84	454783	1.6899
3001 TO 4000	49	0.53	179049	0.6653
4001 TO 5000	54	0.57	249395	0.9267
5001 TO 10000	90	0.97	645762	2.3996
10001 AND ABOVE	119	1.28	23387842	86.9065
<b>TOTAL</b>	<b>9326</b>	<b>100.00</b>	<b>26911500</b>	<b>100.00</b>

M.K. EXIM (INDIA) LIMITED			
SHAREHOLDING PATTERN AS ON 31/03/2023			
Shareholders Category	Number	Shares	% Equity
<b>Promoter &amp; Promoter group</b>			
Promoter Individuals	5	11281091	41.92
<b>Public Shareholding</b>			
CLEARING MEMBERS	6	3467	0.01
HUF	108	202330	0.75
BODIES CORPORATES	34	1164627	4.33
N R I - REPARTRIABLE	101	595260	2.21
NRI NON-REPETRIATION	34	28025	0.10
RESIDENTINDIVIDUALS	9036	13247717	49.23
FOREIGN PORTFOLIO INVESTROS	1	97000	0.36
INVESTOR EDUCATION AND PROTECTION FUND (IEPF)	1	291983	1.09
<b>Total:</b>	<b>9326</b>	<b>26911500</b>	<b>100.00</b>

#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

2,62,30,775 equity shares were dematerialized till 31st March, 2023 which was 97.47% of the total paid-up Equity Share Capital of the Company on that date. The Company has sent communication to the shareholders encouraging them to dematerialize their physical holding in the Company. During the year, requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates and related documents. Trading in equity shares of the Company is permitted only in dematerialized form. The demat ISIN of the Company's equity shares is INE227F01010.

#### OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

There were no outstanding GDRs/ADRs/Warrants or any other Convertible Instruments as on 31.03.2023.

#### ADDRESS FOR PLANT AND CORRESPONDENCE

M.K. EXIM (INDIA) LIMITED,

G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022 (Rajasthan)

PH: 0141-3937501, FAX: 0141-3937502

E-mail: mkexim@gmail.com; complianceofficer@mkexim.com Website: www.mkexim.com

**OTHER DISCLOSURES:**

Details of transactions with related parties as specified in Accounting Standards (IND AS 24) have been reported in the Financial Statements. During the year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company. The Audit Committee takes into consideration the management representation and an independent audit consultant's report, whilst scrutinizing and approving all related party transactions, from the perspective of fulfilling the criteria of meeting arms' length pricing and being transacted in the ordinary course of business. During the period, all transactions with related parties entered into by the Company were in the ordinary course of business and on an arm's length basis, were approved by the Audit Committee. The detailed Policy on Related Party Transactions is available at [www.mkexim.com](http://www.mkexim.com).

The company has complied with all mandatory requirements policy for determining 'material' subsidiaries is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html) policy on dealing with related party transactions is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)

A certificate from M/s. Anshu Parikh & Associates, Practising Company Secretaries has been received stating / confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority and is attached as a part of this report.

Total fees for all services paid by the Company during F.Y 2022-23 to the Statutory Auditor of the Company viz. M/s Rishabh Agarwal & Associates was Rs. 1.55 Lakhs

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace. The Company has not received any complaint of sexual harassment during the year under review.

The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V(C) to the SEBI Listing Regulations.

The Company has a well-defined risk management framework in place. Further, it has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed, and the steps taken by it to mitigate these risks.

The Company has complied with Corporate Governance requirements as specified in Regulations 17 to 27 and Clause (b) to (i) of Regulation 46(2) of the Listing Regulations.

As required by the provisions of SEBI (PIT) Regulations, 2015, the Company has adopted a Code of Conduct for prevention of Insider Trading. Company Secretary of the Company is the Compliance Officer. The Code of Conduct is applicable to all Directors and such identified employees of the Company as well as who are expected to have access to unpublished price sensitive information relating to the Company.

**AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31st March 2023.

**For M.K. Exim (India) Limited**

**Murli Wadhupal Dialani**

**Chairman**

**DIN: 08267828**

**ANSHU PARIKH & ASSOCIATES****Company Secretaries****Flat no-202, Alokik Orchid. D-159A, Savitri Path, Bapu Nagar, Jaipur****Mob: +91-9887658618.****E-mail: [parikhanshu26@gmail.com](mailto:parikhanshu26@gmail.com)****CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members,**  
**M.K. Exim (India) Limited**  
**G1/150, Garment Zone, E.P.I.P,**  
**Sitapura, Tonk Road, Jaipur-302022**

I have examined the compliance of conditions of Corporate Governance by M.K. Exim (India) Limited ("the Company") for the year ended on 31st March 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, and representations made by the management, except as reported in Secretarial Audit report, I certify that to the extent applicable the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

The certificate is solely issued for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For Anshu Parikh & Associates**  
**Company Secretaries**

**Anshu Parikh**  
**Proprietor**  
**FCS: 9785**  
**C.P: 10686**

**Date: 14.07.2023**  
**Place: Jaipur**  
**UDIN: F009785E000606953**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global economic prospects continue to be uncertain and the latest developments in the financial markets, especially in the advanced economies, have added to this uncertainty. In its April 2023 update of the World Economic Outlook (WEO), the IMF has attempted to clear the path of uncertainty. It has projected global growth to decline from 3.4 per cent in 2022 to 2.8 percent in 2023. Growth is forecasted to marginally improve to 3.0 per cent in 2024, but not enough to beat the growth rate of 2022 while falling significantly short of the 6.4 percent mark attained in 2021. Elevated inflation and financial tightening, which have weakened the growth process, are thus expected to weigh on economic activity for at least three years since the armed conflict broke out between Russia and Ukraine in February 2022. The slowing of global growth, accompanied by pressures from deglobalisation and supply chain disruptions, has also moderated global trade. IMF projects the increase in global trade volume to fall from 5.1 per cent in 2022 to 2.4 percent in 2023 before slightly improving to 3.5 per cent in 2024.

Policymakers the world over are currently facing a predicament. The last two years have seen the global economy struggling to deal with overlapping crises, the latest being the liquidity troubles after a series of global bank crises. While the impact appears to have been contained, these uncertainties continue to undermine the confidence among consumers and businesses to spend, therefore impacting economic growth.

Even as external stability strengthened, factors contributing to internal stability also improved. Fiscal parameters for the centre and the states in FY23 have been robust, as seen in solid revenue generation and improvement in the quality of expenditure. The improvement in expenditure quality is driven by significant capex by the centre and the rationalisation of revenue expenditure consequently.

India's gross domestic product (GDP) at current prices in the first quarter of 2022-23 was estimated to be Rs. Rs. 36.85 lakh crore as against Rs. 32.46 lakh crore) in 2021-22, showing a growth rate of 13.5%.

Despite slowdown of world and Indian Economy your Company delivered a strong performance in FY 2022-23 across businesses, leading to delivery of highest ever consolidated profit.

The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

### 1. Financial Performance

The following are relevant financial performance details with respect to the operational performance of the Company.

Salient features relating to the Profit & Loss Account:

(Rs. In Lakhs)

Particulars	Year ended 31.03.23
Revenue from Operations	10365.58
Other Income	338.09
<b>Total Income</b>	<b>10703.68</b>
Profit Before Financial expenses & Depreciation	2271.63
Less: Depreciation & Amortization Expenses	31.31
Less: Finance Costs	20.51
<b>Profit before tax</b>	<b>2219.81</b>
Taxation	583.73
<b>Profit after tax</b>	<b>1636.08</b>

During the year the Company has achieved a total turnover of Rs. 10703.68 Lakhs and earns profit before Tax [PBT] of Rs. 2219.81 Lakhs and profit after taxes of Rs. 1636.08 Lakhs. The Segment wise performance has been given in financial statements in the Report. The report of the Board of Directors may be referred to for financial performance.

**KEY RATIOS:**

Current Ratio	6.32	7.17	-11.83
Debt-Equity Ratio ^	0.04	0.08	-53.90
Debt Service Coverage Ratio^^	101.97	34.05	199.45
Return on Equity Ratio	0.28	0.31	-8.02
Inventory Turnover Ratio ^^^	6.07	4.36	39.06
Trade Receivables Turnover Ratio	5.38	6.05	-11.05
Trade Payables Turnover Ratio	25.12	29.15	-13.85
Net Capital Turnover Ratio	0.51	0.48	7.91
Net Profit Ratio	15.78	18.10	-12.79
Return on Capital Employed	0.10	0.10	-8.00
Return on Investment	0	0	0.00

^ On account of reduction in debt and increase in equity

^^ On account of decrease in debt service

^^^ On Account of increase in amount of Cost of Goods sold

**Outlook****Textile Industry**

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fiber/yarns from natural fibers like cotton, jute, silk and wool, to synthetic/man-made fibers like polyester, viscose, nylon and acrylic.

The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

India's textiles industry has around 4.5 Crore employed workers including 35.22 lakhs handloom workers across the country.

After agriculture, textile in India is the largest industry which generates the highest employment, both skilled and unskilled. The sector contributes ~5% to the country's GDP, 7% of industry output in value terms and 12% of the country's export earnings. India is the 6th largest exporter of textiles and apparel in the world. These points to one reality... the textile industry is critical for India's growth.

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

**Challenges:** There appears to be a considerable promise for the sustained growth of the sector owing to a plethora of opportunities on the horizon. Likewise, there are challenges too. They are:

The huge spike in raw cotton prices could dent India's competitiveness in the global market despite being the largest producer of cotton in the world

Lack of scale and restricted access to key markets.

The Amended Technical Upgradation Funds (ATUF) scheme, which provides a capital investment subsidy of 10-15% to textile manufacturers, is about to expire. The industry does not have any clarity on the possibility of its extension

**Government impetus:** The Government is aware of the position of the textile industry and the promise it affords in accelerating the wheels of the economy. It has made important announcements that can draw considerable investments in this sector.

Government allowed 100% FDI in textiles under automatic route.

The Central Government announced Production-linked Incentive (PLI) Scheme worth Rs. 10,683 crore for manmade fibre and technical textiles over a five-year period.

The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns and apparel, which came into effect from January 1, 2022.

Under the Union Budget 2022-23 the total allocation for the textile industry is Rs. 12,382 crore

Huge funds in schemes such as Rs. 900 crore (US\$ 109.99 million) for Amended Technology Upgradation Fund Scheme (ATUFS) have been released by the Government in the union budget of 2023-24 to encourage more private equity investments and provide employment.

In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

## FMCG

M.K. Exim (India) Limited is part of the Fast-Moving Consumer Goods (FMCG) industry which continues to be one of the biggest long-term sustainable business opportunities that our country offers. Despite being one of the fastest growing markets globally for FMCG products, India's per capita FMCG consumption is still amongst the lowest in the world. Rural markets account for more than 60% of our country's population and contribute to just about 30% of FMCG consumption; thus, offering significant headroom for growth. Rising affluence, large working population, nuclear family structures, urbanization and rapidly increasing adoption of technology will positively impact the growth of FMCG industry in the country. The operating environment this year continued to remain volatile and challenging. India witnessed a devastating second wave of Covid-19 during the year 2019 to 2022 with a significant humanitarian and economic impact. Due to the disruption in global supply chains, inflation in many key commodities like crude oil derivatives and packaging rose to historic highs. The latter half of the year witnessed a marked moderation in the FMCG market growth with volumes being impacted due to high inflation. As we gradually emerged from the challenging phase of the pandemic, the consumption of hygiene products moderated. Consumers are also increasingly choosing brands which they see as making a positive impact on the world. India is undergoing rapid digital transformation, new-age technologies are transforming the landscape of consumer goods market, bringing opportunities for brands, consumers, and customers alike. E-Commerce continues to gain traction as more consumers shop online and with more digital-first brands entering the market. With a technology-focused approach, retailers are reinventing their business models to stay more connected in the digital world. The two years of pandemic and Russia and Ukraine war has made us a stronger, better business which is much more resilient and responsive. As the economy, consumer and channel landscapes rapidly evolve, we continue to be agile to leverage our strengths, capture opportunities and navigate through the challenges.

Our strategy is constantly evolving in line with the trends and forces shaping our markets and impacting our multi-stakeholders. We remain committed to delivering 4G growth - growth that is consistent, competitive, profitable, and responsible.

We are growing our core business by investing in our purposeful brands and delivering superior products. India is a diverse country - with different climatic conditions, varied skin and hair types and even differing quality of water. We are bringing to life our product philosophy of designing for India and Winning in Many Indias (WiMI).

We have a long-standing relationship with our customers that are based on trust and mutuality of interest. We continue to work with all our partners to serve the evolving needs of our shoppers. Our Endeavour is and has always been to ensure that our brands are easily available wherever shoppers choose to shop.

Partnering for growth:

As the customer landscape continues to evolve, we have been taking several steps to ensure that our partners and distributors remain future-fit.

This financial year was unpredictable and challenging with continued pressure from Covid-19 and unprecedented cost inflation. As global supply chains were disrupted, firstly, due to the pandemic and then later due to the geopolitical crisis, inflation in many commodities like crude oil derivatives, vegetable oils, packaging, etc. rose to historic highs resulting in significant input cost pressures. High inflation also resulted in a marked moderation in FMCG market growth with volumes declining in second half of the year.

Our performance in a challenging environment, we have shown resilience and agility to deliver strong all-round performance. We have gained market shares in all our divisions, across price segments and across regions. In Hair Care and personal care division performing well on a strong base comparator. Our dynamic financial management, a strong savings programme and calibrated pricing actions helped protect our business model against rising input costs.

### 3. Risks and Concerns

The both textile and FMCG industries are facing the issues of lack of skilled labour, inflexible labour laws, lack of modernization and infrastructure bottlenecks. Due to fragmented nature of the industry, there are higher logistic costs, higher lead time and lack of economies of scale. Also, global volatility can put any business to the risk of unforeseen inflationary pressures and affect demand for its products. Disturbances in geopolitics can affect the operation of supply chains and cost of other factors of production. Your company has a systematic process of material procurement and has a robust framework for continuous monitoring, identification and redressal to meet unforeseen challenges.

Risk management is integral to your Company's strategy and to the achievement of Company's long-term goals. Our success as an organization depends on our ability to identify and leverage the opportunities generated by our business and the markets we operate in. In doing this we take an embedded approach to risk management which puts risk and opportunity assessment at the core of the Board's agenda, which is where we believe it should be. Company's appetite for risk is driven by the following: • Our growth should be consistent, competitive, profitable, and responsible; • Our actions on issues such as plastic and climate change must reflect their urgency, and not be constrained by the uncertainty of potential impacts; • Our behaviours must be in line with our Code of Business Principles (Code) and Code Policies; • Our ambition to continuously improve our operational efficiency and effectiveness. Our ap-

proach to risk management is designed to provide reasonable, but not absolute, assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to Senior Management and Board & Board Committees including, where appropriate, the Chief Executive Officer and Managing Director, Audit Committee. For each of our principal risks we have a risk management framework detailing the internal controls we have in place and who is responsible for managing both the overall risk and the individual controls mitigating that risk. Our assessment of risk considers short and long term as well as internal and external risks including financial, operational, sectoral, sustainability (particularly Environment, Social and Governance related risks), information, legal & compliance and any other risks as may be determined by the Company Leadership teams.

#### **4. Internal Control Systems and their adequacy**

The Company's internal control systems and procedures commensurate with the size and nature of its operations. The Company has adequate system of Internal Controls to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use and the transactions are authorized, recorded and reported correctly. Financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The management periodically reviews the internal control systems and procedures for efficient conduct of the Company's business. Internal Audit is conducted by independent Chartered Accountants, on quarterly basis. To maintain its objectivity and independence, the Internal Auditors report directly to the Audit Committee of the Board. The Audit Committee reviews the Internal Audit Reports and effectiveness of the Internal Control Systems. If required, the corrective actions are taken and the controls strengthened. The Company maintains a system of well-established policies and procedures for internal control of operations and activities. The Company continuously strives to integrate the entire organization - from strategic support functions like finance, human resource and regulatory affairs to core operations like research, manufacturing and supply chain management. The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues. The Company adheres to standard operating practices in its manufacturing and operating activities. The Company has appointed independent agencies as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

#### **5. Human Capital**

The Company's Industrial relations at all the levels remained cordial throughout the year. The Company provides to its employees' favourable work environment conducive to good performance with customer focus while adhering to quality and integrity.

#### **6. Cautionary Statement**

Statements in this Management Discussions and Analysis Report describing the Company objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price both domestic and overseas availability and cost of raw materials, change in Government regulations and tax structure, economic conditions affecting demand / supplies and other factors over which the Company does not have any control. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future.

Important factors such as economic developments within the country, demand and supply conditions of the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations, influence the Company's operations. This may lead to the Company's projections and approximate estimates to dispose them as "forward looking statements".

Though, these qualitative aspects are usually set in the framework meaning of applicable securities laws and regulations. The actual results may sometimes materially differ from those expressed or implied.

**For M.K. Exim (India) Limited**

**Murli Wadhupal Dialani**  
**Chairman**  
**DIN: 08267828**

## INDEPENDENT AUDITORS' REPORT

### To the members of M.K. EXIM (INDIA) LIMITED

#### Report on the Consolidated Financial Statements

##### Opinion

We have audited the accompanying Consolidated financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company") and its associate company which comprise the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information ("hereinafter referred to as the Consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2023; and its consolidated profit, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of Management for Consolidated Financial Statements

The Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company's Board of Directors is also responsible for ensuring accuracy of record including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies including its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associate and for preventing and detecting frauds and other irregularities ; the selection and application of appropriate accounting policies ; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls ,that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by Directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are also responsible for overseeing the company's financial reporting process of the Group.

##### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the associate company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

We have relied upon the audit report of other auditors for the financial statements of its associate Kolba Farm Fab Private Limited reflecting total assets at Rs. 1010.88 lacs, total revenue of Rs. 542.82 lacs, net profit of Rs. 56.26 lacs for the year ended on that date, as considered in consolidated financial statements and our report in terms of sub sections 3 & 11 of section 143 of the Act in so far as it relates to the aforesaid associate.

These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and financial statements certified by the management.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the associate referred to in the Other Matters section above we report, to the extent applicable that:

- a. a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law have been kept by the company and its associate including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books of the Company and the report of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated statement of changes in equity and the Consolidated Cash Flow

- Statement dealt with by this report are in agreement with relevant books of account maintained by company and its associate relating to the preparation of Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of written representations received from the Directors, as on 31st March, 2023 and taken on record by the Board of Directors of the Company and the report of statutory auditors of associate company, we report that none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and its associate and the operating effectiveness of such controls, refer to our separate report in Annexure A which is based on the auditors' reports of the associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the associate company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigation on its consolidated financial position of the Company and associate.
- ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- iv. (a). The Management of the Company, whose financial statements have been audited under the act, have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b). The Management of the Company, whose financial statements have been audited under the act, that, have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c). Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company and associates have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For Rishabh Agrawal & Associates**  
**Chartered Accountants**  
**(FRN: 018142C)**

**Place: Jaipur**  
**Dated: 30<sup>th</sup> May, 2023**

**(Rishabh Agrawal)**  
**Partner**

**M. No. 412963**  
**UDIN : 23412963BGXQYT2101**

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

**Referred to in paragraph in the Independent Auditors' Report of even date to the members of M.K. Exim (India) Limited on the consolidated financial statements for the year ended 31st March, 2023.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to consolidated financial statements of M.K. Exim (India) Limited ("the Company") & its associate company as of 31st March, 2023 in the conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Company and its associate are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor' Responsibility**

3. Our responsibility is to express an opinion on the companies internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls with reference to consolidated Financial statements**

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that
  - i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
  - iii. Provide reasonable assurance regarding prevention of timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of internal Financial Controls with reference to consolidated Financial statements**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion to the best of our information and according to explanations given to us, the Company and its associate have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

9. Our aforesaid reports under section 143(3)(i) of the Act adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the associate company, is based on the corresponding report on the auditors of associate company. Our opinion is not qualified in respect of this matter.

**For Rishabh Agrawal & Associates**  
Chartered Accountants  
(FRN: 018142C)

Place: Jaipur  
Dated: 30<sup>th</sup> May, 2023

(Rishabh Agrawal)  
Partner  
M. No. 412963  
UDIN : 23412963BGXQYT2101

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	NOTES	AS AT 31ST MARCH, 2023	AS AT 31ST MARCH, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENTS	1	693.13	545.63
INTANGIBLE ASSETS	2	1.22	1.76
FINANCIAL ASSETS			
INVESTMENTS	3	406.81	379.24
DEFERRED TAX ASSETS (NET)	13	4.76	5.26
OTHER NON-CURRENT ASSETS	4	43.18	9.44
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1149.10</b>	<b>941.33</b>
<b>CURRENT ASSETS</b>			
INVENTORIES	5	939.33	1294.85
FINANCIAL ASSETS			
TRADE RECEIVABLES	6	2478.67	1372.99
CASH AND CASH EQUIVALENTS	7	902.37	771.11
OTHER BANK BALANCE	7	47.00	0.00
LOANS AND ADVANCES	8	2368.52	1413.74
OTHER CURRENT ASSETS	9	111.88	160.13
<b>TOTAL CURRENT ASSETS</b>		<b>6847.77</b>	<b>5012.82</b>
<b>TOTAL ASSETS</b>		<b>7996.87</b>	<b>5954.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
EQUITY SHARE CAPITAL	10	2691.15	2691.15
OTHER EQUITY	11	4219.96	2556.32
<b>TOTAL EQUITY</b>		<b>6911.11</b>	<b>5247.47</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	12	1.84	7.08
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1.84</b>	<b>7.08</b>
<b>CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	14	235.56	383.81
TRADE PAYABLES	15		
" TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES"		21.73	30.26
" TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES"		230.52	231.65
OTHER FINANCIAL LIABILITIES	16	9.23	9.39
PROVISIONS	17	21.28	19.62
CURRENT TAX LIABILITIES	17A	151.27	16.46
OTHER CURRENT LIABILITIES	18	414.33	8.41
<b>TOTAL CURRENT LIABILITIES</b>		<b>1083.92</b>	<b>699.60</b>
<b>TOTAL LIABILITIES</b>		<b>1085.76</b>	<b>706.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7996.87</b>	<b>5954.15</b>

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements  
As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

(Rishabh Agrawal)  
Partner  
M. No. 412963

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(A.K. TRIPATHI)  
CFO

(B.L. SHARMA)  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYT2101

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	NOTES	PERIOD ENDED 31.03.2023	PERIOD ENDED 31.03.2022
REVENUE FROM OPERATIONS	19	10365.58	7318.27
OTHER INCOME	20	338.10	106.65
<b>TOTAL INCOME</b>		<b>10703.68</b>	<b>7424.92</b>
<b>EXPENSES</b>			
COST OF MATERIAL CONSUMED	21	0.00	0.00
PURCHASE OF STOCK IN TRADE	22	6456.95	4911.26
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	23	322.51	-564.83
EMPLOYEE BENEFITS EXPENSES	24	347.41	259.14
FINANCE COST	25	20.51	34.17
DEPRECIATION AND AMORTISATION EXPENSES	1-2	31.31	28.69
OTHER EXPENSES	26	1305.18	972.91
<b>TOTAL EXPENSES</b>		<b>8483.87</b>	<b>5641.34</b>
<b>PROFIT BEFORE TAX</b>		<b>2219.81</b>	<b>1783.58</b>
<b>TAX EXPENSES:-</b>			
CURRENT TAX		583.23	458.83
DEFERRED TAX		0.50	0.18
<b>PROFIT FOR THE YEAR</b>		<b>1636.08</b>	<b>1324.57</b>
<b>PROFIT BEFORE SHARE OF PROFIT IN ASSOCIATE CONCERN</b>		<b>1636.08</b>	<b>1324.57</b>
SHARE OF PROFIT IN ASSOCIATE CONCERN		27.56	6.38
<b>CONSOLIDATED PROFIT FOR THE YEAR</b>		<b>1663.64</b>	<b>1330.95</b>
<b>OTHER COMPREHENSIVE INCOME:-</b>			
(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		0.00	0.00
(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS (PREVIOUS YEAR RS. NIL)		0.00	0.00
(iii) ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		0.00	0.00
(iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		0.00	0.00
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1663.64</b>	<b>1330.95</b>
<b>NET PROFIT ATTRIBUTABLE TO:-</b>			
A OWNERS OF THE COMPANY		<b>1663.64</b>	<b>1330.95</b>
B NON CONTROLLING INTEREST		0.00	0.00
<b>OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>			
A OWNERS OF THE COMPANY		0.00	0.00
B NON CONTROLLING INTEREST		0.00	0.00
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>		<b>1663.64</b>	<b>1330.95</b>
A OWNERS OF THE COMPANY		<b>1663.64</b>	<b>1330.95</b>
B NON CONTROLLING INTEREST		-	-
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>			
BASIC & DILUTED		6.18	4.95

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

(Rishabh Agrawal)  
Partner  
M. No. 412963

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(A.K. TRIPATHI)  
CFO

(B.L. SHARMA)  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYT2101

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
<b>CASH FLOW FROM OPERATIVE ACTIVITES (A)</b>		
Net Profit before tax	2247.37	1789.97
<b>Adjustments for:</b>		
Depreciation	31.31	28.69
Interest Expenses	11.18	22.29
Gratuity	1.66	2.25
<b>Operating Profit before working capital changes</b>	<b>2291.52</b>	<b>1843.20</b>
<b>Adjustment for:</b>		
Increase/Decrease in Inventories	355.51	-597.83
Increase/Decrease Sundry Debtors	-1105.68	-327.02
Increase/Decrease Other Current Assets	48.26	-68.09
Increase/Decrease in Current liabilities	530.90	29.64
Increase/Decrease in Loans & Advances	-954.78	-27.73
<b>Cash Generated From Operating activites</b>	<b>1165.72</b>	<b>852.17</b>
Tax Paid	-583.23	-458.83
<b>Net Cash Flow from Operating Activities</b>	<b>582.49</b>	<b>393.34</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		
Purchases of Fixed Assets	-178.27	-406.55
Decrease/Increase in Non Current Assets	-33.73	-0.01
Decrease/Increase in Non Current Investments	-27.56	-6.39
<b>Net Cash used In Investing Activities</b>	<b>-239.56</b>	<b>-412.95</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES ( C)</b>		
Increase/Decrease in Secured Loans	-153.49	125.55
Interest on Bank Loan	-11.18	-22.29
<b>Net Cash From Financing Activities</b>	<b>-164.67</b>	<b>103.26</b>
<b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b>	<b>178.26</b>	<b>83.65</b>
Opening cash and cash equivalents	771.11	687.46
Closing cash and cash equivalents	949.37	771.11

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

(Rishabh Agrawal)  
Partner  
M. No. 412963

( Murli Wadhupal Dialani)  
Chairman  
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(Manish M Dialani)  
Managing Director  
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(A.K. TRIPATHI)  
CFO

(B.L. SHARMA)  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYT2101

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

Particulars	Equity		Other Equity				Total Other Equity	Total Equity
	Number of Shares	Equity Share Capital	Capital Reserve	Securities Premium	Retained Earnings	General Reserves		
<b>Balance as at April 1, 2021</b>	89.71	897.05	33.44	713.82	2272.20	0.00	3019.46	3916.51
Profit for the year					1330.95		1330.95	1330.95
Transferred from Retained Earnings					-3300.00	3300.00	0.00	0.00
Transferred to Retained Earnings			-15.59		15.59		0.00	0.00
Issue of Bonus Equity Shares	179.41	1794.10				-1794.10	-1794.10	0.00
Other Comprehensive Income for the period, net of income tax							0.00	0.00
Dividends							0.00	0.00
<b>Balance as at April 1, 2022</b>	269.12	2691.15	17.85	713.82	318.74	1505.90	2556.32	5247.47
Profit for the year					1663.64		1663.64	1663.64
Other Comprehensive Income for the period, net of income tax								
Total Comprehensive Income for the year								
Dividends								
Transfer from Retained Earnings								
<b>Balance as at March 31, 2023</b>	269.12	2691.15	17.85	713.82	1982.39	1505.90	4219.96	6911.11

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
M. No. 412963

**(Murli Wadhupal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYT2101

1. PROPERTY, PLANT AND EQUIPMENTS										(Rs. in Lakhs)
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2022	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2023	UP TO 31.03.2022	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2023	AS ON 31.03.23
	<b>Tangible Assets</b>									
1	LAND	388.94		0.00	388.94	0.00	0.00	0.00	0.00	388.94
2	BUILDING	88.06		122.52	210.58	72.38	0.00	1.39	73.77	136.81
3	FURNITURE & FIXTURES	18.23	-5.63	42.14	54.74	10.61	-0.70	0.24	10.15	44.59
4	VEHICLES	233.64	0.33	0.00	233.97	102.23	0.00	27.76	129.99	103.98
5	COMPUTER	2.10		0.80	2.90	1.41	0.00	0.81	2.22	0.68
6	OFFICE EQUIP- MENT	4.73	-0.39	0.00	4.34	4.41	-0.06	0.00	4.35	0.00
7	ELECTRIC EQUIPMENTS	1.16	6.01	12.81	19.98	0.19	0.76	0.90	1.85	18.13
	<b>TOTAL</b>	<b>736.86</b>	<b>0.32</b>	<b>178.27</b>	<b>915.45</b>	<b>191.23</b>	<b>-0.00</b>	<b>31.10</b>	<b>222.33</b>	<b>693.13</b>
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2021	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2022	UP TO 31.03.2021	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2022	AS ON 31.03.22
	<b>Tangible Assets</b>									
1	LAND	39.88		349.06	388.94	0.00	0.00	0.00	0.00	388.94
2	BUILDING	88.06		0.00	88.06	71.00	0.00	1.39	72.39	15.67
3	FURNITURE & FIXTURES	18.00		0.22	18.22	9.89	0.00	0.72	10.61	7.61
4	VEHICLES	177.87		55.77	233.64	76.64	0.00	25.59	102.23	131.41
5	COMPUTER	1.68		0.42	2.10	0.79	0.00	0.61	1.40	0.70
6	OFFICE EQUIP- MENT	4.35		0.39	4.74	4.35	0.00	0.06	4.41	0.33
7	ELECTRIC EQUIPMENTS	1.16		0.00	1.16	0.08	0.00	0.11	0.19	0.97
	<b>TOTAL</b>	<b>331.00</b>	<b>0.00</b>	<b>405.86</b>	<b>736.86</b>	<b>162.75</b>	<b>0.00</b>	<b>28.48</b>	<b>191.23</b>	<b>545.63</b>
2 INTANGIBLE ASSETS										
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2022	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2023	UP TO 31.03.2022	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2023	AS ON 31.03.23
1	COMPUTER SOFTWARE	2.11	-0.33	0.00	1.78	0.35	0.00	0.21	0.56	1.22
	<b>TOTAL</b>	<b>2.11</b>	<b>-0.33</b>	<b>0.00</b>	<b>1.78</b>	<b>0.35</b>	<b>0.00</b>	<b>0.21</b>	<b>0.56</b>	<b>1.22</b>
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2021	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2022	UP TO 31.03.2021	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2022	AS ON 31.03.22
1	COMPUTER SOFTWARE	1.43		0.68	2.11	0.14	0.00	0.21	0.35	1.76
	<b>TOTAL</b>	<b>1.43</b>	<b>0.00</b>	<b>0.68</b>	<b>2.11</b>	<b>0.14</b>	<b>0.00</b>	<b>0.21</b>	<b>0.35</b>	<b>1.76</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>3: NON CURRENT INVESTMENTS</b>		
<b>Equity Instruments (unquoted)( Non Trade)</b>		
Cost of Investment in Associate Company	111.84	111.84
Kolba Farm Fab Pvt. Ltd. (3665912 Equity Shares of Rs. 10/- Each)		
<b>Carrying Value of Investment in Associate</b>	<b>379.25</b>	<b>372.85</b>
Add: Share in Profit in Associate Company	27.56	6.39
<b>Carrying Value of Investment in Associate</b>	<b>406.81</b>	<b>379.24</b>
<b>TOTAL</b>	<b>406.81</b>	<b>379.24</b>

**4: OTHER NON CURRENT ASSETS**

Security Deposit	43.18	9.44
<b>TOTAL</b>	<b>43.18</b>	<b>9.44</b>

**5:INVENTORIES**

Raw Material	0.00	33.01
Finished Goods	939.33	1261.84
<b>TOTAL</b>	<b>939.33</b>	<b>1294.85</b>

**6:TRADE RECEIVABLES**

Unsecured, Considered Good	2478.67	1372.99
<b>TOTAL</b>	<b>2478.67</b>	<b>1372.99</b>

**TRADE RECEIVABLES AGEING SCHEDULE**

Outstanding for following period from due date of payment

**Particulars****(i) Undisputed Trade receivables - considered good**

Not Due	0.00	0.00
Less than 6 months	2368.80	1291.89
6 months - 1 years	63.64	26.42
1-2 years	28.24	31.15
2-3 years	15.89	23.53
More than 3 years	2.10	0.00
<b>TOTAL</b>	<b>2478.67</b>	<b>1372.99</b>
Note: Ageing has been considered from the date of transaction		

**7:CASH & CASH EQUIVALENTS**

<b>Unrestricted Balanes with Banks</b>		
Cash in Hand	4.43	6.60
Balance with Banks	897.94	764.51
<b>TOTAL</b>	<b>902.37</b>	<b>771.11</b>

**7. Other Bank Balance**

Bank FDR (Maturing within 12 months)	47.00	
<b>TOTAL</b>	<b>47.00</b>	<b>0.00</b>

**8: LOANS & ADVANCES**

(Unsecured & considered good)		
Trade Advances to Suppliers - Related party	2273.00	1400.00
Trade Advances to Suppliers - Others	90.02	8.25
Advances to Employees	5.50	5.49
<b>TOTAL</b>	<b>2368.52</b>	<b>1413.74</b>

**9: OTHER CURRENT ASSETS**

Accrued Interest on FDR	1.76	0.00
Drawback receivable	1.78	5.74
Drive Track Plus	0.00	
GST Refundable	6.31	13.72
Gratuity with LIC of India	19.26	19.26
GST ITC Receivable	38.74	76.78
GSTR 2A Pending Payment	12.03	
Income Tax Refundable	1.63	8.73
MEIS Receivable	18.16	0.00
Other Advances	0.00	14.25
Prepaid Insurance	1.53	1.00
RoDTEP Receivable	10.68	20.65
<b>TOTAL</b>	<b>111.87</b>	<b>160.13</b>

**10 : SHARE CAPITAL**

<b>10.1. GENERAL INFORMATION</b>		
The consolidated Financial Statements present the Consolidated Accounts of M.K.EXIM (INDIA) LIMITED with its Following Associate :-		
<b>INDIAN ASSOCIATE:-</b>	<b>PROPORTION OF OWNERSHIP INTEREST</b>	
<b>KOLBA FARM FAB PVT. LTD.</b>	48.98%	48.98%
<b>10.2 Authorised Capital</b>		
30000000 (10000000) Equity Shares of Rs 10/- each	3000.00	3000.00
<b>Issued ,Subscribed &amp; Paid up Capital</b>		
26911500 (26911500) Equity Shares of Rs 10/- each fully paid up	2691.15	2691.15
<b>TOTAL</b>	<b>2691.15</b>	<b>2691.15</b>

**10.3 MOVEMENT IN EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance	2,69,11,500	2691.15	89,70,500	897.05
Issued - Bonus Equity Shares	-	0.00	1,79,41,000	1794.10
Issued - Equity Shares on Preferential basis	-	-	-	-
Closing Balance	2,69,11,500	2691.15	2,69,11,500	2691.15

**Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of R 10 per share. All equity shareholders are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

**10.4 Details of shareholders holding more than 5% shares**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	%	No. of Shares	%
Manish Dialani	7283220	27.06	7283220	27.06
Murli Dialani	2515929	9.35	2515929	9.35
Murlibhai Fatandas Sawlani	1350000	5.02	1350000	5.02
Vasudev Fatandas Sawlani	2130000	7.91	2130000	7.91

**10.5 Details of shareholdings by the Promoter/Promoter Group**

Promoter/Promoter Group name	As at 31st March, 2023		As at 31st March, 2022		% Change During the Year
	No. of Shares	%	No. of Shares	%	
Promoter :-					
Manish Dialani	7283220	27.06	7283220	27.06	-
Promoter Group :-					
Murli Dialani	2515929	9.35	2515929	9.35	-
Lajwanti M Dialani	971978	3.61	967923	3.60	0.02
Reshma Dialani	509934	1.89	509934	1.89	-
Pushpa Khanchandani	30	0.00	30	0.00	-
<b>Total</b>	<b>11281091</b>	<b>41.92</b>	<b>11277036</b>	<b>41.90</b>	<b>0.02</b>

**11 : OTHER EQUITY**

<b>11.1 Capital Reserve (on investment in Associate Concern)</b>		
Opening Balance	17.85	17.85
Add: Arising due to change of Shareholding in Associate Company	0.00	0.00
<b>Closing Balance</b>	<b>17.85</b>	<b>17.85</b>

<b>11.2 Statement of Retained Earnings</b>		
Opening balance	318.74	2272.20
Add: Net Profit For the year	1663.64	1330.95
<b>Profit before Appropriations</b>	<b>1982.38</b>	<b>3603.15</b>
Appropriations :-		
Add: State Investment Subsidy	0.00	15.59
Less: Transferred to General Reserve	0.00	-3300.00
<b>Profit after Appropriations</b>	<b>1982.38</b>	<b>318.74</b>

<b>11.3 General Reserve:-</b>		
Opening Balance	<b>1505.90</b>	<b>0.00</b>
Add: Transferred from Reserves	0.00	3300.00
Less: issue of Bonus Shares	0.00	1794.10
<b>Closing Balance</b>	<b>1505.90</b>	<b>1505.90</b>

<b>11.4 Securities Premium Reserve</b>	713.82	713.82
<b>Total</b>	<b>4219.96</b>	<b>2556.32</b>

**12 : BORROWINGS (NON CURRENT)**

Secured Car loan from Bank (secured by hypothecation of car)	1.84	7.08
<b>Total</b>	<b>1.84</b>	<b>7.08</b>

**13: DEFERRED TAX ASSET (NET)**

Timing Difference - Property, Plant & Equipment	4.25	5.17
Timing Difference -Others	0.51	0.09
<b>Total</b>	<b>4.76</b>	<b>5.26</b>

**14: BORROWINGS - CURRENT**

Exports Packing Credit and Foreign Bill Discounting (From State Bank of India - primary security by hypothecation of stock & receivables and colateral security of immovable property at G-1/150, Garment Zone, Sitapura, Tonk Road, Jaipur being the registered office of the Company.	235.56	383.81
<b>Total</b>	<b>235.56</b>	<b>383.81</b>

**15: TRADE PAYABLES**

(a) Total outstanding dues of micro enterprises and small enterprises	21.73	30.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	230.52	225.82
(c) Employee benefits payable	0.00	5.83
<b>Total</b>	<b>252.25</b>	<b>261.91</b>

**TRADE PAYABLES AGEING SCHEDULE****Outstanding for following period from due date of payment****Particulars****MSME - Undisputed**

Less than 6 months	<b>20.82</b>	<b>45.76</b>
6 months - 1 years		
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>20.82</b>	<b>45.76</b>

**MSME - Disputed**

Less than 6 months	<b>1.03</b>	
6 months - 1 years		
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>1.03</b>	<b>0.00</b>

**Other than MSME - Undisputed**

Less than 6 months	230.40	214.32
6 months - 1 years		1.80
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>230.40</b>	<b>216.12</b>

**Other than MSME - Disputed**

Less than 6 months		
6 months - 1 years		
1-2 years		0.03
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>0.00</b>	<b>0.03</b>
<b>Grand Total</b>	<b>252.25</b>	<b>261.91</b>

**Note: Ageing has been considered from the date of transaction**

**16: OTHER FINANCIAL LIABILITIES**

Current Maturities of Long Term Debt	5.24	5.29
Unpaid Dividend	1.89	2.00
Building rent Security	2.10	2.10
<b>Total</b>	<b>9.23</b>	<b>9.39</b>

**17: PROVISIONS - CURRENT**

Provision for Gratuity	21.28	19.62
<b>TOTAL</b>	<b>21.28</b>	<b>19.62</b>

**17A. CURRENT TAX LIABILITIES**

Provision for Income tax	583.23	458.83
Less :Advance tax & TDS / TCS	-495.89	-456.18
Net Income Tax Liability	87.34	2.65
GST Payable	52.12	0.02
Professional Tax Payable	0.04	0.04
TDS & TCS Payable	11.77	13.75
<b>TOTAL</b>	<b>151.27</b>	<b>16.46</b>

**18: OTHER CURRENT LIABILITIES**

18.1 Advance from Customers	413.16	7.07
18.2 Statutory Dues		
PF & ESI Payable	1.16	1.34
<b>TOTAL</b>	<b>414.33</b>	<b>8.41</b>

**19: REVENUE FROM OPERATIONS**

Domestic Sales - Cosmetics & Hair Care Products	7461.07	5215.26
Export Sales - Fabrics	2904.51	2103.01
<b>TOTAL</b>	<b>10365.58</b>	<b>7318.27</b>

**20: OTHER INCOME**

Discount	0.33	0.01
Duty Drawback	60.87	43.97
Duty Credit Script Entitlement**	204.35	
Exchange Rate Difference	47.90	39.55
Interest on FDR	1.96	
Income Tax Excess Provision W/Off		0.07
Other Income	0.00	0.01
Rent	2.40	2.40
RoDTEP	20.29	20.65
<b>TOTAL</b>	<b>338.10</b>	<b>106.65</b>

**21: COST OF MATERIALS CONSUMED**

Opening Stock	33.01	0.00
Add: Purchases / (Purchase Return)	-33.01	33.01
Less: Closing Stock	0.00	33.01
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

**22: PURCHASE OF TRADING GOODS**

Purchase of Fabric	2521.76	2081.88
Purchase of Goods(For NGO)	0.00	9.37
Purchase of Goods (Cosmetics)	3935.19	2820.01
<b>TOTAL</b>	<b>6456.95</b>	<b>4911.26</b>

**23: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE**

Closing Stock of Finished Goods	939.33	1261.84
Less:Opening Stock of Finished Goods	1261.84	697.01
(Increase)/Decrease in Finished Goods	322.51	-564.83
<b>TOTAL</b>	<b>322.51</b>	<b>-564.83</b>

**24: EMPLOYEE BENEFITS EXPENSES**

Salary Expenses	229.39	184.02
Director Remuneration	66.00	57.00
Staff Welfare Expenses	10.75	5.73
Bonus Expenses	22.92	1.96
Provident Fund & ESI Contribution	7.54	7.53
Gratuity	1.66	2.25
Festival Expenses	1.32	0.65
Accomodation	7.82	
<b>TOTAL</b>	<b>347.41</b>	<b>259.14</b>

**25: FINANCE COST**

Interest Expenses	11.18	22.29
Bank Charges	9.33	11.88
<b>TOTAL</b>	<b>20.51</b>	<b>34.17</b>

**26. Other Expenses;-**

Advertisement Expenses	96.93	59.51
Auditors' Remuneration	2.65	2.80
Blogger Payment	32.16	
Commission Exp.	153.36	189.61
Consultancy Charges	0.08	0.00
Conveyance Charges	0.34	22.85
Council Charges	0.91	0.23
CSR Expenses	22.00	10.50
Demand & Penalties	0.22	0.00
DGFT Convenience Fees	0.02	
DGFT Fees	0.42	
Director Empanelment Fees	0.19	
Directors Sitting Fee	1.13	1.10
Discount	8.04	4.79
Donation		0.25
Entertainment Exp	0.87	
Event Exp	43.84	
Electric & Water Expenses	3.44	4.19
Freight & Delivery & Loading Unloading Charges	114.33	69.28
Incentive Expenses	100.57	
Income Tax Earlier Years	0.46	
Insurance Charges	27.28	28.56
Insilysis Charges	0.25	
Interest on GST and PF	0.06	0.50
Interest on Direct Taxes & Late Fee Expenses	0.03	0.12
Legal & Professional & Technical Charges	239.29	166.19
Maintenance Expenses	5.37	57.42
MCA Filing Fee	0.25	19.20
Office Expenses	9.90	5.26
Others Expenses	0.18	0.55
Packing Exp.	5.60	3.54
Postage Expenses	30.68	25.05
Printing & Stationery	36.83	33.00
Registration & Annual Charges	7.58	7.80
Rent	112.33	120.74
Repairs to Others	26.36	2.53
Repairs to Building	1.51	0.00
Round Off Exp.	0.04	0.03
Sales Promotion Expenses	44.26	61.16
Software	1.96	0.92
Telephone Expenses	3.80	3.53
Testing Charges		0.03
Travelling Expenses	164.30	68.57
Vehicle Expenses	5.06	2.90
Website & Internet Expenses	0.30	0.20
<b>TOTAL</b>	<b>1305.18</b>	<b>972.91</b>

**27: PAYMENTS TO AUDITORS**

<b>(a) To Company Auditors:</b>		
Statutory Audit Fees	1.25	1.25
Tax Audit Fees	0.00	0.00
<b>(b) As Advisers, in respect of</b>		
-Other Services	0.25	0.35
<b>TOTAL</b>	<b>1.50</b>	<b>1.60</b>
<b>(b) To Income Tax Auditors:</b>		
Tax Audit Fees	1.00	1.00
<b>As Advisers, in respect of</b>		
-Other Services	0.20	0.60
<b>TOTAL</b>	<b>1.20</b>	<b>1.60</b>

**28: EARNINGS PER SHARE (EPS)**

Net Profit after tax available for Equity Share holders (Rs. in Lakhs)	1663.64	1330.95
Weighted average of number of equity share outstanding during the year	2,69,11,500	2,69,11,500
Basic & Diluted Earnings per share ( in Rs.)	6.18	4.95
Face value per equity share ( in Rs.)	10	10

**29: EARNING IN FOREIGN EXCHANGE & EXPENDITURE**

<b>Foreign Exchange Earning(FOB Value)</b>		
Export	2904.51	2103.01

**30: RELATED PARTY DISCLOSURES**

As per Indian Accounting Standards 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Indian Accounting Standard are given below :

(1)List of related parties and relationships :

S.NO.	NAME OF RELATED PARTY	RELATIONSHIP
1.	Mr. Manish Murlidhar Dialani	Key Management Personnel (KMP)
2.	Mr. Murli Wadhupal Dialani	Key Management Personnel (KMP)
3.	Mrs. Lajwanti Murlidhar Dialani	Key Management Personnel (KMP)
4.	Mrs. Prakriti Sethi (Company Secretary)	Key Management Personnel (KMP)
5.	Mr. Mahaveer Prasad Jain (CFO) left on 31.10.2022	Key Management Personnel (KMP)
6.	Mr. Azad Kumar Tripathi ( CFO ) Appointed on 14.12.2022	Key Management Personnel (KMP)
7.	Kolba Farm Fab Pvt. Ltd.	Associated Company
8.	Manish Overseas	Related concern of KMP
9.	Laaj International	Related concern of KMP
10.	Reshma Dialani	Relative of KMP

Details of transactions with related parties and the status of outstanding balances at the year end.

<b>1.Key Management Personnel</b>	<b>Current year 31.03.2023</b>	<b>Previous year 31.03.2022</b>
Remuneration	72.29	62.34
Rent Expenditure	52.22	34.34
Outstanding Payable at the year end	5.18	3.98
<b>Unsecured Loans</b>		
Balance at the beginning	0.00	0.00
Taken during the year	0.00	0.00
Paid during the year	0.00	0.00
<b>Balance Payable at the end</b>	<b>0.00</b>	<b>0.00</b>

<b>2.Related concern of Key Management Personnel</b>		
Sale of Finished Goods	314.26	100.75
Debit Balance Outstanding at the end of the year	8.11	
Purchase of Finished Goods(Fabric)	6364.07	4864.21
Credit Balance Outstanding at the end of the year	207.69	0.00
<b>Advance against Purchase of Goods</b>	<b>2273.00</b>	<b>1400.00</b>

<b>3.Associate Company</b>		
3.a Loans & Advances	0.00	0.00
3.b Investment during the year	0.00	0.00

### 31: REMUNERATION PAID TO DIRECTORS

Remuneration	66.00	57.00
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<b>31.1: EXPENSES UNDER CSR</b>		
Amount required to be spent by the company during the year	21.97	10.47
Amount of expenditure incurred	22.00	10.50
Shortfall at the end of the year	NIL	NIL
Total of previous year shortfall	NIL	NIL
Reason of shortfall	NIL	NIL
Nature of CSR activities	To support health, learning, and happiness of children across India, Eye operations to perform Cataract Surgeries of old aged persons, Girls education Training and rehabilitation of physically and mentally challenged adults	
Details of related party transaction e.g. contribution a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provisions during the year to be shown separately	NIL	NIL

<b>32: CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>Year Ended 31.03.2023</b>	<b>Year Ended 31.03.2022</b>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability Pending in Appeals	0.00	43.29

"In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals."

#### NOTE 33:

Figures for the previous year have been regrouped/reclassified wherever necessary to conform to current period's classification.

**34: SEGMENT REPORTING**

- (i) Segments have been identified in line with the Indian Accounting Standard-108- "Operating Segment" issued by the Institute of Chartered Accountants of India.
- (ii) The Business Segment has been considered as the primary segment for disclosure. The segments have been identified taking into account the nature of products, the different risks and returns and internal reporting system. The Geographical Segment based on location of its customers have been considered as secondary segment for disclosure.
- (iii) The segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.
- (iv) Information about primary business segments :-

(Rs. in Lakhs)

	Finish Fabrics,Garments & Plastic Material		Cosmetics		Unallocable		Total	
	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022
Revenue	3240.21	2207.25	7461.07	5215.27	2.40	2.40	10703.68	7424.92
Profit before tax Less:	481.89	24.92	1735.52	1756.26	29.96	8.79	2247.37	1789.97
Deferred tax liability Created/(Reverse)	0.00	0.00	0.00	0.00	0.50	0.18	0.50	0.18
Income Tax	126.61	6.41	455.99	451.81	0.63	0.61	583.23	458.83
Profit After Tax	355.28	18.51	1279.53	1304.45	28.83	8.00	1663.64	1330.96
Segment Assets	2624.86	2148.34	4965.20	3426.57	406.81	379.24	7996.87	5954.15
Segment Liabilities	491.66	449.74	506.76	256.95	87.34	0.00	1085.76	706.69
Capital Expenditure	0.47	0.00	177.80	57.49	0.00	0.00	178.27	57.49
Non Cash Expenses other than Depreciation	1.66	2.25	0.00	0.00	0.00	0.00	1.66	2.25
Depreciation	22.90	22.81	8.41	5.88	0.00	0.00	31.31	28.69
<b>(v) Information about secondary business segment :-</b>								
	Current Year				Previous Year			
Domestic	7461.07				5215.26			
Export	2904.51				2103.01			
	10365.58				7318.27			

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
Membership No. 412963

**(Murli Wadhupal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023****1. CORPORATE INFORMATION**

M.K. EXIM (INDIA) Limited ("the Company") is a listed entity and its associate concern are incorporated in India. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The details of the Company are as below:-

CIN No:- L63040RJ1992PLC007111

Registered Address:- G1/150, Garment Zone, EPIP, Sitapura, Jaipur, Rajasthan, India.

Phone Number:- 0141-3937501/502/503/504/505

Official Email id:- [MKEXIM@MKEXIM.COM](mailto:MKEXIM@MKEXIM.COM)

Website:- [www.mkexim.com](http://www.mkexim.com)

The financial statements for the year ended March 31, 2023 were approved for issue by Company's Board of Directors on 30.05.2023.

**2. PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING**

The consolidated financial statements relate to M.K. EXIM (INDIA) Limited ("the Company") and its associate company.

Associate is an entity over which the company has significant influence but not control. This is generally the case where the holding is between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint venture are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group, its associate and joint venture companies are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment.

**3. Preparation and Presentation of Financial Statements****3.1 Basis of preparation and measurement****a. Basis of preparation:**

The Consolidated Financial Statements of the Company have been prepared in accordance with, and in compliance, in all material aspects, with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared under the historical cost convention on accrual and going

concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

The Company's Consolidated Financial Statements are presented in Indian Rupees, which is also its functional currency.

**b. Basis of measurement:**

The preparation of financial statements are in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**3.2 Significant Accounting Policies:**

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a. Property, plant and equipment:**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

**b. Intangible Fixed Assets:**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The estimated useful lives for main categories of intangible assets are as below:

Major Class of Asset	Estimated Useful Life
Computer Software	10 years

**c. Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### d. Depreciation:

Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight-line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Estimated useful life of items of Property, Plant and Equipment are as follows:

Major Class of Asset	Estimated Useful Life
Building	60 years
Plant & Machinery	15 years
Furniture & Fixture	10 years
Electric Appliance	10 years
Vehicles	8 years
Computer	3 years

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the

asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

#### e. Foreign Currency Transaction

All Foreign currency transaction are recorded at the rates prevailing on the date. Foreign Currency transaction remaining unsettled at the Balance Sheet date are translated at the exchange rate prevailing at the Balance Sheet date or at the rate which is likely to be realized in certain specific cases. The exchange difference on settlements / conversion are credited / charged to profit. The Company has not entered into any forward exchange contract during the period.

#### f. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in

the value of the long term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### g. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme and gratuity fund. The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books on accrual basis.

#### h. Inventories:

Raw materials, work in progress, traded and finished goods are stated at the lower of cost and net realisable value on FIFO Basis, net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

#### i. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

#### j. Revenue Recognition:

- i. **Revenue from Operations:-** Sale and operating income includes sale of products, services, etc. Sale of goods are recognised net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sale of services are recognised when services are rendered and related costs are incurred.
- ii. **Other income:-** Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. In the case of uncertainty income is booked in the year of receipt or when it becomes certain. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when right to receive is established. Rent income is booked as per terms of contracts.

#### k. Income Tax:

##### a. Current Income Tax:-

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

##### b. Deferred Tax:-

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against

which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognized in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in other comprehensive income and equity respectively.

#### **I. Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **m. Provisions, contingent liabilities and contingent assets**

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

#### **n. Cash and cash equivalent:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks.

## Form AOC-1

(Pursuant to first proviso of sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

## Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	(Rs. In Lacs)		
														% of Shareholding		
		NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

## Part "B": Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Sr. No.	Name of Associates /Joint Ventures	1. Latest audited Balance Sheet date	2. Shares of Associates/Joint Ventures held by the company on the year end		3. Description of how there is significant influence	4. Reason why the associat/joint venture is not consolidated	5. Networth attributable to Shareholding as per latest audited Balance Sheet	6. Profit/Loss for the year	
			No.	Extend of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	KOLBA FARM FAB PVT. LTD.	31.03.2023	1	48.98%	Holding Exceeds 20%	NA	406.81	27.56	28.70

## INDEPENDENT AUDITORS' REPORT

### INDEPENDENT AUDITORS' REPORT

To the members of M.K. EXIM (INDIA) LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, change in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

##### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

We have relied upon the audit report of other auditors for the financial statements of its office at Mumbai reflecting total assets at Rs. 3515.20 lacs, total revenue of Rs. 7461.40 lacs and net profit before tax of Rs.1807.24 lacs for the year ended on that date, as considered in Standalone financial statements and our report in terms of sub section (3) of section 143 of the Act in so far as it relates to the aforesaid office.

These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the branch, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch is based solely on the reports of the other auditors.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and financial statements certified by the management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the branch at Mumbai referred to in the Other Matters section we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the Directors, as on 31<sup>st</sup> March, 2023 take on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts,

- required to be transferred, to the Investor Education and Protection Fund by the company.
- iv. (a). The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c). Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditors' Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.

**For Rishabh Agrawal & Associates**  
**Chartered Accountants**  
**(FRN: 018142C)**

**Place: Jaipur**  
**Dated: May 30, 2023**

**(Rishabh Agrawal)**  
**Partner**  
**M. No. 412963**  
**UDIN : 23412963BGXQYQ6528**

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

**Referred to in paragraph in the Independent Auditors' Report of even date to the members of M.K. Exim (India) Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2023**

**Report on the Internal Financial Controls under Cause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of M.K. Exim (India) Limited ("the Company") as of 31<sup>st</sup> March, 2023 in the conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and

procedures that

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- iii. Provide reasonable assurance regarding prevention of timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under section 143(3)(i) of the Act adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the branch at Mumbai, is based on the corresponding report on the auditors of Mumbai branch of the company. Our opinion is not qualified in respect of this matter.

**For Rishabh Agrawal & Associates**  
Chartered Accountants  
(FRN: 018142C)

**Place: Jaipur**  
**Dated: 30<sup>th</sup> May, 2023**

**(Rishabh Agrawal)**  
**Partner**  
**M. No. 412963**  
**UDIN : 23412963BGXQYQ6528**

**Annexure B to the Independent Auditor's**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory requirements' section of our report to the members of M.K. EXIM (INDIA) LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

**1. Property, Plant and Equipments**

- a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipments.
- b. The Company has maintained proper records showing full particulars of Intangible Assets.
- c. As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- d. The title deeds of immovable properties are held in the name of the Company.
- e. The Company has not revalued its Property, Plant and Equipments (including right to use assets) or intangible assets or both during the year.
- f. There are no proceedings initiated or pending against the Company for holding any benami property under the prohibition of benami property transactions act, 1988 and rules made thereunder.

**2. Inventory**

- a. The inventory excluding stocks with third parties has been physically verified during the year at reasonable intervals by the management. The procedure of physical verification of inventories followed by the management is adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- b. The Company is not sanctioned working capital limits in excess of Rs. five crores, in aggregate, at any point of time during the year, from banks or financial institution on the basis of scrutiny of books and hence reporting under clause 3(ii)(b) of the Order is not applicable.

**3. Loans, Guarantee and Advances given:**

- a. The Company has not provided security or granted any advances in the nature of loans during the year. The Company has given advances against purchases to its related parties of Rs. 8.73 crores during the year. Outstanding amount of advances against purchases to related parties increased from Rs. 14 crores as on 31.03.2022 to Rs. 22.73 crores as on 31.03.2023. The terms and conditions of the advances against purchases, during the year, in our opinion, prima facie, not prejudicial to the Company's interest.

**4. Loans, Guarantee and Advances to Director of Company:**

The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

**5. Deposits**

The company has not accepted any deposits from the public

and hence the directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

**6. Maintenance of Costing Records**

Maintenance of cost records has not been prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

**7. Deposit of Statutory Liabilities:**

According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2023 which have not been deposited on account of any dispute.

**8. Surrendered or disclosed as income in the tax assessments:**

The Company does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**9. Default in repayment of Borrowings:-**

- a. The Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to banks or financial institutions or any other lender during the year.
- b. The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. No terms loans were obtained by the Company during the year. Accordingly, clause 3(ix)(c) is not applicable.
- d. On overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- e. The Company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures of the Company.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies (as defined under the act).

**10. Funds Raised and Utilisation**

- a. The Company has not raised any moneys by way of Initial Public Offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b)

of the Order is not applicable.

#### 11. Fraud and Whistle-blower Complaints:-

No fraud by the Company or any fraud on the Company has been noticed or reported during the course of the audit.

#### 12. Nidhi Company

The Company is not a Nidhi Company. Accordingly, the provisions of clause (xiii) of the order are not applicable to the company.

#### 13. Related Party Transactions

The transactions with related parties are in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

#### 14. Internal Audit

The Company does have an internal audit system commensurate with the size and nature of its business. Reports of the internal auditors for the period under audit were considered by us.

#### 15. Non-Cash Transactions

In our opinion the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

#### 16. Registration under RBI Act

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

#### 17. Cash Losses

The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

#### 18. Resignation of Statutory Auditors

There has been no instance of any resignation of the statutory auditors during the year.

#### 19. Material Uncertainty on meeting liabilities

On the basis of the financial conditions of the company examined by us, no material uncertainty exists on the date of audit report on the capability of the company in meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

#### 20. Amount unspent under the Scheme of Corporate Social Responsibility

There is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

#### 21. Qualifications or adverse auditor remarks in other group companies

As per the audit reports of the associate companies provided to us, there is no qualification or adverse remark in the audit report issued by the auditor of the associate company included in the consolidated financial statements.

**For Rishabh Agrawal & Associates**  
Chartered Accountants  
(FRN: 018142C)

Place: Jaipur  
Dated: 30<sup>th</sup> May, 2023

(Rishabh Agrawal)  
Partner  
M. No. 412963  
UDIN : 23412963BGXQYQ6528

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	NOTES	AS AT 31ST MARCH, 2023	AS AT 31ST MARCH, 2022
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENTS	1	693.13	545.63
INTANGIBLE ASSETS	2	1.22	1.76
FINANCIAL ASSETS			
INVESTMENTS	3	111.84	111.84
DEFERRED TAX ASSETS (NET)	13	4.76	5.26
OTHER NON-CURRENT ASSETS	4	43.18	9.44
<b>TOTAL NON-CURRENT ASSETS</b>		<b>854.13</b>	<b>673.93</b>
<b>CURRENT ASSETS</b>			
INVENTORIES	5	939.33	1294.85
FINANCIAL ASSETS			
TRADE RECEIVABLES	6	2478.67	1372.99
CASH AND CASH EQUIVALENTS	7	902.37	771.11
OTHER BANK BALANCE	7	47.00	0.00
LOANS AND ADVANCES	8	2368.52	1413.74
OTHER CURRENT ASSETS	9	111.88	160.13
<b>TOTAL CURRENT ASSETS</b>		<b>6847.77</b>	<b>5012.82</b>
<b>TOTAL ASSETS</b>		<b>7701.90</b>	<b>5686.75</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
EQUITY SHARE CAPITAL	10	2691.15	2691.15
OTHER EQUITY	11	3924.99	2288.92
<b>TOTAL EQUITY</b>		<b>6616.14</b>	<b>4980.07</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	12	1.84	7.08
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1.84</b>	<b>7.08</b>
<b>CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	14	235.56	383.81
TRADE PAYABLES	15		
" TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES"		21.73	30.26
" TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES"		230.52	231.65
OTHER FINANCIAL LIABILITIES	16	9.23	9.39
PROVISIONS	17	21.28	19.62
CURRENT TAX LIABILITIES	17A	151.27	16.46
OTHER CURRENT LIABILITIES	18	414.33	8.41
<b>TOTAL CURRENT LIABILITIES</b>		<b>1083.92</b>	<b>699.60</b>
<b>TOTAL LIABILITIES</b>		<b>1085.76</b>	<b>706.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7701.90</b>	<b>5686.75</b>

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

(Rishabh Agrawal)  
Partner  
Membership No. 412963

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(A.K. TRIPATHI)  
CFO

(B.L. SHARMA)  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYQ6528

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	NOTES	PERIOD ENDED 31.03.2023	PERIOD ENDED 31.03.2022
REVENUE FROM OPERATIONS	19	10365.58	7318.27
OTHER INCOME	20	338.10	106.65
<b>TOTAL INCOME</b>		<b>10703.68</b>	<b>7424.92</b>
<b>EXPENSES</b>			
COST OF MATERIAL CONSUMED	21	0.00	0.00
PURCHASE OF STOCK IN TRADE	22	6456.95	4911.26
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE	23	322.51	-564.83
EMPLOYEE BENEFITS EXPENSES	24	347.41	259.14
FINANCE COST	25	20.51	34.17
DEPRECIATION AND AMORTISATION EXPENSES	1-2	31.31	28.69
OTHER EXPENSES	26	1305.18	972.91
<b>TOTAL EXPENSES</b>		<b>8483.87</b>	<b>5641.34</b>
<b>PROFIT BEFORE TAX</b>		<b>2219.81</b>	<b>1783.58</b>
<b>TAX EXPENSES</b>			
CURRENT TAX		583.23	458.83
DEFERRED TAX		0.50	0.18
TOTAL TAX EXPENSE		583.73	459.01
<b>PROFIT FOR THE YEAR</b>		<b>1636.08</b>	<b>1324.57</b>
<b>OTHER COMPREHENSIVE INCOME:-</b>			
(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(iii) ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1636.08</b>	<b>1324.57</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>			
BASIC & DILUTED		6.08	4.92

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
Membership No. 412963

**(Murli Wadhupal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYQ6528

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
<b>CASH FLOW FROM OPERATIVE ACTIVITES (A)</b>		
Net Profit before tax	2219.81	1783.58
<b>Adjustments for:</b>		
Depreciation	31.31	28.69
Interest Expenses	11.18	22.29
Gratuity	1.66	2.25
Unrealised Exchange Loss		-2.26
<b>Operating Profit before working capital changes</b>	<b>2263.96</b>	<b>1834.55</b>
<b>Movement for Working Capital</b>		
Increase/Decrease in Inventories	355.51	-597.83
Increase/Decrease in Trade Receivables	-1105.68	-324.76
Increase/Decrease in Loans and Advances	-954.78	-27.73
Increase/Decrease in Other Current Assets	48.26	-68.09
Increase/Decrease in Current liabilities	530.90	29.64
<b>Cash Generated From Operating activites</b>	<b>1138.16</b>	<b>845.78</b>
Income Taxes Paid	-583.23	-458.83
<b>Net Cash Flow from Operating Activities</b>	<b>554.93</b>	<b>386.95</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		
Purchases of Fixed Assets	-178.27	-406.55
Decrease/Increase in Investment/Other Non Current Assets	-33.73	-0.01
<b>Net Cash used In Investing Activities</b>	<b>-212.00</b>	<b>-406.56</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES ( C )</b>		
Increase/Decrease in Secured Loans	-153.49	125.55
Interest on Bank Loan	-11.18	-22.29
<b>Net Cash From Financing Activities</b>	<b>-164.67</b>	<b>103.26</b>
<b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b>	<b>178.26</b>	<b>83.65</b>
Cash and cash equivalents at the beginning of the year	771.11	687.46
<b>Cash and cash equivalents at the end of the year</b>	<b>949.37</b>	<b>771.11</b>

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
Membership No. 412963

**(Murli Wadhmal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYQ6528

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

Particulars	Equity		Other Equity				Total Other Equity	Total Equity
	Number of Shares	Equity Share Capital	Capital Reserve	Securities Premium	Retained Earnings	General Reserves		
<b>Balance as at April 1, 2021</b>	89.71	897.05	15.59	713.82	2029.04	0.00	2758.45	3655.50
Profit for the year					1324.57		1324.57	1324.57
Transferred from Retained Earnings					-3300.00	3300.00	0.00	0.00
Transferred to Retained Earnings			-15.59		15.59		0.00	0.00
Issue of Bonus Equity Shares	179.41	1794.10				-1794.10	-1794.10	0.00
Other Comprehensive Income for the period, net of income tax							0.00	0.00
Dividends							0.00	0.00
<b>Balance as at April 1, 2022</b>	269.12	2691.15	0.00	713.82	69.19	1505.90	2288.91	4980.06
Profit for the year					1636.08		1636.08	1636.08
Other Comprehensive Income for the period, net of income tax								
Total Comprehensive Income for the year								
Dividends								
Transfer from Retained Earnings								
<b>Balance as at March 31, 2023</b>	269.12	2691.15	0.00	713.82	1705.27	1505.90	3924.99	6616.14

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
Membership No. 412963

**(Murli Wadhupal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023  
UDIN: 23412963BGXQYQ6528

1. PROPERTY, PLANT AND EQUIPMENTS										(Rs. in Lakhs)
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2022	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2023	UP TO 31.03.2022	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2023	AS ON 31.03.23
	<b>Tangible Assets</b>									
1	LAND	388.94		0.00	388.94	0.00	0.00	0.00	0.00	388.94
2	BUILDING	88.06		122.52	210.58	72.38	0.00	1.39	73.77	136.81
3	FURNITURE & FIXTURES	18.23	-5.63	42.14	54.74	10.61	-0.70	0.24	10.15	44.59
4	VEHICLES	233.64	0.33	0.00	233.97	102.23	0.00	27.76	129.99	103.98
5	COMPUTER	2.10		0.80	2.90	1.41	0.00	0.81	2.22	0.68
6	OFFICE EQUIPMENT	4.73	-0.39	0.00	4.34	4.41	-0.06	0.00	4.35	0.00
7	ELECTRIC EQUIPMENTS	1.16	6.01	12.81	19.98	0.19	0.76	0.90	1.85	18.13
	<b>TOTAL</b>	<b>736.86</b>	<b>0.32</b>	<b>178.27</b>	<b>915.45</b>	<b>191.23</b>	<b>-0.00</b>	<b>31.10</b>	<b>222.33</b>	<b>693.13</b>
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2021	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2022	UP TO 31.03.2021	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2022	AS ON 31.03.22
	<b>Tangible Assets</b>									
1	LAND	39.88		349.06	388.94	0.00	0.00	0.00	0.00	388.94
2	BUILDING	88.06		0.00	88.06	71.00	0.00	1.39	72.39	15.67
3	FURNITURE & FIXTURES	18.00		0.22	18.22	9.89	0.00	0.72	10.61	7.61
4	VEHICLES	177.87		55.77	233.64	76.64	0.00	25.59	102.23	131.41
5	COMPUTER	1.68		0.42	2.10	0.79	0.00	0.61	1.40	0.70
6	OFFICE EQUIPMENT	4.35		0.39	4.74	4.35	0.00	0.06	4.41	0.33
7	ELECTRIC EQUIPMENTS	1.16		0.00	1.16	0.08	0.00	0.11	0.19	0.97
	<b>TOTAL</b>	<b>331.00</b>	<b>0.00</b>	<b>405.86</b>	<b>736.86</b>	<b>162.75</b>	<b>0.00</b>	<b>28.48</b>	<b>191.23</b>	<b>545.63</b>
2 INTANGIBLE ASSETS										
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2022	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2023	UP TO 31.03.2022	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2023	AS ON 31.03.23
1	COMPUTER SOFTWARE	2.11	-0.33	0.00	1.78	0.35	0.00	0.21	0.56	1.22
	<b>TOTAL</b>	<b>2.11</b>	<b>-0.33</b>	<b>0.00</b>	<b>1.78</b>	<b>0.35</b>	<b>0.00</b>	<b>0.21</b>	<b>0.56</b>	<b>1.22</b>
SR. NO.	DESCRIPTION	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK
		AS AT 01.04.2021	Transfer/ Adjustments	ADDITION/ (DELETION)	AS ON 31.03.2022	UP TO 31.03.2021	Deduction/ Adjustments	FOR THE YEAR	UPTO 31.03.2022	AS ON 31.03.22
1	COMPUTER SOFTWARE	1.43		0.68	2.11	0.14	0.00	0.20	0.35	1.76
	<b>TOTAL</b>	<b>1.43</b>	<b>0.00</b>	<b>0.68</b>	<b>2.11</b>	<b>0.14</b>	<b>0.00</b>	<b>0.20</b>	<b>0.35</b>	<b>1.76</b>

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
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**3: NON CURRENT INVESTMENTS**

<b>Other Investments (unquoted)( Non Trade) (measured at cost) (all fully paid)</b>		
KOLBA FARM FAB PVT. LTD (Associate Company)	111.84	111.84
(No. of Equity Shares held of Rs. 10/- each in Current Year 36,65,912 (Previous Year 36,65,912)		
<b>TOTAL</b>	<b>111.84</b>	<b>111.84</b>

**4: OTHER NON CURRENT ASSETS**

Security Deposit - Unsecured, Considered Good	43.18	9.44
<b>TOTAL</b>	<b>43.18</b>	<b>9.44</b>

**5: INVENTORIES**

Raw Material	0.00	33.01
Finished Goods	939.33	1261.84
<b>TOTAL</b>	<b>939.33</b>	<b>1294.85</b>

**6: TRADE RECEIVABLES**

Unsecured, Considered Good	2478.67	1372.99
<b>TOTAL</b>	<b>2478.67</b>	<b>1372.99</b>

**TRADE RECEIVABLES AGEING SCHEDULE**

Outstanding for following period from due date of payment

**Particulars**

<b>(i) Undisputed Trade receivables - considered good</b>		
Not Due	0.00	0.00
Less than 6 months	2368.80	1291.89
6 months - 1 years	63.64	26.42
1-2 years	28.24	31.15
2-3 years	15.89	23.53
More than 3 years	2.10	0.00
<b>TOTAL</b>	<b>2478.67</b>	<b>1372.99</b>

Note: Ageing has been considered from the date of transaction

**7: CASH & CASH EQUIVALENTS / BANK BALANCES**

<b>Unrestricted Balances with Banks</b>		
Cash in Hand	4.43	6.60
Balance with Banks	897.94	764.51
<b>TOTAL</b>	<b>902.37</b>	<b>771.11</b>
Other Bank Balance		
Bank FDR (Maturing within 12 months)	47.00	
<b>TOTAL</b>	<b>47.00</b>	<b>0.00</b>

**8: LOANS & ADVANCES**

(Unsecured & considered good)		
Trade Advances to Suppliers - Related party	2273.00	1400.00
Trade Advances to Suppliers - Others	90.02	8.25
Advances to Employees	5.50	5.49
<b>TOTAL</b>	<b>2368.52</b>	<b>1413.74</b>

**9: OTHER CURRENT ASSETS**

Accrued Interest on FDR	1.76	0.00
Drawback receivable	1.78	5.74
Drive Track Plus	0.00	
GST Refundable	6.31	13.72
Gratuity with LIC of India	19.26	19.26
GST ITC Receivable	38.74	76.78
GSTR 2A Pending Payment	12.03	
Income Tax Refundable	1.63	8.73
MEIS Receivable	18.16	0.00
Other Advances	0.00	14.25
Prepaid Insurance	1.53	1.00
RoDTEP Receivable	10.68	20.65
<b>TOTAL</b>	<b>111.88</b>	<b>160.13</b>

**10: SHARE CAPITAL**

<b>Authorised Capital</b>		
30000000 (PY 30000000) Equity Shares of Rs 10/- each	3000.00	3000.00
<b>Issued ,Subscribed &amp; Fully Paid up Capital</b>		
26911500 (py 26911500) Equity Shares of Rs 10/- each fully paid up	2691.15	2691.15
	<b>2691.15</b>	<b>2691.15</b>

**10.1 MOVEMENT IN EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	(Rs. In lakhs)	No. of Shares	(Rs. In lakhs)
Opening Balance	26911500	2691.15	8970500	897.05
Issued - Bonus Equity Shares	0	0.00	17941000	1794.10
Issued - Equity Shares on Preferential basis	0		-	-
<b>Closing Balance</b>	<b>26911500</b>	<b>2691.15</b>	<b>26911500</b>	<b>2691.15</b>

**Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of R 10 per share. All equity shareholders are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in the proportion to their shareholdings

**10.2 Details of shareholders holding more than 5% shares**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	%	No. of Shares	%
Manish Dialani	7283220	27.06	7283220	27.06
Murli Dialani	2515929	9.35	2515929	9.35
Murlibhai Fatandas Sawlani	1350000	5.02	1350000	5.02
Vasudev Fatandas Sawlani	2130000	7.91	2130000	7.91

**10.3 Details of shareholdings by the Promoter/Promoter Group**

Promoter/Promoter Group name	As at 31st March, 2023		As at 31st March, 2022		% Change During the Year
	No. of Shares	%	No. of Shares	%	
Promoter :-					
Manish Dialani	7283220	27.06	7283220	27.06	-
Promoter Group :-					
Murli Dialani	2515929	9.35	2515929	9.35	-
Lajwanti M Dialani	971978	3.61	967923	3.60	0.02
Reshma Dialani	509934	1.89	509934	1.89	-
Pushpa Khanchandani	30	0.00	30	0.00	-
<b>Total</b>	<b>11281091</b>	<b>41.92</b>	<b>11277036</b>	<b>41.90</b>	<b>0.02</b>

**11: OTHER EQUITY**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>11.1 Statement of Retained Earnings</b>		
Opening balance	69.19	2029.04
Add: Net Profit for the year	1636.08	1324.57
<b>Profit Before Appropriations</b>	1705.27	3353.61
<b>Appropriations:-</b>		
Add: State Investment Subsidy	0.00	15.59
Less: Transferred to General Reserve	0.00	-3300.00
<b>Retained Earnings after Appropriations</b>	<b>1705.27</b>	<b>69.20</b>
<b>11.2 General Reserve:-</b>		
Opening Balance	1505.90	
Add: Transferred from Reserves	0.00	3300.00
Less: Issue of Bonus Shares	0.00	-1794.10
<b>Closing Balance</b>	<b>1505.90</b>	<b>1505.90</b>
<b>11.3 Securities Premium Reserve</b>	713.82	713.82
<b>TOTAL</b>	<b>3924.99</b>	<b>2288.92</b>

**12: BORROWINGS (NON CURRENT)**

Secured Car loan from Bank (secured by hypothecation of car)	1.84	7.08
<b>TOTAL</b>	<b>1.84</b>	<b>7.08</b>

**13: DEFERRED TAX ASSET (NET)**

Timing Difference - Depreciation	4.25	5.17
Timing Difference - Others	0.51	0.09
<b>TOTAL</b>	<b>4.76</b>	<b>5.26</b>

**14: BORROWINGS - CURRENT**

Exports Packing Credit and Foreign Bill Discounting (From State Bank of India - primary security by hypothecation of stock & receivables and collateral security of immovable property at G-1/150, Garment Zone, Sitapura, Tonk Road, Jaipur being the registered office of the Company.)	235.56	383.81
<b>TOTAL</b>	<b>235.56</b>	<b>383.81</b>

**15: TRADE PAYABLES**

(a) Total outstanding dues of micro enterprises and small enterprises	21.73	30.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	230.52	225.82
(c) Employee benefits payable	0.00	5.83
<b>TOTAL</b>	<b>252.25</b>	<b>261.91</b>
<b>TRADE PAYABLES AGEING SCHEDULE</b>		
<b>Outstanding for following period from due date of payment</b>		
<b>Particulars</b>		
<b>MSME - Undisputed</b>		
Less than 6 months	20.82	45.76
6 months - 1 years		
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>20.82</b>	<b>45.76</b>

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>MSME - Disputed</b>		
Less than 6 months	1.03	
6 months - 1 years		
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>1.03</b>	<b>0.00</b>
<b>Other than MSME - Undisputed</b>		
Less than 6 months	230.40	214.32
6 months - 1 years		1.80
1-2 years		
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>230.40</b>	<b>216.12</b>
<b>Other than MSME - Disputed</b>		
Less than 6 months		
6 months - 1 years		
1-2 years		0.03
2-3 years		
More than 3 years		
<b>TOTAL</b>	<b>0.00</b>	<b>0.03</b>
Grand Total	252.25	261.91

Note: Ageing has been considered from the date of transaction

#### 16: OTHER FINANCIAL LIABILITIES (CURRENT)

Current Maturities of Long Term Debt	5.24	5.29
Unpaid Dividend	1.89	2.00
Building Rent Security Payable	2.10	2.10
<b>TOTAL</b>	<b>9.23</b>	<b>9.39</b>

#### 17: PROVISIONS - CURRENT

Provision for Gratuity	21.28	19.62
<b>TOTAL</b>	<b>21.28</b>	<b>19.62</b>
<b>17A: CURRENT TAX LIABILITIES</b>		
Provision for Income tax	583.23	458.83
Less :Advance tax & TDS / TCS	-495.89	-456.18
Net Income Tax Liability	87.34	2.65
GST Payable	52.12	0.02
Professional Tax Payable	0.04	0.04
TDS & TCS Payable	11.77	13.75
<b>TOTAL</b>	<b>151.27</b>	<b>16.46</b>

**18: OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2023	As at 31st March, 2022
18.1 Advance from Customers	413.17	7.07
18.2 Statutory Dues		
PF & ESI Payable	1.16	1.34
<b>TOTAL</b>	<b>414.33</b>	<b>8.41</b>

**19: REVENUE FROM OPERATIONS**

Domestic Sales - Cosmetics & Hair Care Products	7461.07	5215.26
Export Sales - Fabrics	2904.51	2103.01
<b>TOTAL</b>	<b>10365.58</b>	<b>7318.27</b>

**20: OTHER INCOME**

Discount	0.33	0.00
Duty Drawback	60.87	43.97
Duty Credit Script Entitlement	204.35	
Exchange Rate Difference	47.90	39.55
Interest on FDR	1.96	
Income Tax Excess Provision W/Off		0.07
Other Income	0.00	0.01
Rent	2.40	2.40
RoDTEP	20.29	20.65
<b>TOTAL</b>	<b>338.10</b>	<b>106.65</b>

**21: COST OF MATERIALS CONSUMED**

Opening Stock	33.01	0.00
Add: Purchases / (Purchase Return)	-33.01	33.01
Less: Closing Stock	0.00	33.01
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

**22: PURCHASE OF TRADING GOODS**

Purchase of Fabric	2521.76	2081.88
Purchase of Goods(For NGO)	0.00	9.37
Purchase of Goods (Cosmetics)	3935.19	2820.01
<b>TOTAL</b>	<b>6456.96</b>	<b>4911.26</b>

**23: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE**

Closing Stock of Finished Goods	939.33	1261.84
Less:Opening Stock of Finished Goods	1261.84	697.01
(Increase)/Decrease in Finished Goods	322.51	-564.83
<b>TOTAL</b>	<b>322.51</b>	<b>-564.83</b>

**24: EMPLOYEE BENEFITS EXPENSES**

Salary Expenses	229.39	184.02
Director Remuneration	66.00	57.00
Staff Welfare Expenses	10.75	5.73
Bonus Expenses	22.92	1.96
Provident Fund & ESI Contribution	7.54	7.53
Gratuity	1.66	2.25
Festival Expenses	1.32	0.65
Accomodation	7.83	
<b>TOTAL</b>	<b>347.41</b>	<b>259.14</b>

**25: FINANCE COST**

Interest Expenses	11.18	22.29
Bank Charges	9.33	11.88
<b>TOTAL</b>	<b>20.51</b>	<b>34.17</b>

**26: OTHER EXPENSES**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advertisement Expenses	96.93	59.51
Auditors' Remuneration	2.65	2.80
Blogger Payment	32.16	
Commission Exp.	153.36	189.61
Consultancy Charges	0.08	0.00
Conveyance Charges	0.34	22.85
Council Charges	0.91	0.23
CSR Expenses	22.00	10.50
Demand & Penalties	0.22	0.00
DGFT Convenience Fees	0.02	
DGFT Fees	0.42	
Director Empanelment Fees	0.19	
Directors Sitting Fee	1.13	1.10
Discount	8.04	4.79
Donation		0.25
Entertainment Exp	0.87	
Event Exp	43.84	
Electric & Water Expenses	3.44	4.19
Freight & Delivery & Loading Unloading Charges	114.33	69.28
Incentive Expenses	100.57	
Income Tax Earlier Years	0.46	
Insurance Charges	27.28	28.56
Insilysis Charges	0.25	
Interest on GST and PF	0.06	0.50
Interest on Direct Taxes & Late Fee Expenses	0.03	0.12
Legal & Professional & Technical Charges	239.29	166.19
Maintenance Expenses	5.37	57.42
MCA Filling Fee	0.25	19.20
Office Expenses	9.90	5.26
Others Expenses	0.18	0.55
Packing Exp.	5.60	3.54
Postage Expenses	30.68	25.05
Printing & Stationery	36.83	33.00
Registration & Annual Charges	7.58	7.80
Rent	112.33	120.74
Repairs to Others	26.36	2.53
Repairs to Building	1.51	0.00
Round Off Exp.	0.04	0.03
Sales Promotion Expenses	44.26	61.16
Software	1.96	0.92
Telephone Expenses	3.80	3.53
Testing Charges		0.03
Travelling Expenses	164.30	68.57
Vehicle Expenses	5.06	2.90
Website & Internet Expenses	0.30	0.20
<b>TOTAL</b>	<b>1305.18</b>	<b>972.91</b>

**27: PAYMENTS TO AUDITORS**

<b>(a) To Company Auditors:</b>		
Statutory Audit Fees	1.25	1.25
<b>As Advisers, in respect of</b>		
-Other Services	0.25	0.35
	1.50	1.60

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(b) To Income Tax Auditors:</b>		
Tax Audit Fees	1.00	1.00
<b>As Advisers, in respect of</b>		
-Other Services	0.20	0.60
	<b>1.20</b>	<b>1.60</b>

**28: EARNINGS PER SHARE (EPS)**

Net Profit after tax available for Equity Share holders (Rs. In Lakhs)	1636.08	1324.57
Weighted average of number of equity share outstanding during the year	26911500	26911500
Basic & Diluted Earnings per share( in Rs.)	6.08	4.92
Face value per equity share( in Rs.)	10.00	10.00

**29: EARNING IN FOREIGN EXCHANGE & EXPENDITURE**

Foreign Exchange Earning (FOB Value)		
Export (Rs. In Lakhs)	2904.51	2103.01

**30: RELATED PARTY DISCLOSURES**

As per Indian Accounting Standards 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Indian Accounting Standard are given below :

(1)List of related parties and relationships :

S.NO.	NAME OF RELATED PARTY	RELATIONSHIP
1.	Mr. Manish Murlidhar Dialani	Key Management Personnel (KMP)
2.	Mr. Murli Wadhupal Dialani	Key Management Personnel (KMP)
3.	Mrs. Lajwanti Murlidhar Dialani	Key Management Personnel (KMP)
4.	Mrs. Prakriti Sethi (Company Secretary)	Key Management Personnel (KMP)
5.	Mr. Mahaveer Prasad Jain (CFO) left on 31.10.2022	Key Management Personnel (KMP)
6.	Mr. Azad Kumar Tripathi ( CFO ) Appointed on 14.12.2022	Key Management Personnel (KMP)
7.	Kolba Farm Fab Pvt. Ltd.	Associated Company
8.	Manish Overseas	Related concern of KMP
9.	Laaj International	Related concern of KMP
10.	Reshma Dialani	Relative of KMP

Details of transactions with related parties and the status of outstanding balances at the year end.

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>1.Key Management Personnel</b>	<b>Current year 31.03.2023</b>	<b>Previous year 31.03.2022</b>
Remuneration	72.29	62.34
Rent Expenditure	52.22	34.34
Outstanding Payable at the year end	5.18	3.98
<b>Unsecured Loans</b>		
Balance at the beginning	0.00	0.00
Taken during the year	0.00	0.00
Paid during the year	0.00	0.00
<b>Balance Payable at the end</b>	<b>0.00</b>	<b>0.00</b>
<b>2.Related concern of Key Management Personnel</b>		
Sale of Finished Goods	314.26	100.75
Debit Balance Outstanding at the end of the year	8.11	
Purchase of Finished Goods	6364.07	4864.21
Credit Balance Outstanding at the end of the year	207.69	0.00
Advance against Purchase of Goods	2273.00	1400.00
<b>3.Associate Company</b>		
3.a Loans & Advances	0.00	0.00
3.b Investment during the year	0.00	0.00

**31: REMUNERATION PAID TO DIRECTORS**

Remuneration	66.00	57.00
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**31.1: EXPENSES UNDER CSR**

Amount required to be spent by the company during the year	21.97	10.47
Amount of expenditure incurred	22.00	10.50
Shortfall at the end of the year	NIL	NIL
Total of previous year shortfall	NIL	NIL
Reason of shortfall	NIL	NIL
Nature of CSR activities	To support health, learning, and happiness of children across India, Eye operations to perform Cataract Surgeries of old aged persons, Girls education Training and rehabilitation of physically and mentally challenged adults	
Details of related party transaction e.g. contribution a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provisions during the year to be shown separately	NIL	NIL

**32: CONTINGENT LIABILITIES AND COMMITMENTS**

	Year Ended 31.03.2023	Year Ended 31.03.2022
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability Pending in Appeals	0.00	43.29

**NOTE 33:**

Figures for the previous year have been regrouped/reclassified wherever necessary to conform to current period's classification.

**NOTE 34: Financial Ratios**

Ratio	Numerator	Denominator	2023	2022	% Variance
Current Ratio	Current Assets	Current Liabilities	6.32	7.17	-11.83
Debt-Equity Ratio ^	Total Debt	Shareholder's Equity	0.04	0.08	-53.90
Debt Service Coverage Ratio^^	Earnings Available for Debt Service	Debt Service	101.97	34.05	199.45
Return on Equity Ratio	Net Profit after Taxes	Average Shareholder's Equity	0.28	0.31	-8.02
Inventory Turnover Ratio ^^^	Cost of Goods Sold	Average Inventory	6.07	4.36	39.06
Trade Receivables Turnover Ratio	Revenue from Operations	Average Accounts Receivable	5.38	6.05	-11.05
Trade Payables Turnover Ratio	Net Purchases	Average Trade Payables	25.12	29.15	-13.85
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	0.51	0.48	7.91
Net Profit Ratio	Profit after Tax	Revenue from Operations	15.78	18.10	-12.79
Return on Capital Employed	Earning before Interest and Taxes	Avg. Capital Employed (Tot Assets - Current Liability)	0.10	0.10	-8.00
Return on Investment	Income Generated from Investments	Average Investment	0	0	0.00

^ On account of reduction in debt and increase in equity

^^ On account of decrease in debt service

^^^ On Account of Incease in amount of Cost of Goods sold

**34: SEGMENT REPORTING**

- (i) Segments have been identified in line with the Indian Accounting Standard-108- "Operating Segment" issued by the Institute of Chartered Accountants of India.
- (ii) The Business Segment has been considered as the primary segment for disclosure. The segments have been identified taking into account the nature of products, the different risks and returns and internal reporting system. The Geographical Segment based on location of its customers have been considered as secondary segment for disclosure.
- (iii) The segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

## (iv) Information about primary business segments :-

(Rs. in Lakhs)

	Finish Fabrics, Garments & Plastic Material		Cosmetics		Unallocable		Total	
	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022	Current Year 31.03.2023	Previous Year 31.03.2022
Revenue	3240.21	2207.25	7461.07	5215.27	2.40	2.40	10703.68	7424.92
Profit before tax Less:	481.89	24.92	1735.52	1756.26	2.40	2.40	2219.81	1783.58
Deferred tax liability Created/(Reverse)	0.00	0.00	0.00	0.00	0.50	0.18	0.50	0.18
Income Tax	126.61	6.41	455.99	451.81	0.63	0.61	583.23	458.83
Profit After Tax	355.28	18.51	1279.53	1304.45	1.27	1.61	1636.08	1324.57
Segment Assets	2624.86	2148.34	4965.20	3426.57	111.84	111.84	7701.90	5686.75
Segment Liabilities	491.66	449.74	506.76	256.95	87.34	0.00	1085.76	706.69
Capital Expenditure	0.47	0.00	177.80	57.49	0.00	0.00	178.27	57.49
Non Cash Expenses other than Depreciation	1.66	2.25	0.00	0.00	0.00	0.00	1.66	2.25
Depreciation	22.90	22.81	8.41	5.88	0.00	0.00	31.31	28.69
<b>(v) Information about secondary business segment :-</b>								
	Current Year				Previous Year			
Domestic	7461.07				5215.26			
Export	2904.51				2103.01			
	10365.58				7318.27			

As per our report of even date annexed

For and on behalf of the Board

For Rishabh Agrawal & Associates  
Chartered Accountants  
FRN: 018142C

**(Rishabh Agrawal)**  
Partner  
Membership No. 412963

**(Murli Wadhupal Dialani)**  
Chairman  
DIN : 08267828

**(Manish M Dialani)**  
Managing Director  
DIN : 05201121

**(A.K. TRIPATHI)**  
CFO

**(B.L. SHARMA)**  
Company Secretary

Place : Jaipur  
Date : 30th May, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023

## 1. CORPORATE INFORMATION

M.K. EXIM (INDIA) Limited ("the Company") is a listed entity incorporated in India. The Company is a public limited company incorporated and domiciled in India and has its registered office at G1/150, Garment Zone, EPIP, Sitapura, Jaipur, Rajasthan, India. The Company has its listings on BSE Limited.

The details of the Company are as below:-

CIN No:- L63040RJ1992PLC007111

Registered Address:- G1/150, Garment Zone, EPIP, Sitapura, Jaipur, Rajasthan, India.

Phone Number:- 0141-3937501/502/503/504/505

Official Email id:- [MKEXIM@MKEXIM.COM](mailto:MKEXIM@MKEXIM.COM)

Website:- [www.mkexim.com](http://www.mkexim.com)

The financial statements for the year ended March 31, 2023 were approved for issue by Company's Board of Directors on 30.05.2023.

## 2. Preparation and Presentation of Financial Statements

## 2.1 Basis of Preparation and measurement

## a. Basis of preparation:

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

## b. Basis of measurement:

The financial statements have been prepared on accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/activities of the Company and the normal time between acquisition of assets/ liabilities and their realization / settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.2 Significant Accounting Policies:

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

## i. Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

## ii. Intangible Fixed Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The estimated useful lives for main categories of intangible assets are as below:

Major Class of Asset	Estimated Useful Life
Computer Software	10 years

## iii. Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## iv. Depreciation:

Depreciation is provided on assets to get the initial cost down to the residual value. Land is not depreciated. Depreciation is provided on a straight-line basis over the estimated useful life of the asset or as prescribed in Schedule II to the Companies Act, 2013 or based on a technical evaluation of the asset. Cost incurred on assets under development are disclosed under capital work in progress and not depreciated till asset is ready to use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Estimated useful life of items of Property, Plant and Equipment are as follows:

Major Class of Asset	Estimated Useful Life
Building	60 years
Plant & Machinery	15 years
Furniture & Fixture	10 years
Electric Appliance	10 years
Vehicles	8 years
Computer	3 years

The residual values and useful lives for depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable

amount is higher of the value in use or exchange.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised in the Statement of Profit and Loss.

#### v. Foreign Currency Transaction

All Foreign currency transaction are recorded at the rates prevailing on the date. Foreign Currency transaction remaining unsettled at the Balance Sheet date are translated at the exchange rate prevailing at the Balance Sheet date or at the rate which is likely to be realized in certain specific cases. The exchange difference on settlements / conversion are credited / charged to profit. The Company has not entered into any forward exchange contract during the period.

#### vi. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### vii. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme and gratuity fund. The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books on accrual basis.

#### viii. Inventories:

Raw materials, work in progress, traded and finished goods are stated at the lower of cost and net realisable value on FIFO Basis, net realisable value represents the estimated selling price less all estimated cost of completion and selling expenses. Stores and spares are carried at cost. Provision is made for obsolete, slow-moving and defective stocks, where necessary.

#### ix. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the

extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

#### x. Revenue Recognition:

**Revenue from Operations:-** Sale and operating income includes sale of products, services, etc. Sale of goods are recognised net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sale of services are recognised when services are rendered and related costs are incurred.

**Other income:-** Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. In the case of uncertainty income is booked in the year of receipt or when it becomes certain. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when right to receive is established. Rent income is booked as per terms of contracts.

#### xi. Income Tax:

##### a. Current Income Tax:-

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

##### b. Deferred Tax:-

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognized in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in other comprehensive income and equity respectively.

#### xii. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### xiii. Provisions, contingent liabilities and contingent assets

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined

based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

**xiv. Cash and cash equivalent:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks.



## **M.K. EXIM (INDIA) LIMITED**

**Regd Office :**

**G 1/150 Garment Zone, E.P.I.P. , Sitapura, Tonk  
Road, Jaipur - 302022, Rajasthan , INDIA**