

M. K. Exim (India) Limited
CIN: L63040RJ1992PLC007111
Registered Office: G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura,
Sanganer, Jaipur-302022.
Phone: 0141- 3937501, 3937504. Fax: +91-141-3937502
E-mail: mkexim@mkexim.com,mkexim123@gmail.com, Web-Site: www.mkexim.com

NOTICE

24th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th annual general meeting of the members of M K Exim (India) Limited(CIN: L63040RJ1992PLC007111) will be held on 30th September, 2016 (Friday) at G1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022 at 10.00 am to transact the following business:

Ordinary business

- 1.To consider and adopt the audited financial statements, including audited consolidated financial statements for the financial year ended 31st March 2016.
- 2.To appoint a director in place of Shri Manish Murlidhar Dialani (DIN 05201121) who retires by rotation and being eligible offers himself for reappointment.
- 3.To ratify the appointment of M/s. Vimal Agrawal & Associates, Chartered Accountants (Firm Registration No. 004187C) as approved by the member at the 23rd annual general meeting , as statutory auditors of the Company, to hold office until conclusion of the annual general meeting relating to the financial year ending 31st March 2019, and to fix their remuneration for the financial year ending 31st March 2017.

Special Business:

- 4 To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution:
RESOLVED THAT pursuant to section 188 of the Companies Act 2013 and the relevant rules made thereunder, approval of members is hereby granted to the related party transactions entered/to be entered into with M/s. Manish Overseas, for purchase of any goods or materials of an aggregate value not exceeding Rs. 300,000,000 (Rupees three hundred million) in any financial year.

By order of the Board
For M.K. Exim (India) Limited
SD/-
Prakriti Sethi
Company Secretary

Place : Jaipur
Date : 01.09.2016

Notes**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 per cent of the total share capital of the Company. A member holding more than 10 per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. Proxies to be effective should be deposited at the registered office of the Company, duly signed and stamped with revenue stamp of Rs.1, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of bodies corporate must be supported by an appropriate resolution.

2. The explanatory statement pursuant to section 102 of the Companies Act 2013(the Act) in respect of special business at item No 4 of the accompanying notice is annexed herewith.
3. The Register of members and share transfer books of the Company will remain closed from **Saturday, 24th September 2016 to Friday 30th September 2016(both days inclusive)** for determining the names of members eligible for dividend , if declared at the annual general meeting.
4. The dividend on equity shares, if declared at the annual general meeting, will be payable on or after 1st October 2016 to those members:
 - a) Whose names appear as members in the register of members of the Company after giving effect to valid share transfers in physical form lodged with the Company /RTA on or before **23rd Sept 2016** and
 - b) Whose names appear as beneficial owners in the list of beneficial owners on **23rd September 2016** furnished by NSDL and CDSL for this purpose.
5. Securities And Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Members holding shares in physical form are requested to advise any change of address and are also requested to submit their specimen signature duly attested by their bank to the Company. Members holding shares in electronic form must intimate their depository participants any change in their address.
7. **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. Memdbers can change the nomination by filing form SH14 with the Company (in case of shares held in physical form) or to the depository participant(in case shares are in electronic form)

8. **Updation of members details:** The register of members under the Act and the relevant rules is required to be maintained with additional details such as PAN details, email address, bank details for payment of dividend, etc. A form for capturing these details is appended at the end of this annual report. Members holding shares on physical form are requested to submit the filled form to the Company and members holding shares in demat form are requested to submit the form to their respective depository participants.
9. Electronic copy of the annual report for the year 2015-16 is being sent to those members whose email Ids are registered with the Company/depository participant. Physical copies are being sent to the other members.
10. Electronic copy of the notice of the 24th annual general meeting of the Company, indicating the process and manner of e-voting along with attendance slips and proxy form are being sent to all those members whose email Ids are registered with the Company/depository participant. To other members, the above are sent in physical form indicating the process and manner of e-voting, in the permitted mode.
11. The notice of the 24th annual general meeting and the annual report will also be available at the Company's website www.mkexim.com which can be downloaded. The physical copies of the above documents will also be available at the Company's registered office at Jaipur for inspection during normal business hours on working days (Monday through Friday). All members are entitled to receive physical form of the above , free of cost, upon making a request to the Company at its registered office or dedicated investor email id: investoragm@mkexim.com
12. **Voting through electronic means :** In accordance with section 108 of the Act and the relevant rules made thereunder and for the time being in force, the Company is pleased to provide its members the facility of remote e-voting, i.e e-voting from a place other than the venue of the AGM to exercise their right to vote at the 24th AGM. The voting can be made through the services of Central Depository Services (India) Limited (CDSL)
The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 24th AGM. The members, who attend the meeting and who have not already cast their vote through e-voting, shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
The Company has appointed Shri Suresh Chandra Sharma, S.C. Sharma & Associates, practising company secretary, as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
13. **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on <27.09.2016 at 9.00 a.m.> and ends on <29.09.2016 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) of <23.09.2016>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on address sticker. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR 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> <p>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 as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of the **M.K. Exim (India) Limited** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

Explanatory statement pursuant to section 102 of the Companies Act 2013**Item No 4 :**

M/s Manish Overseas, is the leading supplier of textiles which are need by the Company for its business operations. As Shri Murlidhar Dialani, who is the relative of Shri Manish Dialani, Managing Director and Smt. Lajwanti Dialani, Director, is the proprietor of M/s Manish Overseas, approval of the members would be required under section 188 of the Companies Act 2013 read with the relevant rules. The price quoted by M/s. Manish Overseas is compared with the prevalent market prices and if the price is found competitive, then only orders are placed.

Mr. Manish Dialani, the Managing Director and his relative, Lajwanti Dialani, Director, are concerned or interested in the resolution. Mr. Manish Dialani is the son of Shri Murlidhar Dialani and Smt. Lajwanti Dialani is the wife of Shri Murlidhar Dialani

Nature and Material Terms: Orders are placed for purchase of textiles if the quotations are found competitive and terms are similar to commercial trade practices prevalent from time to time.

Monetary value: Shall not exceed Rs.300,000,000 (Rupees three hundred million) in any financial year .

They will not be entitled to vote on this resolution. Shri Murlidhar Dialani does not hold any shares in the Company.

The shareholding of the interested directors in the Company is given below:
31.03.2016

Name	No of shares held	% of shareholding
Manish Dialani	313105	4.3605
Lajwanti Dialani	257641	3.5881

None of other key managerial personnel and their relatives are concerned or interested in the resolution.

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

SD/-

Prakriti Sethi

Company Secretary

Place : Jaipur

Date : 01.09.2016

Directors Report & Management Discussion and analysis

To:

The Members of MK Exim India Limited

Your Directors have pleasure in presenting their 24th Annual Report and the audited financial statements for the financial year ended 31st March 2016

1. Financial Results

The summarized financial results for the financial year ended 31st March 2016 are presented below:

Rs. In lacs

Details	Financial year ended 31 st March 2016	Financial year ended 31 st March 2015
Income from operations	3916.23	5093.03
Profit before interest, depreciation and taxation	262.71	107.93
Finance cost	95.32	21.60
Depreciation	101.51	17.45
Profit before tax	65.88	68.88
Taxation	24.34	18.00
Profit after tax	52.86	50.88
Minority interest	11.71	---
Profit for the year	41.14	50.88
Balance brought forward from previous year	940.81	933.17
Less Dividend	---	43.25
Disposable surplus available after adjustments	981.95	940.81
Balance carried to balance sheet	981.95	940.81

The income during the financial year ended 31st March 2016 is Rs. 3916.73 lacs compared to Rs. 5093.03, a decrease of about 23%. The profit after tax and after providing minority interest is Rs. 41.14 lacs for the year under report compared to Rs. 50.88 lacs for the financial year ended 31st March 2015. The sales by way of exports is Rs. 2897.89 lacs during the year ended 31st March 2016 compared to Rs. 4591.40 lacs

in the previous year. Export sales constitute about 74% of the total Revenue during the year.

2 Dividend and Reserves

With a view to conserve the resources for the business of the Company, the Directors do not recommend dividend for the financial year ended 31st March 2016.

3 Share Capital

The paid up equity share capital of the Company as at 31st March 2016 stood at Rs 718.05 lacs. 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 2016.

4. Analysis & Review

Textile Industry Conditions

For the Textiles industry, the global focus is shifting from China to India due to cost and stability factors. The government's positive steps are expected to help this shift and if foreign investments in textiles retail materialises, the consumption of the textile products in the domestic market should increase in the years to come. Recently, Government has withdrawn the requirement of export contract registration for cotton and cotton yarn and now these are in the free list, without any requirement of registration, which should boost export of cotton yarn and simultaneously, the domestic market is expected to improve. Further, Egypt has removed anti dumping duty of 5% against import of cotton yarn from India with effect from 31/12/2014 which will boost the exports of Indian Cotton Yarn to Egypt. The Government has recently announced the much awaited Foreign Trade Policy 2015- 2020 in which the export obligation for domestic procurement of capital goods under EPCG has been reduced from 90% to 75% and the said Policy has also introduced a single Merchandise Exports from India Scheme (MEIS) as against 5 different schemes for rewarding merchandise exports with different kinds of scripts with varying conditions. This has simplified the

procedure/documentation to get the export benefits quickly, which will promote textile exports from India. Power and labour costs are increasing, due to which, cost of production has been going up. The expected fall in the value of rupee should act positively for promotion of exports.

Opportunities & Challenges

The opening of the international markets has thrown a host of opportunities with unique set of challenges. opportunity to India as compared to other countries including China in the polyester-viscose fabrics, the very product in which the Company specializes. This is especially because viscose fibre is available in abundant quantity in India as compared to China. As such, India is stronger in polyester/ viscose fibre suiting as compared to China and other countries. Thus, in India new designs can be injected faster allowing the Indian manufacturers to cater to the larger section of the people with a variety of colour choices and designs which is not feasible for the Chinese manufacturers. This is one of the reasons that the Indian fabrics, particularly viscose suiting dominates the market as compared to the Chinese fabrics. India, therefore, has a massive edge compared to China in viscose polyester fabrics and China is in effect not a competition considering the target market and business model.

The future looks bright for the Indian textile industry. There are positive drivers which indicate future growth opportunities. There is growing export as well as domestic market demand. The Government supports modernization of the industry with a particular focus on closing the gaps in the textile value chain. To convert the potential into reality, the country first of all needs entrepreneurs who are willing to invest. Investment prospects depend on a business-friendly environment and good business expectations. The Government has taken several measures to create those positive impulses. But there are still some improvements possible. The industry waits for the proposed reforms in labour law, support to develop a skilled work force and programs to bind talents to be able to translate market needs into quality products.

Threats

The industry is vulnerable to its overdependence on western markets and had not sufficiently embraced new technology to remain competitive against China, Korea and Indonesia. Moreover, the textile industry is fiercely competitive and this remains as one

of the major concerns as the threat of competition arises from organized as well as disorganized sector. Tight fiscal control and extremely low fiscal deficit, despite the situation where oil prices would fluctuate, is one of the expectations that seems to be playing on the minds of textile players. Nevertheless, to fully tap the growth opportunities, the industry needs to focus on consolidation and modernization of weaving, processing and garmenting capacities to ensure optimum productivity and improved quality. On part of the government, labour laws reforms should be implemented at the earliest to encourage new investments.

Business Risks

As stated above, exports constitute about more than 90% of Company's sales. Apart from fierce competition from China, Korea and Indonesia, the volatility of rupee vis a vis US dollars is a major business risk as all export invoices are issued in US Dollars. This is sought to be overcome by appropriate forward contracts.

Raw material

The Company is exposed to the risk of raw material prices of Polyester, Viscose, P/V blended yarn, Silk and Wool. The Company hedges this risk by purchasing the required raw material at the time of booking of sales contracts. Also this risk is being managed by way of inventory management and forward booking.

HUMAN RESOURCES RISK

Retaining the existing talent pool and attracting new manpower are major risks. The Company hedges this risk by setting benchmark of the best HR practices and carrying out necessary improvements to attract and retain the best talent. The Company has initiated various measures such as rollout of strategic talent management system, training and integration of learning activities.

The Board of Directors is well aware of these risks and through the operational management, continues to monitor them and guides in taking prompt action to mitigate the risks.

5 Performance highlights

(a) Share Capital

The Authorised Share Capital of the Company is 10,00,00,000/- comprising of 1,00,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 7,18,05,000/-.

(b) Loan funds

During the year the Secured Loan of the Company was increased by 163% , i.e. from Rs. 169.91 Lakhs to Rs. 447.20 Lakhs, which is need for better performance of the company.

(c) Sales

During the year the turnover of the Company has decreased by 38 % ,i.e. from Rs. 4612.14 Lakhs to Rs. 2896.70 Lakhs, the board is making their possible efforts to improve the performance of the company.

6 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. 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 2016

7 Corporate Social Responsibility

Section 135 of the Act and the rules made there under relating to corporate social responsibility are not applicable to the Company during the financial year ended 31st March 2016.

8 Subsidiaries

Kolba Farm Fab Private Limited has become the subsidiary of the Company during the year under report. The sales of the subsidiary Company were Rs.98.66 Lakhs during the financial year ended 31st March 2016 compared to Rs. 766.22 lakhs in

the previous year. The net profit after tax was Rs.29.29 lakhs during the year under report compared to Rs.(33.45)Lakhs in the previous year.

The salient features of the financial statement of the subsidiary are given in form AOC 1

9 Consolidated Financial Statement

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

Pursuant to section 129(3) of the Act and the relevant rules made there under, a statement containing salient features of the financial statement of the subsidiary company is given in form AOC 1 and forms an integral part of this report.

Corporate Governance

In terms of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 provisions of corporate governance contained in Regulations 17 to 26, 46(2)(b)(i) and paras C, D and E of Schedule V to the above SEBI regulations are not applicable to the Company.

10 Listing of shares in BSE

During the financial year under report, the equity shares continued to be listed at BSE. Which has nationwide trading terminals.

11 Extract of Annual Return

The extract of annual return in form MGT 9, as required under section 92 of the Act , as at 31st March 2016, is annexed to this report as Annexure A which forms part of this report.

12 Key Managerial Personnel

The key managerial personnel of the Company are given below:

Sr No.	Name	Designation
1	Shri Dayaram Khanchandani	Chairman and Whole time Director
2	Shri Manish Murli Dialini	Managing Director
3	Shri Shashi Kant Vyas	Chief Financial Officer
4	Ms. Prakriti Sethi	Company Secretary

13 Board of Directors

In accordance with provisions of section 152 of the Act Mr. Manish Murlidhar Dialani (DIN 05201121), Managing Director retires by rotation and being eligible offers himself for reappointment.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act.

14 Number of meetings of the Board

During the year under report, the board met 13 times on 13.04.2015, 22.05.2015, 30.05.2015, 24.06.2015, 06.07.2015, 23.07.2015, 31.07.2015, 30.10.2015, 18.11.2015, 15.01.2016, 08.02.2016, 09.03.2016 and 14.03.2016.

15 Board Evaluation

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.

16 Particulars of loans, guarantees or investments by the Company

During the year, the Company has not given any loan or issued any guarantee in connection with the loan.

17 Whistle Blower policy

The Company has in place a mechanism to report genuine concerns or grievances.

18 Remuneration and Nomination policy

The Board of directors has adopted a policy framework for selection, appointment and remuneration of directors, key managerial personnel and senior management of the Company.

19 Related party transactions

All transactions entered with related parties for the financial year ended 31st March 2016 were on arm's length basis and in the ordinary course of business under third proviso to section 188(1) of the Act. Hence details are not given in form AOC 2 as required under section 134(3)(h) of the Act.

The Company had transactions of purchasing cloth from Kolba Farm Fab Private Limited, a subsidiary of the Company, during the financial year 2015-16 amounting to Rs. 49.76 lacs. The prices quoted by Kolba are comparable with the prices of similar suppliers for the same product.

Pursuant to section 188 of the Companies Act 2013, a resolution has been included in the notice for approval of members for the transactions with M/s. Manish Overseas, in which some directors are interested.

Omnibus approval, wherever required was given for transactions of repetitive nature on half yearly basis. All related party transactions are placed before the Audit Committee and the Board of Directors for approval. All related party transactions entered during the financial year ended 31st March 2016 are disclosed in the notes to accounts.

20 Significant and material orders passed by the regulators or courts

There are no significant and material orders passed by the regulators or courts against the Company during the year.

21 Directors responsibility statement

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:

- (i) That in preparation of the annual accounts for the year ended 31st March 2016 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) 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 2016 and of the profit of the Company for the year ended on that date;

- (iii) That the directors 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;
- (iv) That the annual accounts have been prepared on a going concern basis
- (v) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22 Statutory auditors

M/s. Vimal Agrawal & Associates, Chartered Accountants, who are statutory auditors of the Company hold office upto the forthcoming annual general meeting. If their appointed is rectified, Under section 139 of the Companies Act 2013, they shall hold office from the conclusion of the ensuing annual general meeting till the conclusion of the annual general meeting relating to the financial year ending 31st March 2019. The Company has obtained written confirmation from the auditors that their appointment, if made, would be in conformity with the limits specified in the said section. Members are requested to ratify the appointment of auditors and fix the remuneration.

23 Qualification in the auditor's report

With reference to the auditor's remarks in regard to AS 15 for Employees Benefits (Revised 2005) for provision of gratuity, the Directors clarify that the liability for gratuity payable by the Company is being worked out in consultation with LIC and appropriate policy as advised by LIC will be taken in due course, during the current financial year.

24 Cost Audit

The provisions of the Companies (Cost Records and Audit) Rules 2014 are not

applicable to the Company's operations.

25 Secretarial Audit Report

As required under section 204 of the Companies Act 2013, the Secretarial Audit Report from Mr. Suresh Chandra Sharma, S. C. Sharma & Associates, Practising Company Secretary (CP No 3374) is annexed to this report as Annexure B which forms part of this report.

With reference to the observations in the secretarial audit report in the matter of appointment of independent directors, the Directors state that the Company has complied with the provisions of section 149 of the Companies Act 2013 and no action need to be taken further.

26 Internal control system and their adequacy

The Company has an effective internal control system commensurate with its size and scale of its operations. The internal audit is entrusted to M/s Madhur & Associates, Chartered Accountants.

The Audit Committee reviews the adequacy and effectiveness of the internal control systems and suggests improvements, wherever required.

27 Environment 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 is ensured.

28 Statutory Information

(A) Conservation of energy:

The Company has committed to conserve energy, improve energy efficiency through reduction of wastage and optimum utilisation.

(B) Steps taken for utilizing alternate sources of energy: Nil

(C) Capital investment on energy conservation: Nil

(D) Details of disclosure pursuant to section 197(12) of the Companies Act 2013

and the relevant rules framed thereunder are given in annexure C which forms part of this report.

(E)Details pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not given as none of the employees drew remuneration within limits mentioned in the said rule.

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

(F) Foreign exchange out go and expenses

Foreign exchange earnings: Rs. 2897.89 lacs

Foreign Exchange outgo Rs.6.82 lacs

29 Acknowledgment

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels but for whose efforts, the Company could not have achieved the remarkable financial results for the financial year

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

SD/-
Daya Ram Khanchandani

Chairman
DIN: 0161546

Place : Jaipur

Date : 01.09.2016

Annexure A

FORM NO MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended 31st March 2016

(Pursuant to section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rules 2014)

I Registration & Other Details

- 1 CIN** : L63040RJ1992PLC007111
- 2 Registration Date** : 31.12.1992
- 3 Name of the Company** : M.K.EXIM (INDIA) LIMITED
- 4 Category/sub category** : Non government company limited by shares
- 5 Address of the registered office** : G1/150, Garment Zone, EPIP,Sitapura,
Tonk Road, Jaipur-302022 Rajasthan
Phone: +91 141 3937500
Email: mkexim@hotmail.com
- 6 Whether listed Company** :Yes
- 7 Name and address of the RTA** : Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd 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

II Principal business activities of the Company

(All the business activities contributing 10% or more of the turnover of the Company shall be stated)

Sr. No	Name and description of main products/services	NIC code of the products/services	% to total turnover of the Company
1	Dyed Fabrics	551502	74
2	Mat	391890	26

III Particulars of holding, subsidiary and associate companies: As per AOC-1

IV Shareholding pattern

Shareholding pattern

Category of shareholders	No of shares held at the beginning of the year (1/4/2015)				No of shares held at the end of the year (31/03/2016)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
1 Indian Individual/HUF Bodies Corporate Any other	1861900	0	1861900	25.93	2249630	0	2249630	31.3297	5.3997
Sub total (A)(1)	1861900	0	1861900	25.93	2249630	0	2249630	31.3297	5.3997
2 Foreign NRIs Individuals Bodies Corporate Any other	0	0	0	0	0	50000	50000	0.6963	0.6963
Sub total (A)(2)	0	0	0	0	0	50000	50000	0.6963	0.6963
Total shareholding of promoter (A)=(A)(1)+(A)(2)	1861900	0	1861900	25.93	2249630	50000	2299630	32.0260	6.096
B Public shareholding									
1 Institutions Mutual Funds/UTI Banks/FI FIIs Others (Specify)	0	0	0	0	0	0	0	0	0
Sub total (B)(1)	0	0	0	0	0	0	0	0	0
2 Non Institutions									
Bodies Corporate Indian Overseas	973048	0	973048	13.55	942715	0	942715	13.1288	-0.421
Individuals Individuals holding nominal share capital upto Rs. 2 lakh	541339	371625	912964	12.71	858766	371625	1230391	17.1352	4.4252
Individuals	3218669	50000	3268669	45.52	2544078	0	2544078	35.4304	-10.08

holding nominal capital in excess of Rs. 2 lakh									
Clearing members	0	0	0	0	0	0	0	0	0.0
NRI	0	72000	72000	1.0	0	72000	72000	1.0	0.0
Others (specify) HUF	91919	0	91919	1.28	91686	0	91686	1.28	0
Sub Total (B)(2)	4824975	493625	5318600	74.07	4437245	443625	4880870	67.97	-6.1
Total Public shareholding (B)=(B)(1)+(B)(2)	4824975	493625	5318600	74.07	4437245	443625	4880870	67.97	-6.1
Grand total (A)+(B)	6686875	493625	7180500	100	6686875	493625	7180500	100	0

ii Shareholding of Promoters

Sr. No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Daya ram Khanchandani	1434590	19.98	0	1434590	19.98	0	0
2	Shyam Khanchandani	285010	3.97	0	10	0.00	0	-3.97
3	Pushpa Khanchandani	142300	1.98	0	10	0.00	0	-1.98
4	Nitin Khanchandani	815000	11.35	0	815000	11.35	0	0
5	Rakhi Khanchandani	390000	5.43	0	20	0.00	0	-5.43
6	Latesh Shroff	50000	0.69	0	50000	0.69	0	0

iii Change in promoters' shareholding.

Sr No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding During the year	
		No of shares	% of total shares	No of shares	% of total shares
1	Daya ram Khanchandani				
	At the beginning of the year	1434590	19.98	1434590	19.98
	Changes during the year	-	-	1434590	19.98
	At the end of the year	1434590	19.98	1434590	19.98
2	Shyam Khanchandani				
	At the beginning of the year	285010	3.97	285010	3.97
	Changes during the year	(285000)	(3.97)	10	0.00
	At the end of the year	10	0.00	10	0.00
3	Pushpa Khanchandani				
	At the beginning of the year	142300	1.98	142300	1.98
	Changes during the year	(142290)	(1.98)	10	0.00
	At the end of the year	10	0.00	10	0.00
4	Nitin Khanchandani				
	At the beginning of the year	815000	11.35	815000	11.35
	Changes during the year	-	-	815000	11.35
	At the end of the year	815000	11.35	815000	11.35
5	Rakhi Khanchandani				
	At the beginning of the year	390000	5.43	390000	5.43
	Changes during the year	(389980)	(5.43)	20	0.00
	At the end of the year	20	0.00	20	0.00
6	Latesh Shroff				
	At the beginning of the year	50000	0.70	50000	0.70
	Changes during the year	-	-	50000	0.70
	At the end of the year	50000	0.70	50000	0.70

Iv Shareholding pattern of top 10 shareholders (Other than directors/promoters)

SR NO	NAME OF TOP 10 SHAREHOLDER	AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR			AT THE END OF THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES	DATE OF CHANGE	NO. OF SHARES	% OF TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES
1	SUNNY KHANCHANDANI	435000	6.0581	1-Apr-15	435000	6.0581	435000	6.0581
2	VASANT BHADRA BHANUSHALI	50000	0.6963	1-Apr-15	50000	0.6963		
			0	26-Jun-15	244990	3.4119		
			0	3-Jul-15	322280	4.4883		
			0	17-Jul-15	358880	4.998	358880	4.998
3	SURYABHAN EKNATH DHURPATE	122700	1.7088	1-Apr-15	122700	1.7088		
			0	26-Jun-15	317690	4.4243	317690	4.4243
4	MANISH MURLIDHAR DIALANI	28105	0.3914	1-Apr-15	28105	0.3914		
			0	26-Jun-15	313105	4.3605	313105	4.3605
5	LAJWANTI MURLIDHAR DIALANI	257641	3.5881	1-Apr-15	257641	3.5881	257641	3.5881
6	ALLWINMULTITRADE PRIVATE LIMITED	222712	3.1016	1-Apr-15	222712	3.1016	222712	3.1016
7	JAINAM COMMODITIES PVT. LTD.	177331	2.4696	26-Jun-15	177331	2.4696	177331	2.4696
8	JAINAM SHARE CONSULTANTS PVT. LTD	375524	5.2298	1-Apr-15	375524	5.2298		
			0	8-May-15	372724	5.1908		
			0	26-Jun-15	195393	2.7212		
			0	30-Jun-15	195395	2.7212		
			0	3-Jul-15	195393	2.7212		
			0	17-Jul-15	194893	2.7142		
			0	24-Jul-15	194898	2.7143		
			0	31-Jul-15	191893	2.6724		
			0	7-Aug-15	192812	2.6852		
			0	14-Aug-15	184593	2.5708		
			0	21-Aug-15	176452	2.4574		
			0	28-Aug-15	176451	2.4574		
			0	4-Sep-15	178451	2.4852		
			0	11-Sep-15	179701	2.5026		
			0	18-Sep-15	179700	2.5026		
			0	25-Sep-15	172550	2.403		
			0	30-Sep-15	165897	2.3104		
			0	2-Oct-15	165764	2.3085		

			0	9-Oct-15	162404	2.2617		
			0	16-Oct-15	159343	2.2191		
			0	23-Oct-15	149672	2.0844		
			0	30-Oct-15	146172	2.0357		
			0	6-Nov-15	143917	2.0043		
			0	13-Nov-15	143768	2.0022		
			0	20-Nov-15	143668	2.0008		
			0	4-Dec-15	143608	2		
			0	18-Dec-15	143498	1.9984		
			0	31-Dec-15	143486	1.9983	143486	1.9983
9	LATIN MANHARLAL SECURITIES PVT. LTD.	100246	1.3961	1-Apr-15	100246	1.3961		
			0	14-Aug-15	100123	1.3944		
			0	9-Oct-15	100000	1.3927	100000	1.3927
10	MEGHNA ORGANISERS PRIVATE LIMITED	100000	1.3927	1-Apr-15	100000	1.3927	100000	1.3927
11	ANAND SETHI	100000	1.3927	1-Apr-15	100000	1.3927	100000	1.3927

Notes :

All changes are due to sale of shares.

The above information is based on the weekly beneficiary position received from Depositories.

V Shareholding of Directors and key managerial personnel

Sr. No	Name	Share holding at the Beginning of the year		Cumulative shareholding During the year	
		No of shares	% of total shares	No of shares	% of total shareholding
1	Shri Dayaram Khanchandani – Whole Time Director				
	At the beginning of the year	1434590	19.98	1434590	19.98
	Changes during the year	-	-	1434590	19.98
	At the End of the year	1434590	19.98	1434590	19.98
2	Shri Manish Murlidhar Dialani –Managing Director				
	At the beginning of the year	28105	0.391	28105	0.391
	Changes during the year Date wise 22.06.2015	285000	3.969	313105	4.3605
	At the End of the year	313105	4.3605	313105	4.3605
3	Smt Lajwanti Murlidhar Dialani- Director				
	At the beginning of the year	257641	3.5881	257641	3.5881
	Changes during the year	-	-	257641	3.5881
	At the End of the year	257641	3.5881	257641	3.5881
4	Smt Prakriti Sethi – Company Secretary				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the End of the year	-	-	-	-

V Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. In lacs

Particulars	Secured loans Excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1 Principal amount	169.91	NIL	NIL	169.91
2 Interest due but not paid	NIL	NIL	NIL	NIL
3 Interest accrued but not due	NIL	NIL	NIL	NIL
Total (1+2+3)	169.91	NIL	NIL	169.91
Change in indebtedness during the financial year				
Addition	289.52	NIL	NIL	289.52
Reduction	12.23	NIL	NIL	12.23
Net change	277.29	NIL	NIL	277.29
Indebtedness at the end of the financial year				
1 Principal amount	447.20	NIL	NIL	447.20
2 Interest due but not paid	NIL	NIL	NIL	NIL
3 Interest accrued but not due	NIL	NIL	NIL	NIL
Total (1+2+3)	447.20	NIL	NIL	447.20

VI Remuneration of directors and key managerial personnel

A Remuneration to Managing Director, whole time Director and/or Manager/CFO:

Rs. In lacs

Sr No.	Name of the MD/WTD/Manager	Total 2015-16	Total 2014-15	% of Increase during the year 2015-16
1	Prakriti Sethi - Company Secretary	1.48	0.60	146%
2	Pushpa Khanchandani-Director	0	1.00	0
3	Daya Ram Khanchandani - WTD	1.86	1.86	0
4	Manish Murlidhar Dialani - MD	2.40	1.40	0
5	Raj Kumar jain - General manager	3.31	3.08	7.6%
6.	Shashi Kant Vyas -Chief Financial Officer	2.52	2.34	7.6%

B Remuneration to other directors: Nil

VII Penalties/punishment/compounding of offences : Not applicable

For M.K. Exim (India) Limited

SD/-
Daya Ram Khanchandani
Chairman
DIN: 0161546

**S C Sharma & Associates
Company Secretaries**

**T-7, Jeewan-Vihar Complex, New Colony, Panch Batti, M. I. Road, Jaipur-
302001.**

Phone: 0141-2370479; Fax: 4010479.

E-mail: sssharmac@gmail.com. Web-site: www.scsharmac.com

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rules made there under]

To,
The Members,
M.K. Exim (India) Limited
CIN: L63040RJ1992PLC007111
Jaipur.

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). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 (Audit Period) 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, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:-

- (i) The Companies Act, 2013 and the Companies Act, 1956 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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;
- (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, 1992 and the Securities and Exchange Board Of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, **2009 (not applicable to the company during the Audit period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014 **(not applicable to the company during the Audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, **2008 (not applicable to the company during the Audit period);**
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, **2009 (not applicable to the company during the Audit period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities)

Regulations, 1998 (not applicable to the company during the Audit period);

- (i) The Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1, 2015;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I further report that:-

1. **The composition of the board of directors relevant with independent directors is not according to Section 149 Of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 as the Independent Directors are continuing their office from the year 2005 and 2006. The company has assured that the company will comply this shortly.**
2. **The company has made related party transactions as defined in Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 without getting prior approval of shareholders in general meeting.**

All decisions at board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of the board of directors or Committee of the board, as the case may be.

I further report that there are adequate system and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For S C Sharma & Associates
Company Secretaries

FCS 3374
CP 2531

SD/-
Suresh Sharma
Prop.

Date: 20.08.2016

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
Jaipur.

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. We 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. We 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 S C Sharma & Associates
Company Secretaries**

**FCS 3374
CP 2531**

**SD/-
Suresh Sharma
Prop.**

**Date: 20.08.2016
Place: Jaipur**

Annexure C

Disclosure on remuneration pursuant to Section 197 of the Companies Act,2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of managerial Personnel) Rules,2014 amended from time to time :

Sr No	Requirements	Disclosure
1	The ratio of the remuneration of each director of the company to the median remuneration of the employees of the Company for the financial year 2015-16	Very negligible
2	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary	Director- NIL CFO- 7.6% CS- 146%
3	The percentage increase in the median remuneration of employees in the financial year	Normal increase
4	The number of permanent employees on the rolls of the Company	8
5	The explanation on the relationship between average increase in remuneration and company performance	Normal increase 7.6%
6	Comparison of the remuneration of key managerial personnel against the performance of the Company	Normal increase but performance down due to market slump.
7	Variations in the market capitalisation of the Company, price earning ratio at the closing date of the current financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	At BSE Price 31.03.2015 – 8.98 31.03.2016 – 12.80
8	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

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)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Kolba Farm Fab Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	43.20
5.	Reserves & surplus	350.63
6.	Total assets	700.52
7.	Total Liabilities	700.52
8.	Investments	6.55
9.	Turnover	350.50
10.	Profit before taxation	30.25
11.	Provision for taxation	0.96
12.	Profit after taxation	29.29
13.	Proposed Dividend	Nil
14.	% of shareholding	90%

Notes: The following information shall be furnished at the end of the statement:

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	NIL
1.Latest audited Balance Sheet Date	NIL
2. Shares of Associate/Joint Ventures held by the company on the year end	NIL
2.1No.	NIL
2.2Amount of Investment in Associates/Joint Venture	NIL
2.3Extend of Holding%	NIL
3. Description of how there is significant influence	NIL
4, Reason why the associate/joint venture is not consolidated	NIL
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
6. Profit/Loss for the year	NIL
6.1 Considered in Consolidation	NIL
6.2 Not Considered in Consolidation	NIL

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



M/S Vimal Agrawal & Associates
Chartered Accountants

Opp. Rambhawan Dharmshala,
M. D. Road, Jaipur 302004
Ph.: 0141-2600551

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of M.K. EXIM (INDIA) LIMITED (" hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss 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")

Management's responsibility for Consolidated Financial Statements

The Holding 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 and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The holding 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 subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its subsidiary 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 Holding company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act , the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding company's Board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by other auditors in terms of their auditor's report referred to in sub-paragraph on Other Matter below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

AS-15, for Employees Benefits (Revised 2005), in respect of Provision for Gratuity. The Provision for Gratuity provided by the company is inadequate and its effect on liabilities and profit of the Company is unascertainable. Further, requisite disclosures are not made in respect of retirement benefits. Our opinion is not modified in respect of this matter.

Opinion

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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and its consolidated profit and consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of its subsidiary Kolba Farm Fab Private Limited reflecting total assets of Rs. 700.52 lacs, total revenue of Rs.350.50 lacs, net profit of Rs.29.29 lacs and net cash flow amounting to Rs.(10.34) 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 subsidiary, is based only on the report of 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, 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 of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law have been kept by the holding company and its subsidiary 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 Holding Company and the report of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with relevant books of account maintained by holding company and its subsidiary relating to the preparation of Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors, as on 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the report of statutory auditors of subsidiary company, we report that none of the directors is disqualified as on 31st March, 2016 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 Holding company and its subsidiary and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g. 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 Group does not have any pending litigation which would impact its financial position.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For Vimal Agrawal & Associates
Chartered Accountants
(FRN: 004187C)**

Place : Jaipur
Date : 30th May, 2016

**SD/-
(V. K. Agrawal)
Partner
M.No.071627**

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, 2016.

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

1. We have audited the internal financial controls over financial reporting of M.K. Exim (India) Limited ("the Holding Company") & its subsidiary company as of 31st March, 2016 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 Holding Company and its subsidiary are 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 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 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 deemed to be 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 Over Financial Reporting

6. 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

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, the Holding Company and its subsidiary have, 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 31st March, 2016, 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

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 subsidiary company, is based on the corresponding report on the auditors of subsidiary company. Our opinion is not qualified in respect of this matter.

**For Vimal Agrawal & Associates
Chartered Accountants
(FRN: 004187C)**

**SD/-
(V. K. Agrawal)
Partner
M.No.071627**

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED
G-1/150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No	Balance as on 31.03.2016		Balance as on 31.03.2015	
EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	71,805,000		71,805,000	
(b) Reserves and Surplus	3	<u>155,740,778</u>	227,545,778	<u>149,122,039</u>	220,927,039
Minority Interest		<u>3,938,346</u>	3,938,346	-	-
Non-Current Liabilities					
(a) Long-term borrowings	4	26,217,024		2,584,768	
(b) Deferred tax liabilities (Net)	5	<u>76,846</u>	26,293,870	<u>(173,769)</u>	2,410,999
Current Liabilities					
(a) Short-term borrowings	6	38,634,746		13,183,538	
(b) Trade payables	7	345,939,513		316,789,746	
(c) Other current liabilities	8	5,010,878		7,193,917	
(d) Short Term Provisions	9	<u>2,060,238</u>	391,645,375	<u>2,792,213</u>	339,959,414
Total			<u><u>649,423,369</u></u>		<u><u>563,297,452</u></u>
ASSETS					
Non-current assets					
<i>(a) Fixed assets</i>					
Tangible assets	11	60,929,479		18,998,705	
(b) Non-current investments	10	656,000		1,000	
(c) Long term loans and advances	12	10,596,679		10,293,389	
(d) Other non-current assets	13	<u>6,955,168</u>	79,137,326	<u>5,136,980</u>	34,430,074
Current assets					
(a) Inventories	14	27,795,559		19,439,923	
(b) Trade receivables	15	536,778,670		501,460,511	
(c) Cash and cash equivalents	16	4,583,443		3,984,620	
(d) Short-term loans and advances	17	<u>1,128,370</u>	570,286,043	<u>3,982,325</u>	528,867,378
Total			<u><u>649,423,369</u></u>		<u><u>563,297,452</u></u>
Significant Accounting Policies & Notes on Financial Statements	1 to 31				

As per our report of even date annexed
For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

Sd/-
(Vimal Kumar Agrawal)
Partner

Sd/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

Sd/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

Sd/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED			
G-150, GARMENT ZONE, E.P.I.P.			
SITAPURA, JAIPUR			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016			
Particulars	Note No	2015-16	2014-15
Income:			
Revenue from operations	18	36,62,52,264	50,75,80,377
Other Income	19	2,53,71,631	17,23,179
Total Revenue		39,16,23,895	50,93,03,556
Expenses:			
Cost of materials consumed	20	39,77,359	1,62,71,727
Purchase of Trading Goods	21	34,04,85,644	47,40,06,189
Changes in inventories of finished goods and work-in-progress	22	(97,84,697)	(1,18,65,253)
Employee benefit expenses	23	1,01,83,052	15,24,080
Financial costs	24	95,32,550	21,60,092
Depreciation and amortization expenses	11	1,01,51,836	17,45,934
Other expenses	25	2,04,89,933	1,85,72,428
Total Expenses		38,50,35,678	50,24,15,197
Profit before tax		65,88,218	68,88,359
Tax expense:			
(1) Current tax		18,68,074	21,56,142
(2) Deferred tax		5,66,184	79,005
MAT Credit Entitlement		-	2,77,342
Profit after tax before share in Profit of Minority Interest		52,86,327	50,88,564
Minority Interest & Capital profit		(11,71,542)	-
Profit for the Year		41,14,785	50,88,564
Earning per equity share:	26		
(1) Basic		0.5730	0.7087
(2) Diluted		0.5730	0.7087
Significant Accounting Policies & Notes on Financial Statements	1 to 31		

As per our report of even date annexed For and on behalf of the Board
For Vimal Agrawal & Associates
Chartered Accountants

SD/-
(Vimal Kumar Agrawal)
Partner

SD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED
G-150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

CASH FLOW FROM OPERATIVE ACTIVITES (A)	Year Ended 31.03.16	Year Ended 31.03.15
Net Profit before tax	65.88	68.88
Adjustments for:		
Deferred Tax Liability	(5.66)	(0.79)
Depreciation	101.52	17.46
Interest Expenses	95.33	21.60
Dividend Income	(0.59)	0.00
Loss on Sale of Fixed Assets	0.00	(2.10)
Preliminary Exp. w/off	0.00	0.80
Operating Profit before working capital changes	256.48	105.85
Adjustment for:		
Increase/Decrease in Inventories	(62.80)	(139.14)
Increase/Decrease Sundry Debtors & Other receivable	141.96	(2614.50)
Increase/Decrease in Current liabilities	385.79	2301.79
Increase/Decrease in Loans & Advances	27.94	422.05
Cash Generated From Operating activities	749.37	76.05
Interest paid	(95.27)	(21.60)
Tax Paid	0.00	0.00
Net Cash Flow from Operating Activities	654.10	54.45
CASH FLOW FROM INVESTING ACTIVITIES (B)		
Purchases of Fixed Assets	(43.58)	(62.79)
Profit/Loss of Fixed Assets	0.00	2.10
Sale of Fixed Assets	0.00	0.00
Dividend Income	0.59	0.00
Decrease/Increase in Investment	(311.84)	0.00
Net Cash used In Investing Activities	(354.83)	(60.69)
CASH FLOW FROM FINANCING ACTIVITIES (C)		
Increase/Decrease in Secured Loans	(317.10)	25.85
Decrease in Unsecured Loan	0.00	0.00
Share application Money	0.00	0.00
Preliminary Exp.	0.00	0.00
Interest on Bank Loan	0.00	0.00
Net Cash From Financing Activities	(317.10)	25.85
Net Increase (Decrease) In cash & cash equivalents (A+B+C)	(17.83)	19.61
Opening cash and cash equivalents	63.66	20.24
Closing cash and cash equivalents	45.83	39.85

As per our separate report of even date
For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

SD/-
(Vimal Kumar Agrawal)
Partner

SD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LTD.
G-1/150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR

SIGNIFICANT ACCOUNTING POLICIES :-

- (i) **Basis of Accounting**
The accounts of the Company are prepared under the historical cost convention on accrual basis and in conformity with accounting standards issued by the Institute of Chartered Accountants of India referred to in section 133 of the Companies Act, 2013. For recognition of Income & Expenses, accrual basis of accounting is followed.
- (ii) **Fixed Assets and Depreciation**
Fixed Assets are stated at cost, including attributable cost of bringing the assets to its working condition for the intended use. Depreciation is provided from the date, the assets are installed and put to use on straight line method based on useful life of asset as prescribed in schedule II of the Companies Act, 2013 except in respect of Plant & Machineries where useful life, as technically assessed, is different than those prescribed in schedule II. Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.
- (iii) **Principles of Consolidation:**
(a) The financial statements of the Holding Company and its subsidiary have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances, intra group transactions and the unrealised profits.
(b) The financial statements of the holding Company and its subsidiary have been consolidated using uniform accounting policies.
(c) The excess of the capital profit to the Holding Company of its investment in the subsidiary, on the acquisition date, is recognised in the financial statements as capital reserve.
- (iv) **Use of Estimates**
The preparation of financial statements in conformity with generally accepted accounting principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities including contingent liabilities on the date of the financial statements and the reported and amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialised.
- (v) **Foreign Currency Transaction**
(a) All Foreign currency transaction are recorded at the rates prevailing on the date of the transaction.
(b) 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 realised in certain specific cases.
(c) The exchange difference on settlements/conversion are credited/charged to profit and Loss Account.
(d) The Company has not entered into any forward exchange contract during the period.
- (vi) **Investments**
Investments are stated at cost.
- (vii) **Inventories:**
(a) Raw Materials, Packing Materials and Consumables are valued at the lower of Cost, computed on FIFO basis and estimated net realisable value.
(b) Finished goods and Work in Process are valued at the lower of cost, computed on FIFO basis and estimated net realisable value. Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(viii)	Revenue Recognition
(a)	The company follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis.
(b)	DEPB is recognised when there is significant certainty regarding the ultimate collection of the relevant export proceeds.
(ix)	Employee Benefits:
(a)	Contribution to Provident Fund and Employees State Insurance is accounted for on accrual basis.
(b)	Gratuity liability is provided for on estimated basis for all employees under the "Payment of Gratuity Act, 1972"
(x)	Borrowing Cost
	Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
(xi)	Income Tax
(a)	Income Tax comprises Current Tax and Deferred Tax. Current Tax is the amount of tax payable as determined in accordance with provision of Income Tax Act, 1961
(b)	Deferred Income Tax is provided on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial purpose.
(c)	Deferred Tax Assets are recognised on unabsorbed depreciation only to the extent that there is virtual certainty supported by convincing evidence and to the extent that there is reasonable certainty of their realisation.
(d)	Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date.
(xii)	Figures for the previous year have been regrouped/ rearranged to make them comparable with the current year.

M. K. EXIM (INDIA) LTD.				
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS				
Particulars	31.03.2016		31.03.2015	
1. GENERAL INFORMATION				
The consolidated Financial Statements present the Consolidated Accounts of M.K.EXIM (INDIA) LIMITED with its Following Subsidiary :-				
INDIAN SUBSIDIARY: KOLBA FARM FAB PVT. LTD.				
PROPORTION OF OWNERSHIP INTEREST				
	90%		NIL	
2 : SHARE CAPITAL				
Authorised Capital				
10000000 Equity Shares of Rs 10/- each	10,00,00,000.00		10,00,00,000.00	
Issued, Subscribed & Paid up Capital				
7180500 Equity Shares of Rs 10/- each fully paid up	7,18,05,000.00		7,18,05,000.00	
	7,18,05,000.00		7,18,05,000.00	
2.1 Details of shareholders holding more than 5% shares				
Name of shareholder	No. of shares		%	
	15-16	14-15	15-16	14-15
Dayaram Khanchandani	1434590	1434590	19.98	19.98
Nitin Khanchandani	815000	815000	11.35	11.35
Sunny Khanchandani	435000	435000	6.06	6.06
Rakhi Khanchandani	-	390000	-	5.43
Jainum Share Pvt. Ltd.	-	375524	-	5.23
2.2 The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.				
3 : RESERVES AND SURPLUS				
CAPITAL RESERVE				
Opening Balance	-		-	
Add: Arising on consolidation due to investment in share of equity holding	25,03,954		-	
Closing Balance	25,03,954		-	
Statement of Profit and Loss				
Opening balance	9,40,81,026		9,33,17,804	
(+) Net Profit For the current year	41,14,785		50,88,564	
	9,81,95,811		9,84,06,368	
Less:- Appropriations				
Proposed Dividend on Equity Shares (Dividend per share Rs NIL (Previous Year - RS. 0.50)	-		35,90,250	
Tax on Dividend	-		7,35,092	
Profit after Appropriations	9,81,95,811		9,40,81,026	
Securities Premium Reserve	5,34,82,300		5,34,82,300	
State Investment Subsidy	15,58,713		15,58,713	
Balance of Holding Company	15,32,36,824		14,91,22,039	
Add:- Share in Reserve & Surplus of Subsidiary	-		-	
Total	15,57,40,778		14,91,22,039	
4 : LONG TERM BORROWINGS				
Secured loan (secured by hypothecation of car)	41,68,658		25,84,768	
Term Loan from THE COSMOS CO.OP. BANK	2,20,48,366		-	
	2,62,17,024		25,84,768	
5: DEFERRED TAX LIABILITY (Net)				
In accordance with AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has created deferred tax assets during the year. The breakup of Net Deferred Assets/(Liabilities) are @30.90% as under:				
Timing Difference between Book & Tax Value of Fixed Assets	(7.99)		(5.16)	
Gratuity Provision	7.22		6.90	
	0.77		-1.74	

6:SHORT TERM BORROWINGS		
Bank Limit for BP	2,11,02,044	-
WORKING CAPITAL LIMIT		
From State Bank of Bikaner & Jaipur (Working Capital limit from State Bank of Bikaner & Jaipur is secured by way of first charge over all the fixed assets.)	1,75,32,702	1,31,83,538
	3,86,34,746	1,31,83,538
7: TRADE PAYABLES		
Micro, Small & Medium Enterprises	-	-
Others	34,59,39,513	31,67,89,746
	34,59,39,513	31,67,89,746
6.1:Details of dues to Micro, Small and Medium Enterprises under MSMED Act,2006 :- In view of non availability of relevant information with the company, the total outstanding due to Micro, Small and Medium Enterprises covered under MSMED Act,2006 cannot be ascertained, therefore the same are not disclosed.		
8:OTHER CURRENT LIABILITIES		
PF & ESI Payable	17,402	13,177
Credit Balance of Schedule Bank	76,035	76,035
Gratuity Provision	23,35,825	22,33,021
Proposed Dividend	-	35,90,250
Unpaid Dividend	2,00,065	-
TDS Payable	54,763	48,110
Current Maturities of Long Term Debt	19,16,110	12,22,992
Electricity Exps. Payable (D.G.V.C.L.)	4,08,734	-
Telephone Exps Payable	1,945	10,333
	50,10,878	71,93,918
9.SHORT TERM PROVISIONS		
Provision for Income tax	20,42,981	20,57,121
Tax on Dividend	17,257	7,35,092
	20,60,238	27,92,213
10: NON CURRENT INVESTMENTS		
Other Investments (unquoted)(Non Trade)		
The Cosmoc Co. Operative Bank	6,55,000	-
N S C	1,000	1,000
	6,56,000	1,000
12: LONG TERM LOANS & ADVANCES (Unsecured & Cosidered good)		
Other Advances	80,00,000	85,00,000
Income tax Demand	12,71,702	11,83,462
MAT Credit Entitlement	1,29,208	0
TDS Receivable	9,41,084	3,47,242
Security Deposit	2,54,685	2,62,685
	1,05,96,679	1,02,93,389
12.1:Trade Advances amounting to Rs. 80.00 LACS (Previous Year Rs.85.00 LACS) which are long overdue were given out of business expediency and the same, in the opinion of the management are good and recoverable. The same are subject to confirmation.		
13: OTHER NON CURRENT ASSETS		
Central Subsidy	37,80,220	-
Claim receivable for loss by fire	27,27,373	46,89,857
VAT Receivable	4,47,575	4,47,123
	69,55,168	51,36,980
14:INVENTORIES		
Raw Material	-	-
Finished Goods	2,77,94,546	1,73,81,456
Work In Progress	-	20,50,037
Packing Material & Consumables	-	8,430
Chindi(Scrap)	1,013	-
	2,77,95,559	1,94,39,923

M. K. EXIM (INDIA) LTD									
11:FIXED ASSETS									
SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2015	ADDITION/ (DELETION)	AS ON 31.03.16	UP TO 31.03.2015	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2016	AS ON 31.03.16
	<u>Tangible Assets</u>								
1	LAND	71,66,290	0	71,66,290	0	0	0	0	71,66,290
2	SITE DEVELOPMENT	2,65,586	0	2,65,586	91,591	0	6,429	98,020	1,67,566
3	FACTORY BUILDING	58,91,571	0	58,91,571	30,95,335	0	5,02,079	35,97,413	22,94,158
4	OFFICE BUILDING	42,70,297	0	42,70,297	20,83,112	0	58,049	21,41,161	21,29,136
5	PLANT & MACHINERY	9,23,72,010	43,790	9,24,15,800	4,44,38,497	0	87,40,455	5,31,78,952	3,92,36,848
6	FURNITURE & FIXTURES	9,88,023	0	9,88,023	6,66,781	0	54,448	7,21,229	2,66,794
7	VEHICLES	62,59,649	43,14,265	1,05,73,914	1,56,813	0	7,61,580	9,18,393	96,55,521
8	COMPUTER	43,000	0	43,000	22,768	0	7,066	29,834	13,166
9	OFFICE EQUIPMENT	4,34,637		4,34,637	4,12,906	0	21,731	4,34,637	0
	TOTAL	11,76,91,063	43,58,055	12,20,49,118	5,09,67,803	0	1,01,51,836	6,11,19,639	6,09,29,479

SR.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2014	ADDITION/ (DELETION)	AS ON 31.03.15	UP TO 31.03.2014	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2015	AS ON 31.03.15
	<u>Tangible Assets</u>								
1	LAND	39,87,680	0	39,87,680	0	0	0	0	39,87,680
2	SITE DEVELOPMENT	2,65,586	0	2,65,586	85,162	0	6,429	91,591	1,73,995
3	FACTORY BUILDING	42,70,297	0	42,70,297	20,25,063	0	4,06,344	24,31,407	18,38,891
4	OFFICE BUILDING	42,70,297	0	42,70,297	20,25,063	0	58,049	20,83,112	21,87,186
5	PLANT & MACHINERY	1,92,24,942	0	1,92,24,942	1,40,32,351	0	8,46,269	1,48,78,620	43,46,322
6	FURNITURE & FIXTURES	9,88,023	0	9,88,023	6,12,333	0	54,448	6,66,781	3,21,242
7	VEHICLES	33,70,550	62,59,649 -33,70,550	62,59,649	33,70,550	-33,70,550	1,56,813	1,56,813	61,02,836
8	COMPUTER	5,39,061	19,500 -5,39,061	19,500	5,39,061	-5,39,061	677	677	18,823
9	OFFICE EQUIPMENT	4,34,637		4,34,637	1,96,001	0	2,16,905	4,12,906	21,731
	TOTAL	3,73,51,073	23,69,538	3,97,20,611	2,28,85,582	-39,09,611	17,45,934	2,07,21,906	1,89,98,705

15:TRADE RECEIVABLES		
(Unsecured & Considered Good)		
Debts (Outstanding for a period exceeding six months)	28,06,43,067	21,38,52,996
Others	25,61,35,603	28,76,07,515
	53,67,78,670	50,14,60,511
16:CASH & CASH EQUIVALENTS		
Cash in Hand	41,40,482	38,60,566
Balance with Banks	4,42,961	1,24,053
	45,83,443	39,84,620
17:SHORT TERM LOANS & ADVANCES		
(Secured & considered good)		
Advances to West Zone CTS	2,87,000	-
Other Advances	20,000	-
(Unsecured & considered good)		
Prepaid Insurance	32,361	21,016
Other Advances	-	30,00,000
Advances to Employees	7,89,009	9,61,309
	11,28,370	39,82,325
18: REVENUE FROM OPERATIONS		
Domestic Sales	98,66,075	9,26,999
Export Sales	28,96,69,508	46,02,87,076
Exchange Rate Difference	2,58,52,886	1,61,44,105
Duty Drawback	4,08,63,795	3,02,22,197
	36,62,52,264	50,75,80,377
19:OTHER INCOME		
Job Work Income	2,51,00,637	-
Other Income	8,201	-
Rent	1,80,000	6,00,000
Profit on Sale of Fixed Assets	-	2,10,000
Dividend	59,125	-
Interest Income	19,459	2,76,076
Income Tax Refund & Interest Thereon	4,209	6,37,103
	2,53,71,631	17,23,179
20:COST OF MATERIALS CONSUMED		
Opening Stock	34,95,271	-
Add: Purchases	4,82,088	1,83,21,764
Less: Closing Stock	-	20,50,037
	39,77,359	1,62,71,727
21:PURCHASE OF TRADING GOODS		
Purchase of Fabric	26,62,43,344	33,57,26,849
Purchase of Goods(For NGO)	7,42,42,300	13,82,79,340
Purchase of Garments	-	-
	34,04,85,644	47,40,06,189
22:CHANGES IN INVENTORIES OF FINISHED GOODS AND WIP		
Closing Stock of Finished Goods	2,77,94,546	1,73,81,456
Less:Opening Stock of Finished Goods	1,80,10,862	55,16,203
(Increase)/Decrease in Finished Goods	(97,83,684)	(1,18,65,253)
Increase in Closing stock of Chindi	(1,013)	-
	(97,84,697)	(1,18,65,253)
23:EMPLOYEE BENEFITS EXPENSES		
Salary Expenses	94,92,279	12,97,500
Staff Welfare Expenses	4,25,558	27,257
Provident Fund & ESI Contribution	1,19,281	81,592
Gratuity	1,02,804	92,131
Festival Expenses	43,130	25,600
	1,01,83,052	15,24,080
24:FINANCE COST		
Interest	83,16,308	15,09,238
Other Expenses	12,16,242	6,50,854
	95,32,550	21,60,092

25:OTHER EXPENSES		
Manufacturing Expenses:-		
Carriages & Cartages	4,325	1,560
Grading Charges	52,400	2,26,232
Processing Charges	3,29,088	24,67,580
Testing Charges	6,92,910	98,243
Job Charges	1,20,061	20,84,013
Millgine & Oil exp.	16,36,692	-
Power & Fuel	42,32,067	28,280
Total(A)	70,67,542	49,05,908
Other Expenses:-		
Conveyance Charges	1,67,018	1,29,532
Electric & Water Expenses	18,132	12,573
Freight Charges	72,03,126	95,23,625
Office Expenses	48,170	36,259
Printing & Stationery	4,48,285	2,00,268
Repairs to Building	2,200	20,673
Repairs to Others	15,37,810	54,805
Sales Promotion Expenses	17,650	37,766
Advertisement Expenses	76,696	72,976
Director Remuneration	4,26,000	4,26,000
Auditors' Remuneration	2,30,000	1,75,000
Vehicle Expenses	34,608	1,15,518
Council Charges	2,620	33,305
Donation	12,000	-
Demand & Penalties	35,393	45,738
Insurance Charges	1,35,879	64,165
Legal & Professional Charges	7,33,245	4,38,934
Packing material & consumables Consumed	2,86,329	4,53,567
Postage Expenses	2,21,803	2,05,913
Misc. Exp. W/off	12	80,000
Discount	1,17,876	-
Registration & Annual Charges	4,04,976	10,86,085
Rent	2,24,500	52,500
Sample Expenses	1,70,917	67,512
Security Exp.	1,80,177	-
Sundry Balances W/off	97,300	-
Telephone Expenses	1,31,673	2,56,577
Travelling Expenses	4,51,397	70,629
Website & Internet Expenses	6,600	6,600
Total(B)	1,34,22,392	1,36,66,520
Total(A)+(B)	2,04,89,933	1,85,72,428

25.1 VALUE OF PACKING MATERIAL CONSUMED	Rs. In Lacs.	%	Rs. In Lacs.	%
Imported	0	0	0	0
Indigenous	2.86	100	4.54	100
25.2 PAYMENTS TO AUDITORS				
(a) As Auditors:				
Statutory Audit Fees	2,30,000		1,75,000	
(b) As Advisers, in respect of				
-Other Services	44,000		45,000	
	2,74,000		2,20,000	
26: EARNINGS PER SHARE (EPS)				
Net Profit after tax available for Equity Share holders	41,14,785		50,88,564	
Weighted average of number of equity share outstanding during the year	71,80,500		71,80,500	
Basic & Diluted Earnings per share(in Rs.)	0.5730		0.7087	
Face value per equity share(in Rs.)	10		10	
27: EARNING IN FOREIGN EXCHANGE & EXPENDITURE				
Foreign Exchange Earning(FOB Value)				
Export	28,97,89,978		45,91,40,093	
Foreign Exchange Expenditure	6,82,753		0	
	28,91,07,225		45,91,40,093	
28: RELATED PARTY DISCLOSURES				
As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :				
(1) List of related parties and relationships :				
S.NO.	NAME OF RELATED PARTY	RELATIONSHIP		
1.	Mr. Dayaram Khanchandani :	Key Management Personnel (KMP)		
2.	Mr. Manish Murlidhar Dialani	Key Management Personnel (KMP)		
3.	M.K.Products	Partnership firm of KMP		
4.	M/s Square Gem General Trading L.L.C.	Related concern of KMP		
5.	M/s Square Textile L.L.C.	Related concern of KMP		
6.	Kolba Farm Fab Pvt. Ltd.	Subsidiary Company		
7.	Manish Overseas	Related concern of KMP		
8.	Laaj International	Proprietorship firm of KMP		
Details of transactions with related parties and the status of outstanding balances at the year end.				
1.Key Management Personnel				
		Current year	Previous year	
		31.03.16	31.03.15	
Remuneration		4,26,000	4,26,000	
Outstanding Payable at the year end		5,96,581	1,56,413	
Unsecured Loans				
Balance at the beginning		0	0	
Taken during the year		0	50,00,000	
Paid during the year		0	50,00,000	
Balance Payable at the end		0	0	
2.Related concern of Key Management Personnel				
Sale of Finished Goods		1,19,34,722	4,70,70,174	
Debit Balance Outstanding at the end of the year		2,75,08,493	5,17,20,398	
Purchase of Finished Goods(Fabric)		25,79,43,364	16,75,95,816	
Credit Balance Outstanding at the end of the year		19,78,99,591	9,70,83,807	

3. Associate Company		
Loans & Advances		
Balance at the beginning	0	0
Given during the year	0	0
Received during the year	0	0
Balance at the end	0	0
Investment	0	0
<u>29. REMUNERATION PAID TO DIRECTORS</u>		
Salary	4,26,000	4,26,000
<u>30. CONTINGENT LIABILITIES AND COMMITMENTS</u>	<u>Year Ended</u> <u>31.03.2016</u>	<u>Year Ended</u> <u>31.03.2015</u>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability		
Pending in Appeals	102140.00	190380.00

31: SEGMENT REPORTING

- (i) Segments have been identified in line with the Accounting Standard-17- "Segment Reporting " 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 lacs)

	Jewellery		Finish Fabrics,Garments & Dress Material		Blankets & Sleeping Mats		Unallocable		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Revenue	19.02	114.59	3051.63	3470.42	843.70	1490.79	1.88	17.23	3916.24	5093.04
Profit before tax	19.02	114.59	52.32	(61.60)	(4.95)	20.26	(0.50)	(4.37)	65.88	68.88
Less : MAT Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.77)	0.00	(2.77)
Deferred tax liability Created/(Reverse)	0.00	0.00	0.00	0.00	0.00	0.00	(5.66)	(0.79)	(5.66)	(0.79)
Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	18.68	21.56	18.68	21.56
Profit After Tax	19.02	114.59	52.32	(61.60)	(4.95)	20.26	(13.52)	(22.37)	52.86	50.88
Segment Assets	0.00	636.92	6239.43	4671.92	238.43	306.21	16.37	17.92	6494.23	5632.97
Segment Liabilities	0.00	0.00	4027.59	3328.09	149.08	75.04	2.72	20.57	4179.39	3423.70
Capital Expenditure	0.00	0.00	33.31	43.77	10.27	19.03	0.00	0.00	43.58	62.79
Non Cash Expenses other than Depreciation	0.00	0.00	0.78	1.20	0.24	0.52	0.00	0.00	1.03	1.72
Depreciation	0.00	0.00	96.38	12.17	5.14	5.29	0.00	0.00	101.52	17.46

(v) Information about secondary business segment :-

	Current Year	Previous Year
Domestic	98.66	9.27
Export	2896.70	4602.87
	<u>2995.36</u>	<u>4612.14</u>

For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

SD/-
(Vimal Kumar Agrawal)
PartnerSD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121SD/-
(Prakriti Sethi)
Company SecretaryPlace : Jaipur
Date : 30th May, 2016

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)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Kolba Farm Fab Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	43.20
5.	Reserves & surplus	350.63
6.	Total assets	700.52
7.	Total Liabilities	700.52
8.	Investments	6.55
9.	Turnover	350.50
10.	Profit before taxation	30.25
11.	Provision for taxation	0.96
12.	Profit after taxation	29.29
13.	Proposed Dividend	Nil
14.	% of shareholding	90%

Notes: The following information shall be furnished at the end of the statement:

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	NIL
1.Latest audited Balance Sheet Date	NIL
2. Shares of Associate/Joint Ventures held by the company on the year end	NIL
2.1No.	NIL
2.2Amount of Investment in Associates/Joint Venture	NIL
2.3Extend of Holding%	NIL
3. Description of how there is significant influence	NIL
4, Reason why the associate/joint venture is not consolidated	NIL
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
6. Profit/Loss for the year	NIL
6.1 Considered in Consolidation	NIL
6.2 Not Considered in Consolidation	NIL

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

INDEPENDENT AUDITORS' REPORT

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M.K. EXIM (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for 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 to give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatements, whether due to fraud and error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of

Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatements of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016; and its profit and cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements: AS-15, for Employees Benefits (Revised 2005), in respect of Provision for Gratuity. The Provision for Gratuity provided by the company is inadequate and its effect on liabilities and profit of the Company is unascertainable. Further, requisite disclosures are not made in respect of retirement benefits.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Companies (Auditors' Report) Order, 2016 issued by the Central

Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the said order.

As required by Section 143(3) of the Act, 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 and the Cash Flow Statement 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 Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors, as on 31st March, 2016 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2016 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 the operating effectiveness of such controls, refer to our separate report in Annexure B.
- g. 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 company does not have any pending litigation which would impact its financial position.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For Vimal Agrawal & Associates
Chartered Accountants
(FRN: 004187C)

sd/-
(V. K. Agrawal)
Partner
M.No.071627

Place : Jaipur
Date : 30th May, 2016

**ANNEXURE A REFERRED TO IN OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF
M.K. EXIM (INDIA) LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2016**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have been physically verified by the management at the end of the year, which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
© The title deeds of immovable properties as disclosed in fixed assets, are held in the name of the company.
2. 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.
3. The company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of sec. 185 & 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 & 76 of the Act and Rules framed thereunder.
6. We have been explained that the maintenance of cost records has not been prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013.
7. (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and any other statutory dues with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, dues of Income tax amounting to Rs 102140/- have not been deposited and the matter is pending before CIT (Appeals)-I, Jaipur.
8. In our opinion and according to the information and explanations given to us, the company

has not defaulted in repayment of dues to financial institutions, banks, government and debenture holders as at the balance sheet date.

9. The company has applied the term loan, the purpose for which the loan was obtained.
10. According to the information and explanations given to us, no material fraud on or by the company or by its officers or employees has been noticed or reported during the year.
11. The company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. As the company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the company.
13. The company has entered into transactions with related parties in compliance with the provisions of the sections 177 & 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the company.
15. The company has entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company.

**For Vimal Agrawal & Associates
Chartered Accountants
(FRN: 004187C)**

Place : Jaipur
Date : 30th May, 2016

sd/-
(V. K. Agrawal)
Partner
M.No.071627

ANNEXURE B 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 31st March, 2016.

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

1. We have audited the internal financial controls over financial reporting of M.K. Exim (India) Limited ("the Company") as of 31st March, 2016 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

2. 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 Act.

Auditor' Responsibility

3. 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 deemed to be 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 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

6. 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

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, 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 31st March, 2016, 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.

**For Vimal Agrawal & Associates
Chartered Accountants
(FRN: 004187C)**

sd/-
(V. K. Agrawal)
Partner
M.No.071627

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED
G-1/150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No	Balance as on 31.03.2016		Balance as on 31.03.2015	
EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	1	7,18,05,000		7,18,05,000	
(b) Reserves and Surplus	2	15,14,79,512	22,32,84,512	14,91,22,039	22,09,27,039
Non-Current Liabilities					
(a) Long-term borrowings	3	41,68,658		25,84,768	
(b) Deferred tax liabilities (Net)	4	(2,56,034)	39,12,624	(1,73,769)	24,10,999
Current Liabilities					
(a) Short-term borrowings	5	3,86,34,746		1,31,83,538	
(b) Trade payables	6	33,86,37,797		31,67,89,746	
(c) Other current liabilities	7	46,02,144		71,93,918	
(d) Short Term provisions	8	14,83,868	38,33,58,555	27,92,213	33,99,59,415
Total			61,05,55,691		56,32,97,453
ASSETS					
Non-current assets					
<i>(a) Fixed assets</i>					
Tangible assets	10	2,11,51,944		1,89,98,705	
(b) Non-current investments	9	3,11,84,847		1,000	
(c) Long term loans and advances	11	98,91,629		1,02,93,389	
(d) Other non-current assets	12	31,74,948	6,54,03,368	51,36,980	3,44,30,074
Current assets					
(a) Inventories	13	2,77,95,559		1,94,39,923	
(b) Trade receivables	14	51,32,99,144		50,14,60,511	
(c) Cash and cash equivalents	15	32,36,250		39,84,620	
(d) Short-term loans and advances	16	8,21,370	54,51,52,323	39,82,325	52,88,67,379
Total			61,05,55,691		56,32,97,453
Significant Accounting Policies & Notes on Financial Statements	1 to 30				

As per our report of even date annexed
For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

SD/-
(Vimal Kumar Agrawal)
Partner

SD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED			
G-150, GARMENT ZONE, E.P.I.P.			
SITAPURA, JAIPUR			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016			
Particulars	Note No	2015-16	2014-15
Income:			
Revenue from operations	17	35,63,86,189	50,75,80,377
Other Income	18	1,88,201	17,23,179
Total Revenue		35,65,74,390	50,93,03,556
Expenses:			
Cost of materials consumed	19	25,32,125	1,62,71,727
Purchase of Trading Goods	20	34,04,85,644	47,40,06,189
Changes in inventories of finished goods and work-in-progress	21	(1,04,14,103)	(1,18,65,253)
Employee benefit expenses	22	18,80,972	15,24,080
Financial costs	23	35,90,960	21,60,092
Depreciation and amortization expenses	10	21,61,026	17,45,934
Other expenses	24	1,27,74,318	1,85,72,428
Total Expenses		35,30,10,942	50,24,15,197
Profit before tax		35,63,448	68,88,359
Tax expense:			
(1) Current tax		12,88,240	21,56,142
(2) Deferred tax		82,265	79,005
MAT Credit Entitlement		-	2,77,342
Profit for the year		23,57,473	50,88,564
Earning per equity share:	25		
(1) Basic		0.3283	0.7087
(2) Diluted		0.3283	0.7087
Significant Accounting Policies & Notes on Financial Statements	1 to 30		

As per our report of even date annexed For and on behalf of the Board
For Vimal Agrawal & Associates
Chartered Accountants

SD/-
(Vimal Kumar Agrawal)
Partner

SD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LIMITED
G-150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

CASH FLOW FROM OPERATIVE ACTIVITES (A)	Year Ended 31.03.16	Year Ended 31.03.15
Net Profit before tax	35.63	68.88
Adjustments for:		
Deferred Tax Liability	(0.82)	(0.79)
Depreciation	21.61	17.46
Interest Expenses	35.91	21.60
Interest Income	0.00	0.00
Loss on Sale of Fixed Assets	0.00	(2.10)
Preliminary Exp. w/off	0.00	0.80
Operating Profit before working capital changes	92.33	105.85
Adjustment for:		
Increase/Decrease in Inventories	(83.55)	(139.14)
Increase/Decrease Sundry Debtors & Other receivable	(98.77)	(2614.50)
Increase/Decrease in Current liabilities	421.87	2301.79
Increase/Decrease in Loans & Advances	35.62	422.05
Cash Generated From Operating activites	367.50	76.05
Interest paid	(35.85)	(21.60)
Tax Paid	0.00	0.00
Net Cash Flow from Operating Activities	331.65	54.45
CASH FLOW FROM INVESTING ACTIVITIES (B)		
Purchases of Fixed Assets	(43.14)	(62.79)
Profit/Loss of Fixed Assets	0.00	2.10
Sale of Fixed Assets	0.00	0.00
Interest Income	0.00	0.00
Decrease/Increase in Investment	(311.84)	0.00
Net Cash used In Investing Activities	(354.98)	(60.69)
CASH FLOW FROM FINANCING ACTIVITIES (C)		
Increase/Decrease in Secured Loans	15.84	25.85
Decrease in Unsecured Loan	0.00	0.00
Share application Money	0.00	0.00
Preliminary Exp.	0.00	0.00
Interest on Bank Loan	0.00	0.00
Net Cash From Financing Activities	15.84	25.85
Net Increase (Decrease) In cash & cash equivalents (A+B+C)	(7.49)	19.61
Opening cash and cash equivalents	39.85	20.24
Closing cash and cash equivalents	32.36	39.85

As per our separate report of even date
For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

SD/-
(Vimal Kumar Agrawal)
Partner

SD/-
(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-
(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-
(Prakriti Sethi)
Company Secretary

Place : Jaipur
Date : 30th May, 2016

M.K.EXIM (INDIA) LTD.
G-1/150, GARMENT ZONE, E.P.I.P.
SITAPURA, JAIPUR

SIGNIFICANT ACCOUNTING POLICIES :-

- (i) **Basis of Accounting**
The accounts of the Company are prepared under the historical cost convention on accrual basis and in conformity with accounting standards issued by the Institute of Chartered Accountants of India referred to in section 133 of the Companies Act, 2013. For recognition of Income & Expenses, accrual basis of accounting is followed.
- (ii) **Fixed Assets and Depreciation**
Fixed Assets are stated at cost, including attributable cost of bringing the assets to its working condition for the intended use.
Depreciation is provided from the date, the assets are installed and put to use on straight line method based on useful life of asset as prescribed in schedule II of the Companies Act, 2013 except in respect of Plant & Machineries where useful life, as technically assessed, is different than those prescribed in schedule II. Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.
- (iii) **Use of Estimates**
The preparation of financial statements in conformity with generally accepted accounting principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities including contingent liabilities on the date of the financial statements and the reported and amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialised.
- (iv) **Foreign Currency Transaction**
(a) All Foreign currency transaction are recorded at the rates prevailing on the date of the transaction.
(b) 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 realised in certain specific cases.
(c) The exchange difference on settlements/conversion are credited/charged to profit and Loss Account.
(d) The Company has not entered into any forward exchange contract during the period.
- (v) **Investments**
Investments are stated at cost.
- (vi) **Inventories:**
(a) Raw Materials, Packing Materials and Consumables are valued at the lower of Cost, computed on FIFO basis and estimated net realisable value.
(b) Finished goods and Work in Process are valued at the lower of cost, computed on FIFO basis and estimated net realisable value. Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (vii) **Revenue Recognition**
(a) The company follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis.
(b) DEPB is recognised when there is significant certainty regarding the ultimate collection of the relevant export proceeds.
- (viii) **Employee Benefits:**
(a) Contribution to Provident Fund and Employees State Insurance is accounted for on accrual basis.
(b) Gratuity liability is provided for on estimated basis for all employees under the "Payment of Gratuity Act, 1972"

- (ix) **Borrowing Cost**
Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.
- (x) **Income Tax**
- (a) Income Tax comprises Current Tax and Deferred Tax.
Current Tax is the amount of tax payable as determined in accordance with provision of Income Tax Act, 1961
- (b) Deferred Income Tax is provided on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial purpose.
- (c) Deferred Tax Assets are recognised on unabsorbed depreciation only to the extent that there is virtual certainty supported by convincing evidence and to the extent that there is reasonable certainty of their realisation.
- (d) Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date.
- (xi) Figures for the previous year have been regrouped/ rearranged to make them comparable with the current year.

M. K. EXIM (INDIA) LTD.				
NOTES FORMING PART OF FINANCIAL STATEMENTS				
Particulars	31.03.2016		31.03.2015	
1 : SHARE CAPITAL				
Authorised Capital				
10000000 Equity Shares of Rs 10/- each	10,00,00,000.00		10,00,00,000.00	
Issued, Subscribed & Paid up Capital				
7180500 Equity Shares of Rs 10/- each fully paid up	7,18,05,000.00		7,18,05,000.00	
	7,18,05,000.00		7,18,05,000.00	
1.1 Details of shareholders holding more than 5% shares				
Name of shareholder	No. of shares		%	
	15-16	14-15	15-16	14-15
Dayaram Khanchandani	1434590	1434590	19.98	19.98
Nitin Khanchandani	815000	815000	11.35	11.35
Sunny Khanchandani	435000	435000	6.06	6.06
Rakhi Khanchandani	-	390000	-	5.43
Jainum Share Pvt. Ltd.	-	375524	-	5.23
1.2 The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.				
2 : RESERVES AND SURPLUS				
Statement of Profit and Loss				
Opening balance	9,40,81,026		9,33,17,804	
(+) Net Profit For the current year	23,57,473		50,88,564	
	9,64,38,499		9,84,06,368	
Less:- Appropriations				
Proposed Dividend on Equity Shares				
(Dividend per share Rs NIL (Previous Year - RS. 0.50)	-		35,90,250	
Tax on Dividend	-		7,35,092	
Profit after Appropriations	9,64,38,499		9,40,81,026	
Securities Premium Reserve	5,34,82,300		5,34,82,300	
State Investment Subsidy	15,58,713		15,58,713	
	15,14,79,512		14,91,22,039	
3 : LONG TERM BORROWINGS				
Secured loan (secured by hypothecation of car)	41,68,658		25,84,768	
	41,68,658		25,84,768	
4: DEFERRED TAX LIABILITY (Net)				
In accordance with AS-22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, the company has created deferred tax assets during the year. The breakup of Net Deferred Assets/(Liabilities) are @30.90% as under:				
Timing Difference between Book & Tax Value of Fixed Assets	(4.66)		(5.16)	
Gratuity Provision	7.22		6.90	
	-2.56		-1.74	

5:SHORT TERM BORROWINGS		
Bill Purchase Limit	2,11,02,044	-
WORKING CAPITAL LIMIT		
From State Bank of Bikaner & Jaipur (Working Capital limit from State Bank of Bikaner & Jaipur is secured by way of first charge over all the fixed assets.)	1,75,32,702	1,31,83,538
	3,86,34,746	1,31,83,538
6: TRADE PAYABLES		
Micro, Small & Medium Enterprises	-	-
Others	33,86,37,797	31,67,89,746
	33,86,37,797	31,67,89,746
6.1:Details of dues to Micro, Small and Medium Enterprises under MSMED Act,2006 :- In view of non availability of relevant information with the company, the total outstanding due to Micro, Small and Medium Enterprises covered under MSMED Act,2006 cannot be ascertained, therefore the same are not disclosed.		
7:OTHER CURRENT LIABILITIES		
PF & ESI Payable	17,402	13,177
Credit Balance of Schedule Bank	76,035	76,035
Gratuity Provision	23,35,825	22,33,021
Proposed Dividend	-	35,90,250
Unpaid Dividend	2,00,065	-
TDS Payable	54,763	48,110
Current Maturities of Long Term Debt	19,16,110	12,22,992
Telephone Exps Payable	1,945	10,333
	46,02,144	71,93,918
8.SHORT TERM PROVISIONS		
Provision for Income tax	14,66,611	20,57,121
Tax on Dividend	17,257	7,35,092
	14,83,868	27,92,213
9: NON CURRENT INVESTMENTS		
Other Investments (unquoted)(Non Trade)		
KOLBA FARM FAB PVT. LTD	3,11,83,847	-
N S C	1,000	1,000
	3,11,84,847	1,000
11: LONG TERM LOANS & ADVANCES		
(Unsecured & Cosidered good)		
Advances to Related Parties	-	-
Other Advances	80,00,000	85,00,000
Income tax Demand	12,71,702	11,83,462
MAT Credit Entitlement	-	0
TDS Receivable	3,65,242	3,47,242
Security Deposit	2,54,685	2,62,685
	98,91,629	1,02,93,389
11.1:Trade Advances amounting to Rs. 80.00 LACS (Previous Year Rs.85.00 LACS) which are long overdue were given out of business expediency and the same, in the opinion of the management are good and recoverable. The same are subject to confirmation.		
12: OTHER NON CURRENT ASSETS		
Preliminary Exp.	-	-
Claim receivable for loss by fire	27,27,373	46,89,857
VAT Receivable	4,47,575	4,47,123
	31,74,948	51,36,980
13:INVENTORIES		
Raw Material	-	-
Finished Goods	2,77,94,546	1,73,81,456
Work In Progress	-	20,50,037
Packing Material & Consumables	-	8,430
Chindi(Scrap)	1,013	-
	2,77,95,559	1,94,39,923

M. K. EXIM (INDIA) LTD									
10:FIXED ASSETS									
SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2015	ADDITION/ (DELETION)	AS ON 31.03.16	UP TO 31.03.2015	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2016	AS ON 31.03.16
	<u>Tangible Assets</u>								
1	LAND	39,87,680	0	39,87,680	0	0	0	0	39,87,680
2	SITE DEVELOPMENT	2,65,586	0	2,65,586	91,591	0	6,429	98,020	1,67,566
3	FACTORY BUILDING	42,70,297	0	42,70,297	24,31,407	0	4,06,344	28,37,751	14,32,547
4	OFFICE BUILDING	42,70,297	0	42,70,297	20,83,112	0	58,049	21,41,161	21,29,136
5	PLANT & MACHINERY	1,92,24,942	0	1,92,24,942	1,48,78,620	0	8,46,269	1,57,24,889	35,00,053
6	FURNITURE & FIXTURES	9,88,023	0	9,88,023	6,66,781	0	54,448	7,21,229	2,66,794
7	VEHICLES	62,59,649	43,14,265	1,05,73,914	1,56,813	0	7,61,580	9,18,393	96,55,521
8	COMPUTER	19,500	0	19,500	677	0	6,176	6,853	12,647
9	OFFICE EQUIPMENT	4,34,637		4,34,637	4,12,906	0	21,731	4,34,637	0
	TOTAL	3,97,20,611	43,14,265	4,40,34,876	2,07,21,907	0	21,61,026	2,28,82,932	2,11,51,944

SR.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2014	ADDITION/ (DELETION)	AS ON 31.03.15	UP TO 31.03.2014	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2015	AS ON 31.03.15
	<u>Tangible Assets</u>								
1	LAND	39,87,680	0	39,87,680	0	0	0	0	39,87,680
2	SITE DEVELOPMENT	2,65,586	0	2,65,586	85,162	0	6,429	91,591	1,73,995
3	FACTORY BUILDING	42,70,297	0	42,70,297	20,25,063	0	4,06,344	24,31,407	18,38,891
4	OFFICE BUILDING	42,70,297	0	42,70,297	20,25,063	0	58,049	20,83,112	21,87,186
5	PLANT & MACHINERY	1,92,24,942	0	1,92,24,942	1,40,32,351	0	8,46,269	1,48,78,620	43,46,322
6	FURNITURE & FIXTURES	9,88,023	0	9,88,023	6,12,333	0	54,448	6,66,781	3,21,242
7	VEHICLES	33,70,550	62,59,649 -33,70,550	62,59,649	33,70,550	-33,70,550	1,56,813	1,56,813	61,02,836
8	COMPUTER	5,39,061	19,500 -5,39,061	19,500	5,39,061	-5,39,061	677	677	18,823
9	OFFICE EQUIPMENT	4,34,637		4,34,637	1,96,001	0	2,16,905	4,12,906	21,731
	TOTAL	3,73,51,073	23,69,538	3,97,20,611	2,28,85,582	-39,09,611	17,45,934	2,07,21,906	1,89,98,705

14:TRADE RECEIVABLES (Unsecured & Considered Good)		
Debts (Outstanding for a period exceeding six months)	28,06,43,067	21,38,52,996
Others	23,26,56,077	28,76,07,515
	51,32,99,144	50,14,60,511
15:CASH & CASH EQUIVALENTS		
Cash in Hand	27,97,808	38,60,566
Balance with Banks	4,38,442	1,24,053
	32,36,250	39,84,620
16:SHORT TERM LOANS & ADVANCES (Unsecured & considered good)		
Prepaid Insurance	32,361	21,016
Other Advances	-	30,00,000
Advances to Employees	7,89,009	9,61,309
	8,21,370	39,82,325
17: REVENUE FROM OPERATIONS		
Domestic Sales	-	9,26,999
Export Sales	28,96,69,508	46,02,87,076
Exchange Rate Difference	2,58,52,886	1,61,44,105
Duty Drawback	4,08,63,795	3,02,22,197
	35,63,86,189	50,75,80,377
18:OTHER INCOME		
Other Income	8,201	0
Rent	1,80,000	6,00,000
Profit on Sale of Fixed Assets	-	2,10,000
Interest Income	-	2,76,076
Income Tax Refund	-	6,37,103
	1,88,201	17,23,179
19:COST OF MATERIALS CONSUMED		
Opening Stock	20,50,037	-
Add: Purchases	4,82,088	1,83,21,764
Less: Closing Stock	-	20,50,037
	25,32,125	1,62,71,727
20:PURCHASE OF TRADING GOODS		
Purchase of Fabric	26,62,43,344	33,57,26,849
Purchase of Goods(For NGO)	7,42,42,300	13,82,79,340
Purchase of Garments	-	-
	34,04,85,644	47,40,06,189
21:CHANGES IN INVENTORIES OF FINISHED GOODS AND WIP		
Closing Stock of Finished Goods	2,77,94,546	1,73,81,456
Less:Opening Stock of Finished Goods	1,73,81,456	55,16,203
(Increase)/Decrease in Finished Goods	(1,04,13,090)	(1,18,65,253)
Increase in Closing stock of Chindi	(1,013)	-
	(1,04,14,103)	(1,18,65,253)
22:EMPLOYEE BENEFITS EXPENSES		
Salary Expenses	16,12,900	12,97,500
Staff Welfare Expenses	2,857	27,257
Provident Fund & ESI Contribution	1,19,281	81,592
Gratuity	1,02,804	92,131
Festival Expenses	43,130	25,600
	18,80,972	15,24,080
23:FINANCE COST		
Interest	27,74,905	15,09,238
Other Expenses	8,16,055	6,50,854
	35,90,960	21,60,092

24:OTHER EXPENSES		
Manufacturing Expenses:-		
Carriages & Cartages	4,325	1,560
Grading Charges	52,400	2,26,232
Processing Charges	3,29,088	24,67,580
Testing Charges	6,92,910	98,243
Job Charges	-	20,84,013
Power & Fuel	1,55,915	28,280
Total(A)	12,34,638	49,05,908
Other Expenses:-		
Conveyance Charges	1,67,018	1,29,532
Electric & Water Expenses	18,132	12,573
Freight Charges	71,62,086	95,23,625
Office Expenses	48,170	36,259
Printing & Stationery	4,32,864	2,00,268
Repairs to Building	2,200	20,673
Repairs to Others	43,126	54,805
Sales Promotion Expenses	17,650	37,766
Advertisement Expenses	76,696	72,976
Director Remuneration	4,26,000	4,26,000
Auditors' Remuneration	2,00,000	1,75,000
Vehicle Expenses	34,608	1,15,518
Council Charges	2,620	33,305
Donation	12,000	-
Demand & Penalties	35,393	45,738
Insurance Charges	1,35,366	64,165
Legal & Professional Charges	7,30,245	4,38,934
Packing material & consumables Consumed	2,86,329	4,53,567
Postage Expenses	2,21,803	2,05,913
Misc. Exp. W/off	12	80,000
Registration & Annual Charges	4,04,976	10,86,085
Rent	2,24,500	52,500
Sample Expenses	1,70,917	67,512
Sundry Balances W/off	97,300	-
Telephone Expenses	1,31,673	2,56,577
Travelling Expenses	4,51,397	70,629
Website & Internet Expenses	6,600	6,600
Total(B)	1,15,39,681	1,36,66,520
Total(A)+(B)	1,27,74,318	1,85,72,428

24.1 VALUE OF PACKING MATERIAL CONSUMED	Rs. In Lacs.	%	Rs. In Lacs.	%
Imported	0	0	0	0
Indigenous	2.86	100	4.54	100
24.2 PAYMENTS TO AUDITORS				
(a) As Auditors:				
Statutory Audit Fees		2,00,000		1,75,000
(b) As Advisers, in respect of				
-Other Services		44,000		45,000
		2,44,000		2,20,000
25: EARNINGS PER SHARE (EPS)				
Net Profit after tax available for Equity Share holders		23,57,473		50,88,564
Weighted average of number of equity share outstanding during the year		71,80,500		71,80,500
Basic & Diluted Earnings per share(in Rs.)		0.3283		0.7087
Face value per equity share(in Rs.)		10		10
26: EARNING IN FOREIGN EXCHANGE & EXPENDITURE				
Foreign Exchange Earning(FOB Value)				
Export		28,97,89,978		45,91,40,093
Foreign Exchange Expenditure		6,82,753		0
27: RELATED PARTY DISCLOSURES				
As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :				
(1) List of related parties and relationships :				
S.NO.	NAME OF RELATED PARTY	RELATIONSHIP		
1.	Mr. Dayaram Khanchandani :	Key Management Personnel (KMP)		
2.	Mr. Manish Muriidhar Dialani	Key Management Personnel (KMP)		
3.	M.K.Products	Partnership firm of KMP		
4.	M/s Square Gem General Trading L.L.C.	Related concern of KMP		
5.	M/s Square Textile L.L.C.	Related concern of KMP		
6..	Kolba Farm Fab Pvt. Ltd.	Subsidiary Company		
7.	Manish Overseas	Related concern of KMP		
8.	Laaj International	Proprietorship firm of KMP		
Details of transactions with related parties and the status of outstanding balances				
1.Key Management Personnel		Current year	Previous year	
		31.03.16	31.03.15	
Remuneration		4,26,000	4,26,000	
Outstanding Payable at the year end		5,96,581	1,56,413	
Unsecured Loans				
Balance at the beginning		0	0	
Taken during the year		0	50,00,000	
Paid during the year		0	50,00,000	
Balance Payable at the end		0	0	
2.Related concern of Key Management Personnel				
Sale of Finished Goods		1,19,34,722	4,70,70,174	
Debit Balance Outstanding at the end of the year		2,75,08,493	5,17,20,398	
Purchase of Finished Goods(Fabric)		25,79,43,364	16,75,95,816	
Credit Balance Outstanding at the end of the year		19,78,99,591	9,70,83,807	

3.Associate Company		
Loans & Advances		
Balance at the beginning	0	0
Given during the year	0	0
Received during the year	0	0
Balance at the end	0	0
Investment	0	0
<u>28:REMUNERATION PAID TO DIRECTORS</u>		
Salary	4,26,000	4,26,000
<u>29.CONTINGENT LIABILITIES AND COMMITMENTS</u>	<u>Year Ended</u>	<u>Year Ended</u>
	<u>31.03.2016</u>	<u>31.03.2015</u>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability		
Pending in Appeals	102140.00	190380.00

30:SEGMENT REPORTING

- (i) Segments have been identified in line with the Accounting Standard-17- "Segment Reporting " 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 lacs)

	Jewellery		Finish Fabrics,Garments & Dress Material		Blankets & Sleeping Mats		Unallocable		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Revenue	19.02	114.59	2701.13	3470.42	843.70	1490.79	1.88	17.23	3565.74	5093.04
Profit before tax	19.02	114.59	22.07	(61.60)	(4.95)	20.26	(0.50)	(4.37)	35.63	68.88
Less : MAT Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2.77)	0.00	(2.77)
Deferred tax liability Created/(Reverse)	0.00	0.00	0.00	0.00	0.00	0.00	(0.82)	(0.79)	(0.82)	(0.79)
Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	12.88	21.56	12.88	21.56
Profit After Tax	19.02	114.59	22.07	(61.60)	(4.95)	20.26	(12.56)	(22.37)	23.57	50.88
Segment Assets	0.00	636.92	5850.76	4671.92	238.43	306.21	16.37	17.92	6105.56	5632.97
Segment Liabilities	0.00	0.00	3720.91	3328.09	149.08	75.04	2.72	20.57	3872.71	3423.70
Capital Expenditure	0.00	0.00	32.87	43.77	10.27	19.03	0.00	0.00	43.14	62.79
Non Cash Expenses other than Depreciation	0.00	0.00	0.78	1.20	0.24	0.52	0.00	0.00	1.03	1.72
Depreciation	0.00	0.00	16.47	12.17	5.14	5.29	0.00	0.00	21.61	17.46

(v) Information about secondary business segment :-

	Current Year	Previous Year
Domestic	0.00	9.27
Export	2896.70	4602.87
	<u>2896.70</u>	<u>4612.14</u>

For Vimal Agrawal & Associates
Chartered Accountants

For and on behalf of the Board

SD/-

(Vimal Kumar Agrawal)
Partner

SD/-

(Daya Ram Khanchandani)
Whole Time Director
DIN:0161546

SD/-

(Manish Murlidhar Dialani)
Managing Director
DIN:05201121

SD/-

(Prakriti Sethi)
Company SecretaryPlace : Jaipur
Date : 30th May, 2016

M. K. Exim (India) Limited

CIN: L63040RJ1992PLC007111

**Registered Office: G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area,
Sitapura, Sanganer, Jaipur-302022**

Phone: 0141- 3937501, 3937504 Fax: +91-141-3937502

E-mail: mkexim@mkexim.com, mkexim123@gmail.com,

Web-Site: www.mkexim.com

ATTENDANCE SLIP

Folio No. / DP ID & Client ID*

No. of shares held

* Applicable in case shares are held in electronic form.

I/We certify that I/We am/are registered shareholder /proxy for the registered shareholder of the Company.

I/We hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company to be held at G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022 at 10.00 a.m. on Friday, September 30, 2016.

Shareholder's / Proxy's name in BLOCK letters Signature of Shareholder /Proxy

Note:

- 1 Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.
2. In case of joint holders attending the meeting, the member whose name appears as the first holder, in the order of names appearing in the register of members, will only be entitled to vote.

M. K. Exim (India) Limited

CIN: L63040RJ1992PLC007111

Registered Office: G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura,
Sanganer, Jaipur-302022.

Phone: 0141- 3937501, 3937504. Fax: +91-141-3937502

E-mail: mkexim@mkexim.com,mkexim123@gmail.com, Web-Site: www.mkexim.com

PROXY FORM-MGT 11

**[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the
Companies (Management and Administration) Rules, 2014**

24th Annual General Meeting on Friday,30th September,2016

Name of the shareholder(s) :

Registered address :

E-mail ID :

Folio No. /DP ID & Client ID* :

No. of shares held :

* Applicable in case shares are held in electronic form.

I/We, being the holder(s) of _____ shares of M. K. Exim India
Limited,

hereby appoint:

1 Name :-----Email id:-----

Address :-----

Signature-----or

failing him/her

2 Name : -----Email id:-----

Address :-----

Signature-----or

failing him/her

3 Name : -----Email id:-----

Address :-----

Signature-----

as my / our proxy to attend and vote (on Poll) for me/us and on my/ our behalf at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company to be held on FRIDAY, 30th September, 2016 at 10.00 a.m. at G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Sr No.	Particulars	Type of resolution Ordinary/Special)	I / We (assent to the resolution) For	I / We (dissent to the resolution) Against
	Ordinary Business:			
1.	Audited Balance Sheet as at 31 st March, 2016 and Statement of Profit & Loss for the year ended at that date and the report of Directors and Auditors thereon.			
2.	Appointment of Mr. Manish Murlidhar Dialani by rotation			
3.	Re-appointment of Auditor			
	Special Business:			
4.	Approval of Related party Transaction as per Section 188			

Signed this-----day of-----2016

Signature of Share Holder-----

Signature of proxy holder(s)-----

Revenue Stamp Rs. 1/-

Note:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

M. K. Exim (India) Limited**CIN: L63040RJ1992PLC007111****Registered Office: G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area,
Sitapura, Sanganer, Jaipur-302022****Phone: 0141- 3937501, 3937504 Fax: +91-141-3937502****E-mail: mkexim123@gmail.com, mkexim@mkexim.com, Web-Site: www.mkexim.com****BALLOT PAPER**

- 1 Name and registered address of Sole/first member:
- 2 Name(s) of joint holder(s) if any
- 3 Folio No. /DP ID & Client ID* :
- 4 No. of shares held :

I/We hereby exercise my/our vote in respect of the resolutions set out in the Notice convening the 24th Annual General Meeting of the Company scheduled on Friday, September 30, 2016, by conveying my/our assent or dissent to the said resolution(s) by placing the tick (√) mark at the appropriate box below.

Sr No.	Particulars	Type of resolution Ordinary/Special)	I / We (assent to the resolution) For	I / We (dissent to the resolution) Against
	Ordinary Business:			
1.	Audited Balance Sheet as at 31 st March, 2016 and Statement of Profit & Loss for the year ended at that date and the report of Directors and Auditors thereon.			
2.	Appointment of Mr. Manish Murlidhar Dialani by rotation			
3.	Re-appointment of Auditor			
	Special Business:			
4.	Approval of Related party Transaction as per Section 188			

Place :

Date :

Signature of Shareholder _____

NOTE: Kindly read the instructions printed overleaf before filling the form. Only valid ballot forms received by the scrutinizer by 6.00 p.m. on September 29, 2016 shall be considered.

INSTRUCTIONS

1. Shareholders may fill up the ballot form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Suresh Sharma, Practising Company Secretary, Unit: M. K. Exim (India) Limited, so as to reach by 6.00 p.m. on 29, September , 2016. Ballot form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the ballot form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
4. A shareholder can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a shareholder casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
5. The right of voting by ballot form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the shareholders holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of shareholders holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Beetal Financial & Computer Services (P) Ltd.). Shareholders are requested to keep the same updated.
7. There will be only one ballot form for every Folio/DP ID Client ID irrespective of the number of joint holders.
8. In case of joint holders, the ballot form should be signed by the first named shareholder and in his/her absence by the next named shareholder. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such ballot form from other joint holders.
9. Where the ballot form has been signed by an authorized representative of the body corporate/ trust/ society, etc. a certified copy of the relevant authorization/ board resolution to vote should accompany the ballot form.

UPDATION FROM

To:

Beetal Financial & Computer Services Private LimitedBeetal House, 3rd 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

-----Shares held by us in M X Exim (India) Limited

General information

Folio Number	
Name of the First Named shareholder	
PAN	
CIN/Registration (applicable to bodies corporate)	
Telephone No with STD Code	
Mobile No.	
Email ID	

IFSC (11 digit)	MICR (9 digit)
Bank Account Type	*Bank Account No.

Name of the bank
Bank Branch address

· A blank cancelled cheque is enclosed for verification of bank details.

I / we hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect details/information, I/we will not hold M K Exim (India) Limited (the Company) responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/we understand that the above details shall be maintained by the Company till/we hold the securities under the above mentioned folio number.

Place

Date

(signature of the sole/first holder)