

# **29th Annual Report**

**2020-2021**



**M. K. EXIM (INDIA) LIMITED**

# 29th Annual Report

## 2020-2021

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**CORPORATE INFORMATION**

<b>Board of Directors</b>	<b>Shri Murli Wadhupal Dialani</b> Chairman & Whole-Time Director <b>Shri Manish Murlidhar Dialani</b> Managing Director <b>Smt. Lajwanti Murlidhar Dialani</b> Whole-Time Director <b>Shri Laxmikant Ramswarup Patodia</b> Independent Director <b>Shri Vishesh Mahesh Nihalani</b> Independent Director <b>Ms. Priya Murlidhar Makhija</b> Independent Director
<b>Company Secretary</b>	<b>Mrs. Prakriti Sethi</b>
<b>Auditors</b>	<b>Rishabh Agrawal &amp; Associates,</b> <b>Chartered Accountants</b> Above Shop No. 426-427, Chandpole Bazaar, Jaipur, Rajasthan - 302001
<b>Banker</b>	<b>State Bank of India</b>
<b>Factory &amp; Registered Office</b>	G-1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022 Phone: 0141- 3937501, 3937504.
<b>E-mail</b> <b>Web-Site</b>	mkexim@mkexim.com, complianceofficer@mkexim.com, www.mkexim.com
<b>Registrar of Share Transfer</b>	<b>Beetal Financial &amp; Computer Services (P) Ltd.</b> Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Center, Near Dada HarsukhdasMandir, New Delhi – 110 062 Tel: (011) 2996 1281/82 Fax: (011) 2996 1284 Email:beetalrta@gmail.com



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

(CIN:L63040RJ1992PLC007111)

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

**Phone:** +91 141- 3937501, 3937500, **Fax:** +91-141-3937502

**E-mail:** mkexim@mkexim.com, complianceofficer@mkexim.com,

**Web-Site:** www.mkexim.com

**NOTICE**

NOTICE is hereby given that the 29th Annual General Meeting of M k Exim (India) Limited will be held on Wednesday, 29th September, 2021 at 11.00 A.M IST through Video Conference / Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022:

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Standalone Financial Statements as well as Audited Consolidated Financial Statements of the Company for the year ended 31st March 2021 together with Report of Auditors and the Board of Directors thereon;

**“RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2021 and the Reports of the Board of Directors' and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Manish Murlidhar Dialani (DIN: 05201121), who retires by rotation and being eligible, offers himself for re-appointment.

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Manish Murlidhar Dialani (DIN: 05201121), who retires by rotation at this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

**Place: Jaipur**

**Dated: 26<sup>th</sup> August, 2021**

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

**Prakriti Sethi  
Company Secretary**

**Registered Office:**

G1/150, Garment Zone,  
E.P.I.P., RIICO Industrial Area,  
Sitapura, Tonk Road,  
Jaipur-302022  
CIN: L63040RJ1992PLC007111



**Notes**

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular no 02/2021 dated January 13, 2021 read together with circulars Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May, 12 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, the AGM of the Company is being held through VC/ OAVM without physical presence of the Members at a common venue
2. The deemed venue for twenty-ninth e-AGM shall be the Registered Office of the Company.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available and hence the Proxy Form are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
7. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy(pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said

resolution/authorization shall be sent to the scrutinizer by email through its registered email address to parikhanshu26gmail.com with a copy marked to investorgm@mkexim.com

8. The Register of members and share transfer books of the Company will remain closed from **Thursday, 23<sup>rd</sup> September 2021 to Wednesday, 29<sup>th</sup> September 2021** (both days inclusive) for the purpose of the annual general meeting.
9. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking re-appointment/appointment at the AGM are provided in annexure-1 of this notice. Requisite declarations have been received from the Directors seeking re-appointment. The Independent Directors of the Company have been appointed for a term of 5 years in accordance with the relevant provisions of the Companies Act, 2013 and are not eligible to retire by rotation.
10. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Beetal Financial & Computer services (P) Ltd, New Delhi by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, for assistance in this regard.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Beetal Financial & Computer services (P) Ltd (company's RTA) in case of physical shares. Members holding shares in physical form are also requested to submit their specimen signature duly attested by their bank.
13. **Nomination facility:** Section 72 of the Act provides for facility to the members for making nomination in respect of the shares held by them in the Company. Members holding shares in single name and who have not registered the nomination should submit to the Company form SH 13 for making nomination. Members holding the shares in electronic form should submit the form to their depository participants. Members can change the nomination by filing form SH14 with the Company (in case of shares held in physical form) or to the depository participant (in case shares are in electronic form)
14. **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.

15. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
16. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, board report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020, Notice of 29<sup>th</sup> AGM along with the Annual Report for FY2021 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for FY2021 will also be available on the Company's website at [www.mkexim.com](http://www.mkexim.com) and website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com)
17. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with Beetal Financial & Computer services (P) Ltd, BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062 at their e-mail id [beetalrta@gmail.com](mailto:beetalrta@gmail.com).
18. Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for FY2021 and Notice of 29<sup>th</sup> AGM, may temporarily get themselves registered with Beetal Financial & Computer services (P) Ltd, BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062 at their e-mail id [beetalrta@gmail.com](mailto:beetalrta@gmail.com).
19. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Wednesday 22<sup>nd</sup> September, 2021, such person may obtain the user id and password from Beetal Financial & Computer services (P) Ltd by email request on [beetalrta@gmail.com](mailto:beetalrta@gmail.com).
20. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.mkexim.com](http://www.mkexim.com) The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)
21. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 30th September, 2020 (date of last AGM) are available on the website of the Company and on Ministry of Corporate Affairs' website. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the

- Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>
22. The Company has appointed M/s. Anshu Parikh & Associates (proprietor Ms. Anshu Parikh), PCS (Membership no. FCS 9785), as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
23. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
24. The Company has been maintaining, *inter alia*, the following statutory registers at its registered office at Jaipur, Rajasthan
- Register of contracts or arrangements in which directors are interested under section 189 of the Act.
  - Register of directors and key managerial personnel and their shareholding under section 170 of the Act.
25. Instructions for remote e-voting, joining the e-AGM and e-voting at e-AGM are as follows:

#### A. VOTING THROUGH ELECTRONIC MEANS

- a. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on Wednesday 22<sup>nd</sup> September, 2021 being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by CDSL or to vote at the AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

#### B. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- The voting period begins on **<26.09.2021 at 9:00 a.m.>** and ends on **<28.09.2021 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 **<22.09.2021>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would

be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget

Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(V) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on "Shareholders" module.
3. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

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

- (Vi) After entering these details appropriately, click on "SUBMIT" tab.
- (Vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your

password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the **M.K.EXIM (INDIA) LIMITED** on which you choose to vote.
- (X) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@gmail.com](mailto:helpdesk.evoting@gmail.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investoragm@mkexim.com](mailto:investoragm@mkexim.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act
- v. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- vi. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vii. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



- viii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance during the period from 26 September 2021 (from 9.00 a.m.) to 27 September 2021 (upto 5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at beetalrta@gmail.com and copy to company email id investorgm@mkexim.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance during the period from 26 September 2021 (from 9.00 a.m.) to 27 September 2021 (upto 5.00 p.m.) mentioning their name, demat account number/folio number, email id, mobile number at beetalrta@gmail.com and copy to company email id investorgm@mkexim.com. These queries will be replied to by the company suitably by email. Please note that only questions of the members holding the shares as on cut-off date will be considered. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.
- ix. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- x. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- xi. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email [helpesk.evoting@cdsindia.com](mailto:helpesk.evoting@cdsindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr.RakeshDalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal MillCompounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpesk.evoting@cdsindia.com](mailto:helpesk.evoting@cdsindia.com) or call on 022-23058542/43.

**E. General Instructions:**

- i. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 29<sup>th</sup> AGM and announce the start of the casting of vote through the e-voting system of CDSL.
- ii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any.

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

**Place: Jaipur**

**Dated: 26<sup>th</sup> August, 2021**

**Registered Office:**

G1/150, Garment Zone,  
E.P.I.P., RIICO Industrial Area,  
Sitapura, Tonk Road,  
Jaipur-302022  
CIN: L63040RJ1992PLC007111

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

**Prakriti Sethi  
Company Secretary**

**ANNEXURE-1**

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

<b>Name of Director</b>	Mr. Manish Murlidhar Dialani
Category	Managing Director
DIN	05201121
Date of birth And age	04.07.1984 37 years
Qualification	Graduate
Nature of experience /expertise	Vast experience in Finance, production, sales and marketing
Brief resume	having 12 years' experience in Finance, production, sales and marketing in Fabric and garment fields as well as FMCG products
Terms and conditions Of appointment / re -Appointment	Managing Director liable to retire by rotation
Number of shares Held in the Company	2427740
Relationship with Other directors/ KMP	Relative of Mr. Murli Wadhupal Dialani And Mrs. Lajwanti M Dialani
No of board meetings Attended out of 8 Board meetings in the year 2020-21	8
Directorship details	Kolba Farm Fab Private Limited

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**Form No. SH-13 Nomination Form  
(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1)  
of the Companies (Share Capital and Debentures) Rules 2014)**

To,  
The Company Secretary,  
M.K.Exim (India) Limited  
G1/150, Garment Zone, E.P.I.P.,  
RIICO Industrial Area, Sitapura, Tonk  
Road, Jaipur-302022

I/ We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made) –**

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

**2. PARTICULARS OF NOMINEE/S –**

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

**3. IN CASE NOMINEE IS A MINOR –**

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

Name: ..... Address: .....

Name of the Security Holder(s): .....

Signatures: ..... Witness with name and address:.....

**Instructions:**

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership Firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filled in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the members.
14. For shares held in dematerialised mode nomination is required to be held with the Depository Participant in their prescribed form.

**DIRECTORS' REPORT**

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

Your Directors have pleasure in presenting their 29th Annual Report and the audited financial statements for the financial year ended 31st March 2021

**STANDALONE FINANCIAL RESULTS**

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

(Rs. In Lakhs)

<b>Particulars</b>	<b>Year ended 31.03.21</b>	<b>Year ended 31.03.20</b>
Income from operations	5531.42	5070.29
Profit before interest, depreciation and taxation	1136.65	361.79
Finance cost	24.62	27.60
Depreciation	23.64	26.38
Profit before tax	1088.39	307.81
Taxation	280.82	122.47
Profit after tax	807.57	185.34
Balance brought forward from previous year	1221.47	1036.13
Less Dividend	---	---
Disposable surplus available after adjustments	2029.04	1221.47
Balance carried to balance sheet	2029.04	1221.47

**OPERATIONAL REVIEW:**

The highlights of the Company's performance are as under:

The income during the financial year ended 31st March 2021 is Rs. 5531.42 lakhs compared to Rs. 5070.29 lakhs, an increase of about 9%. The Company's new division of distributorship of cosmetics (FMCG) products contributed a revenue Rs. 3400.71 lakhs during the year. The profit after tax is Rs. 807.57 lakhs for the year under report compared to Rs. 185.34 lakhs for the financial year ended 31st March 2020, an increase of about 336%. The sales by way of exports are Rs. 2063.55 lakhs during the year ended 31st March 2021 compared to Rs. 2883.45 lakhs in the previous year. Export sales constitute about 37% of the total revenue during the year.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

The Company is engaged in business of export of fabrics and has started the Distributorship of Cosmetics (FMCG) products consisting of personal care and personal hygiene products of internationally reputed brands, pan India in the year 2019. During the reporting period 2020-21 there is no change or addition of in nature of business of the company.

**DIVIDEND DISTRIBUTION & TRANSFER TO 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 2021. Further due to uncertain conditions in global and domestic economy arising out of COVID-19 pandemic, the directors thought it prudent to conserve the resources of the Company.

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2020-21 in the statement of profit and loss and does not proposed any amount to carry to any specific reserve

**SHARE CAPITAL:**

The paid up equity share capital of the Company as at 31st March 2021 Rs. 897.05 lakhs. During the year under review, the Company has issued 17.90 lakhs equity shares on preferential basis at a price of Rs. 20/-per share, as per SEBI Regulations. 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 2021.

**FINANCE & ACCOUNTS:**

The Company prepares its financial statements in accordance with the requirements of the Companies Act 2013(hereinafter referred as "the Act" or "Act") and the Generally Accepted Accounting Principles (GAPP) as applicable in India. The financial statements have been prepared on historical cost basis in conformity with the Indian Accounting Standards ("Ind AS"). 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 2021.

Cash and cash equivalents as at March 31, 2021 was Rs. 687.46 lakh. The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters under strict monitoring.

**PERFORMANCE HIGHLIGHTS:****(a) Share Capital**

The 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. 8,97,05,000/-.

**(b) Loan funds**

During the year the Secured Loan of the Company was decreased by 17.43%, i.e. from Rs. 343.28 Lakhs to Rs. 283.45 Lakhs, the interest cost reduced during the year.

**C) Sales** During the year the turnover of the Company has increased by 12%, i.e. from Rs. 4871.46 Lakhs to Rs. 5464.79 Lakhs, the board is making their possible efforts to improve the performance of the company during the current financial year.

**DEPOSITS:**

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

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

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



**MATERIAL CHANGE AND COMMITMENT**

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

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

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

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

The internal audit is entrusted to M/s Madhur & Associates, Chartered Accountants. The Audit Committee reviews the adequacy and effectiveness of the internal control systems and suggests improvements, wherever required.

**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 2021.

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

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

**B. TECHNOLOGY ABSORPTION:**

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

**C. FOREIGN EXCHANGE EARNINGS AND OUT GO:**

Foreign exchange earnings: Rs.2057.48 lakhs

Foreign Exchange out go: NIL

**INDUSTRIAL RELATIONS:**

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

**DIRECTORS & KEY MANAGERIAL PERSON:****DIRECTORS**

Mr. Manish Murlidhar Dialani, Managing Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers for reappointment.

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

The Boards recommends to the members the resolution for re-appointment of Mr. Manish Murlidhar Dialani as Managing Director of the company.

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

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

There were no changes to the Key Managerial Personnel since last annual general meeting.

**KEY MANAGERIAL PERSONNEL**

The key managerial personnel of the Company are given below:

Sr No.	Name	Designation
1	Shri Murli Wadhmal Dialani	Chairman and Whole Time Director
2	Shri Manish Murlidhar Dialani	Managing Director
3	Smt. Lajwanti M Dialani	Whole Time Director
4	Shri Mahaveer Prasad Jain	Chief Financial Officer
5	Smt. Prakriti Sethi	Company Secretary

**CORPORATE GOVERNANCE REPORT:**

Our corporate governance report for FY 2020-21 forms part of this Annual Report. The requisite certificate from the auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under SEBI LODR is annexed to the corporate governance report.

**BOARD EVALUATION**

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees, and executive / non-executive / independent directors through peer evaluation, excluding the director being evaluated.

To improve the effectiveness of the Board and its committees, as well as that of each individual director, a formal Board review is internally undertaken on an annual basis. Further, the evaluation process was based on the affirmation received from the independent directors that they met the independence criteria as required under the Companies Act 2013, the Listing Regulations The Board of directors expressed satisfaction of the evaluation process adopted by the Company.

**MEETINGS**

The board met 8 (Eight) times during the financial year 2020-21. For details of meetings of the Board, please refer to the Corporate Governance Report which is a part of this Annual Report.

**DIRECTOR'S 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:

- (a) That in preparation of the annual accounts for the year ended 31st March 2021 the applicable accounting standards have been followed and that there were no material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and of the profit of the Company for the year ended on that date;
- (c) 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;
- (d) That the annual accounts have been prepared on a going concern basis
- (e) that proper internal financial controls were laid down and that such internal financial controls were adequate and were operating effectively; and
- (f) That 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.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions entered with related parties for the financial year ended 31st March 2021 were on arm's length basis and in the ordinary course of business under third proviso to section 188(1) of the Act.

Omnibus approval, wherever required was given for transactions of repetitive nature as per provisions. 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 2021 are disclosed in the notes to accounts.

**SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES**

During the year 2020-21 the Kolba Farm Fab Private Limited ceased to be subsidiary company in December, 2020 due to reduction of shareholding of the Company from 70.71% to 48.98% as a result of not subscribing the proposal of right issue offered by Kolba Farm Fab Private Limited and now Kolba Farm Fab Private Limited is associate company. The salient features of the financial statement of the associate company are given in form AOC 1 in Annexure "B".

**CONSOLIDATED FINANCIAL STATEMENT**

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

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

**FAMILIARISATION PROGRAMME**

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

**CODE OF CONDUCT:**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31st March 2021.

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

Company has constituted Nomination and Remuneration Committee and adopted Nomination and Remuneration Policy formulated in compliance with Section 178 of the Companies Act, 2013 read with rules thereunder and of the SEBI (LODR) Regulations, 2015. The said policy is of the company on director's appointment and remuneration, including the criteria for determining qualification, positive attribute, independence of a directors and other matters as required under sub section (3) of section 178 of the companies act, 2013 is available on our website at <https://www.mkexim.com/policies.html>.

**AUDITORS****1. STATUTORY AUDITORS**

The statutory auditors of the Company M/s Rishabh Agrawal & Associates, Chartered Accountants (FRN: 018142C), were appointed as auditors of the Company in the AGM held on 28.09.2019 for the period of 5 years i.e. till the 32nd AGM to be held in the year 2024.

The Auditors' Report for fiscal 2021 does not contain any qualification, reservation or adverse remark. These reports are self-explanatory and does not require any comments thereon. The Report is enclosed with the financial statements in this Annual Report

**BRANCH AUDITOR**

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

**2. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Anshu Parikh & associates prop. Anshu Parikh, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year ended on 31st March, 2021.

The Secretarial Auditors' Report for fiscal 2021 does not contain any qualification, reservation or adverse remark. These reports are self-explanatory and does not require any comments thereon. The Secretarial Auditors' Report is enclosed as Annexure "D" to the Board's report

**REPORTING OF FRAUDS BY AUDITORS**

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

**COST AUDIT**

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

**CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS**

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

**EXTRACT OF THE ANNUAL RETURN**

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

**BUSINESS RISK MANAGEMENT**

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. On the basis of risk assessment criteria of the Company has been entrusted with the responsibility to assist the Board in

- (a) Overseeing and approving the Company's enterprise wide risk management framework; and
- (b) Overseeing that all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place, capable of addressing those risks.

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

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

**PARTICULARS OF EMPLOYEES**

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

**EQUAL OPPORTUNITY & PREVENTION OF SEXUAL HARRASMENT**

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

colour, language, marital status and sex.

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

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

#### **COMMITTEES OF THE BOARD**

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

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

#### **CEO AND CFO CERTIFICATION**

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

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

The Board of Directors affirms that during the Financial Year 2020-21, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013. In the preparation of the Financial Statements, the Company has also applied the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015.

#### **LISTING FEES**

The Equity shares of the Company are listed with Bombay Stock Exchange Ltd (BSE), which has nationwide trading terminals. The annual listing fee for the year 2021-22 was paid within the scheduled time to BSE.

#### **ENVIRONMENTS AND SAFETY**

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

#### **TRANSFER OF SHARES**

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

#### **ACKNOWLEDGEMENT**

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

**For and on behalf of the Board of Directors**

Place: Jaipur  
Dated: 26.08.2021

Murli Wadhupal Dialani  
Chairman  
DIN: 08267828



## Annexure A to Boards Report

FORM NO MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended 31<sup>st</sup> March 2021

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

## I Registration &amp; 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, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi – 110 062 Tel: (011) 2996 1281/82 Fax: (011) 2996 1284 Email: beetalrta@gmail.com

## 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	Cosmetics (FMCG)	330530	62
2	Dyed Fabrics	540702	38

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

For M.K.Exim (India) Limited

Murli Wadhmal Dialani  
Chairman  
DIN: 08267828



**ANNEXURES " B" TO DIRECTORS' REPORT****Form AOC-1**

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

**Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures**

**Part "A": Subsidiaries**

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

**Notes:**

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Kolba Farm Fab Private Limited
1. Latest audited Balance Sheet Date	31.03.2021
2. Shares of Associate/Joint Ventures held by the company on the year end	
2.1 No.	1
2.2 Amount of Investment in Associates/Joint Venture	Rs. 111.84 Lakhs
2.3 Extend of Holding%	48.98%
3. Description of how there is significant influence	Holding Exceeds 20%
4. Reason why the associate/joint venture is not consolidated	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 372.85 Lakhs
6. Profit/Loss for the year	
6.1 Considered in Consolidation	Rs. (1.02) Lakhs
6.2 Not Considered in Consolidation	Rs. (5.62) Lakhs

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For M.K.Exim (India) Limited

Murli Wadhmal Dialani  
Chairman  
DIN: 08267828

**ANNEXURES " C " TO DIRECTORS' REPORT**

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

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

Sr No	Requirements	Disclosure																		
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31 <sup>st</sup> March 2021	Manish Dialani 7.79:1 Lajwanti Dialani 2.60:1 Murlidhar Dialani 1.61:1																		
2	Percentage increase in remuneration of each director and CEO in the financial year ended 31 <sup>st</sup> March 2021	Manish Dialani 110.22% Lajwanti Dialani 64.17% Murli Dialani 91.67%																		
3	The percentage increase of in the median remuneration of employees in the financial year.	Not applicable as the employee drawing median remuneration was employed for part of the year																		
4	The number of permanent employees on the roll of the Company	40																		
5	The explanation on the relationship between average increase in remuneration and the Company performance	The average increase in remuneration was in line with the increase in turnover, the profitability of the Company and other parameters.																		
6	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Having regard to the factors such as size of the operations of the Company, its profitability and the managerial remuneration paid by similar companies in the same group of industry, the Nomination & Remuneration Committee recommended the increase in remuneration of the managerial personnel which was approved by the Board of Directors of the Company. The same criteria are applied while increasing their remuneration of other employees, after taking into account their performance.																		
7	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	For the financial year ended 31 <sup>st</sup> March 2021 <table border="1"> <thead> <tr> <th>KMP</th> <th>against PBT</th> <th>Against operations</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>0.52%</td> <td>0.10%</td> </tr> <tr> <td>MD</td> <td>2.55%</td> <td>0.50%</td> </tr> <tr> <td>WTD</td> <td>0.85%</td> <td>0.17%</td> </tr> <tr> <td>CFO</td> <td>0.24%</td> <td>0.05%</td> </tr> <tr> <td>CS</td> <td>0.23%</td> <td>0.04%</td> </tr> </tbody> </table>	KMP	against PBT	Against operations	Chairman	0.52%	0.10%	MD	2.55%	0.50%	WTD	0.85%	0.17%	CFO	0.24%	0.05%	CS	0.23%	0.04%
KMP	against PBT	Against operations																		
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WTD	0.85%	0.17%																		
CFO	0.24%	0.05%																		
CS	0.23%	0.04%																		
8	The key parameters for any variable component of remuneration availed by the directors	There are no variable components in the remuneration of directors																		
9	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	No employee received remuneration in excess of the highest paid director during the year.																		
10	Variations in the market capitalization of the Company, price earning ratio as the closing date of the current financial year and previous 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 in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	<b>Capitalisation:</b> (Rupees in lakhs) <table border="1"> <thead> <tr> <th></th> <th>31/3/2021</th> <th>31/03/2020</th> </tr> </thead> <tbody> <tr> <td></td> <td>2901.96</td> <td>1504.31</td> </tr> </tbody> </table> <b>Price earning ratio:</b> <table border="1"> <thead> <tr> <th></th> <th>31/03/2021</th> <th>31/03/2020</th> </tr> </thead> <tbody> <tr> <td></td> <td>3.06</td> <td>8.12</td> </tr> </tbody> </table>		31/3/2021	31/03/2020		2901.96	1504.31		31/03/2021	31/03/2020		3.06	8.12						
	31/3/2021	31/03/2020																		
	2901.96	1504.31																		
	31/03/2021	31/03/2020																		
	3.06	8.12																		
11	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. The remuneration paid is as per the remuneration policy of the Company																		

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

For M.K.Exim (India) Limited

Murli Wadhmal Dialani  
Chairman  
DIN: 08267828

**ANNEXURE "D" TO THE DIRECTORS' REPORT**

ANSHU PARIKH & ASSOCIATES

Company Secretaries

Flat no-202, Alokik Orchid.

D-159A, Savitri Path, Bapu Nagar, Jaipur

Mob: +91-9887658618.

E-mail: parikhanshu26@gmail.com

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M.K. Exim (India) Limited (hereinafter called the company) for the Financial Year ended 31st March, 2021. Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M.K Exim (India) Limited's books, papers, minute books, forms and returns filed and other records maintained by the company 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 31/03/2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company as made available to me and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under: (Not applicable as no such events occurred during the financial year under review)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: (Not applicable as no such events occurred during the financial year under review)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:
- (b) The Securities and Exchange Board Of India (Prohibition of Insider Trading) Regulations, 2015;
- (C) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: : Not applicable for the period under review.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable for the period under review.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client: Not applicable as the Company is not registered as Registrar to Issue and Share Transfer agent during the financial year under review.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable for the period under review; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable for the period under review.
- (I) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above to the extent applicable and subject to any relaxation/extensions granted. I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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

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

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

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

For Anshu Parikh & Associates  
Company Secretaries  
Anshu Parikh  
Proprietor  
FCS:9785  
CP no: 10686

Date: 09.08.2021  
Place: Jaipur  
UDIN: F009785C000757928

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

**Annexure to Secretarial Audit Report**

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

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

For Anshu Parikh & Associates  
Company Secretaries

Anshu Parikh  
Proprietor  
FCS:9785  
CP no: 10686  
Date: 09.08.2021  
Place: Jaipur

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON  
CORPORATE GOVERNANCE AS PER REGULATION 17(8) OF  
SEBI (LODR) REGULATION 2015**

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

We have reviewed the financial statements and the cash flow statement of M.K.Exim (India) Limited for the financial year 2020-21 and certify that:

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

**Manish Murlidhar Dialani**  
**(Managing Director)**  
Place: Jaipur  
Date: 30.06.2021

**Mahaveer Prasad Jain**  
**(Chief Financial Officer)**

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

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and based on the disclosures of the Directors, I hereby certify that none of the Directors on the Board of the Company as stated below for financials year ending on 31<sup>st</sup> March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No	Name of Director	DIN	Date of appointment in the Company
1	Murli Wadhmal Dialani	08267828	11.04.2019
2	Manish Murlidhar Dialani	05201121	29.09.2014
3	Lajwanti Murlidhar Dialani	05201148	30.03.2015
4	Priya Murlidhar Makhija	07109712	11.04.2019
5	Laxmikant Ramswaroop Patodia	03497821	20.06.2018
6	Vishesh Mahesh Nihalani	06786707	20.06.2018

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

**For Anshu Parikh & Associates  
Company Secretaries**

**Anshu Parikh  
Proprietor  
FCS:9785  
CP no: 10686**

**Date: 12.08.2021  
Place: Jaipur  
UDIN: F009785C000775099**



**REPORT ON CORPORATE GOVERNANCE**

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

The detailed report on Corporate Governance for the financial year ended March 31, 2021, as per regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

**Company's philosophy on Code of Governance**

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

**Board of Directors:**

The Board of Director comprises of member from diversified fields and having varied skills, vast experience and knowledge. The Board consists of six members including three Executive Directors and three Non-Executive Independent Directors. Composition of the Board of your Company is in conformity with Regulation 17 of SEBI (LODR) Regulation 2015.

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

**Board Composition & Categories.**

The Board of Directors of the Company consists of an optimum combination of executive and non-executive directors. The Board of Directors comprises six Directors out of which three Directors are Non-Executive Directors as on 31.03.2021. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of Independent Directors. None of the Directors on the Company's Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director as on 31.03.2021. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

As on March 31, 2021, the Board comprised of six Directors, designated as follows:

S. No	Name	Designation
1	Shri Murli Wadhmal Dialani	Chairman and Whole-time Director (executive director)
2	Shri Manish Murlidhar Dialani	Managing Director (executive director)
3	Smt. Lajwanti Murlidhar Dialani	Whole-time Director (executive director)
4	Ms. Priya Murlidhar Makhija	independent non-executive Directors
5	Shri Laxmikant Ramswaroop Patodia	independent non-executive Directors
6	Shri Vishesh Mahesh Nihalani	independent non-executive Directors

During the FY 2020-21, there is no change in composition of board of directors of the company.

Further, the Independent Directors possesses integrity, expertise and experience which will bring tremendous value to the Board and to the Company. The Independent Directors will get registered (those who have not registered) with the independent directors data bank and will comply with all the requirements, in the extended time period prescribed by Ministry of Corporate Affairs.

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

During the year, 8 (Eight) Board Meetings were held on 25.06.2020, 31.07.2020, 26.08.2020, 15.09.2020, 10.11.2020, 01.01.2021, 13.02.2021 and 22.03.2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

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

Name of the Director	Designation	FY 2020-21 Attendance at		No. Of Other Directorships Held*	No. of Committee Positions held	
		BM	Last AGM		This Company	Other Company
Shri Murli Wadhmal Dialani	Chairman and Whole-time Director (executive director)	8	YES	NIL	3	NIL
Shri Manish Murlidhar Dialani	Managing Director (executive director)	8	YES	NIL	NIL	NIL
Smt. Lajwanti Murlidhar Dialani	Whole-time Director (executive director)	8	YES	NIL	NIL	NIL
Ms. Priya Murlidhar Makhija	independent non-executive Directors	8	NO	1	3	3
Shri Laxmikant Ramswaroop Patodia	independent non-executive Directors	8	YES	NIL	3	NIL
Shri Vishesh Mahesh Nihalani	independent non-executive Directors	8	YES	NIL	3	NIL

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

#### Relationships between directors

S.No	Name	Relationship	No. of Shares Held
1	Shri Murli Wadhmal Dialani	Related to Mrs. Lajwanti Dialani And Mr. Manish Dialani	836769
2	Shri Manish Murlidhar Dialani	Related to Mrs. Lajwanti Dialani And Mr. Murli Dialani	2427740
3	Smt. Lajwanti Murlidhar Dialani	Related to Mr. Murli Dialani And Mr. Manish Dialani	322641
4	Ms. Priya Murlidhar Makhija	NA	NIL
5	Shri Laxmikant Ramswaroop Patodia	NA	NIL
6	Shri Vishesh Mahesh Nihalani	NA	3475

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

**Performance evaluation of Board & Directors:**

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

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

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

The board and committee were evaluated on the following parameters:

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

**Details of Familiarisation programme to Independent Directors:**

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

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

The Matrix setting out the skills, expertise and competencies of Directors as on 31st March 2021, in context of business of the Company is as under:

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

### **Independence of Independent Directors**

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

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

### **Composition of Board Committee**

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

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

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

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

### **Audit Committee**

#### **Terms of Reference:**

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

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

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

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

### **Business Risk Evaluation and Management**

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

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

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

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

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

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

### **PREVENTION OF INSIDER TRADING**

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

#### **•Meeting, Composition, designation, Category and Attendance thereof:**

During the year under report, the committee met 7 times on 25.06.2020, 31.07.2020, 26.08.2020, 15.09.2020, 10.11.2020, 13.02.2021 and 22.03.2021. All the members were present in all the meetings. The recommendations made by the Audit committee during the year were accepted by the Board

The attendance and Composition of meetings is as under:

S. No	Name of Director	Designation	Category	No. of meetings attended
1	Mr. Laxmikant R Patodia	Chairman	Non Executive, Independent	7
2	Mr. Vishesh M Nihalani	Member	Non Executive, Independent	7
3	Ms. Priya Murlidhar Makhija	Member	Non Executive, Independent	7
4.	Mr. Murli Wadhupal Dialani	Member	Executive	7



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

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

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

**• Meeting, Composition, designation, Category and Attendance thereof:**

During the year under report, the committee met on 26.08.2020. The Composition and other details of Nomination and Remuneration Committee of the Company are as follows

The Committee comprises of three independent Directors:

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

**• Details of Remuneration paid to Directors:****Payment to Non-Executive Directors.**

Name of Directors	Sitting fees
Mr. Laxmikant R Patodia	22,500
Mr. Vishesh M Nihalani	22,500
Ms. Priya Murlidhar Makhija	22,500

Pecuniary relations or transactions of the Non-Executive Directors

There were no pecuniary relationship or transactions of non-executive directors vis- a-vis the Company.

**Remuneration of directors:**

Details of Remuneration paid to the Directors for the financial year ended 31st March, 2021. (Rs. in Lakhs)

Sl. No.	Name of Director	Salary	Benefits	Commission	Bonuses	Stock Option & Pension	Sitting Fee	Total
1	Shri Murli Wadhmal Dialani	5.75	-	-	-	-	-	5.75
2	Shri Manish Murlidhar Dialani	27.75	-	-	-	-	-	27.75
3	Smt. Lajwanti Murlidhar Dialani	9.25	-	-	-	-	-	9.25

• During the year company had not paid any remuneration to executive director for 15 days for the month of April, 2020

I. No commission is payable to the Executive Directors.

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

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

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

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

**Performance evaluation criteria for independent directors**

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

**CODE OF CONDUCT**

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

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

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

**COMPLIANCE**

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

**MD & CEO / CFO CERTIFICATION**

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

**EMPLOYEE STOCK OPTIONS**

The Company has not issue employee Stock Option during F.Y 2020-21.

**Stakeholder Relationship Committee:****(i) Brief description of terms of reference:**

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

The Stakeholders Relationship Committee is primarily responsible for redressal of shareholders' / investors' / security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual



reports etc. The Committee's terms of reference also include allotment of equity shares to option grantees under the prevailing ESOP Scheme of the Company.

• **Meeting, Composition, Designation, Category and Attendance thereof:**

During the year under report, the committee met on 21.12.2020 and 01.01.2021. All the members were present in all the meetings. The recommendations made by the Stakeholders' relationship committee during the year were accepted by the Board.

The attendance and Composition of meetings is as under:

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

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

The Company has taken various steps to ensure that the shareholders- related matters are given due priority and the matters/issues raised are resolved at the earliest. During the year 2020-21 - No Complaint was received.

#### COMPLIANCE OFFICER

Ms. Prakriti Sethi, Company Secretary is the Compliance Officer of the Company

#### General Body Meetings

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

Year	Location	Date	Time	Whether any special resolution was passed
2017-18	G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	24.09.2018	10:00 A.M.	NO
2018-19	G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	28.09.2019	10:00 A.M.	YES
2019-20	Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022	30.09.2020	11:00 A.M.	NO

**Disclosures**

- The Company has complied with the requirements of the stock exchange or SEBI on matters related to Capital Market as applicable.
- The Company has complied with the mandatory requirements of SEBI (LODR) Regulation 2015.
- No Extra-ordinary General Meeting took place during the financial year 2020-21

**POSTAL BALLOT**

- (i) The Company has issued Postal Ballot Notice dated 10.11.2020 pursuant to the provisions of section 110 and other applicable provisions, if any, of the Companies Act 2013 (the Act) read with Rule 22 of the Companies (Management And Administration ) Rule 2014 including any statutory modification or re-enactment thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015(SEBI"LODR") and other applicable laws and regulations, guide lines framed by the Ministry of Corporate Affairs (MCA) for conducting general meetings/postal ballot through e-voting as per Circular No, 33/2020 dated 28th September 2020 and other circulars referred to therein, to seek the consent of the members of M.K Exim (India) Limited("the Company") for the special resolution, through postal ballot using remote electronic voting ("E-voting") for following:

"To Issue and allotment of equity shares, by way of preferential issue, to identified persons, who are non promoters nor forming part of promoters group"

- (ii) Voting rights reckoned on the paid-up value of shares registered in the name of the Members on Friday, November 13, 2020 (the Cut-off date).
- (iii) Facility for voting through Postal Ballot and electronic means was available during the following period-
- Commencement of voting from Friday, November 20, 2020 at 9.00 A.M. (IST); and
  - ended on Saturday, December 19, 2020 at 5.00 P.M. (IST) (both days inclusive).
- (iv) The Company had appointed M/s Anshu Parikh & associates prop. Anshu Parikh, Company Secretary in practice, as Scrutinizer for remote e-voting process in a fair and transparent manner.
- (v) The Results of the Postal Ballot was declared on December 21, 2020 and resolutions were passed by requisite majority, deemed to be passed on the 19th December, 2020 i.e. last date specified by the Company for remote e-voting.
- (vi) Consolidated summary of results of Postal Ballot is as under:

Item No. 1 - To Issue and allotment of equity shares, by way of preferential issue, to identified persons, who are non promoters nor forming part of promoters group:

Type of resolution: Special Resolution

Method of voting	No. of shares held	Voted in favour of resolution	Voted against the resolution	Percentage of total favourable votes cast (valid)
Remote E-Voting	7180500	4422505	2	99.999
Total	7180500	4422505	2	99.999

**Means of Communication**

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

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

**General Shareholder Information**

a) Annual General Meeting (AGM): Date, Time & Venue	Wednesday, 29.09.2021 at 11.00 A.M. through Video Conferencing / Other Audio Visual Means facility (Deemed Venue for Meeting: Registered Office at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022 (Rajasthan))
b) Financial Year	Financial Year: 1st April, 2020 – 31st March, 2021.
c) Date of Book Closure	Thursday, 23.09.2021 to Wednesday 29.09.2021 (both dates inclusive)
d) Dividend payment date:	Board do not recommend Dividend for the year 2020-21.
e) Listing of Shares on Stock Exchanges	1. BSE Limited Corporate Office Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Phones : (022) 22721233/4, (022) 66545695 (Hunting) Fax : (022) 22721919
f) Payment of Listing Fees	Annual Listing fees as applicable have been duly paid.
g) Stock Code / ISIN	Equity Shares : BSE: 538890 ISIN : INE227F01010
h) Whether S&P BSE 500 Index	No

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

MONTH*	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
HIGH	21.50	15.50	24.30	24.75	21.45	21.65	22.95	22.95	25.90	27.70	33.50	33.50
LOW	10.95	11.35	15.70	20.20	16.75	16.50	15.65	16.10	15.95	21.60	19.55	31.00

\*Source: Websites of Stock Exchanges, BSE

**Registrar and Transfer Agent**

M/s. 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) 29961281/82 Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

**Share Transfer System**

SEBI had mandated that, effective from 1st April 2019, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was/were lodged prior to 1st April 2019 and returned due to deficiency in the documents. Shares received in physical form for transfer are attended and transferred within the stipulated period from the date of lodgement subject to documents being valid and complete in all the respects. During the year, the Company had obtained, on

half-yearly basis, a certificate, from a Company Secretary in practice, as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and filed copy of the same with the Stock Exchanges. Further, the Company is complied with the Operational guidelines issued by the SEBI for Transfer and Dematerialization of re-lodged physical shares.

#### Distribution of shareholding as on 31st March, 2021:

M.K.EXIM (INDIA) LIMITED				
DISTRIBUTION SCHEDULE AS ON 31/03/2021				
NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF HOLDING
UP TO 500	778	58.45	143742	1.6024
501 TO 1000	341	25.61	310276	3.4588
1001 TO 2000	77	5.78	128370	1.431
2001 TO 3000	25	1.87	63489	0.7078
3001 TO 4000	13	0.97	45335	0.5054
4001 TO 5000	12	0.9	55689	0.6208
5001 TO 10000	29	2.17	227840	2.5399
10001 AND ABOVE	56	4.2	7995759	89.1339
TOTAL	1331	100	8970500	100

M.K.EXIM (INDIA) LIMITED				
SHARE HOLDING PATTERN AS ON 31/03/2021				
S.no	Description	No	Shares	% Equity
1	CLEARING MEMBERS	10	9825	0.11
2	H U F	40	67064	0.75
3	BODIES CORPORATES	19	512980	5.72
4	N R I - REPARTRIABLE	14	116843	1.30
5	NRI NON-REPATRIATION	3	2250	0.03
6	PROMOTER INDIVIDUALS	2	2427750	27.06
7	RESIDENT INDIVIDUALS	1243	5833788	65.03
	<b>Total:</b>	<b>1331</b>	<b>8970500</b>	<b>100.00</b>

#### Dematerialization of Shares and liquidity.

85,46,375 equity shares were dematerialized till 31st March, 2021 which was 95.27% of the total paid-up Equity Share Capital of the Company on that date. The Company has sent communication to the shareholders encouraging them to dematerialize their physical holding in the Company. During the year, requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates and related documents. Trading in equity shares of the Company is permitted only in dematerialized form. The demat ISIN of the Company's equity shares is INE227F01010.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments**

There were no outstanding GDRs/ADRs/ Warrants or any other Convertible Instruments as on 31.03.2021.

**Address for Plant and Correspondence**

M.K.EXIM (INDIA) LIMITED,

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

PH: 0141-3937501, FAX: 0141-3937502

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

**Other Disclosures:**

- The company has complied with all mandatory requirements
- policy for determining 'material' subsidiaries is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)
- policy on dealing with related party transactions is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)
- Preferential allotment: The fund raised from preferential allotment has been fully utilized for business purpose.
- A certificate from M/s. Anshu Parikh & Associates, Practising Company Secretaries has been received stating / confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority and is attached as a part of this report.
- Total fees for all services paid by the Company during FY 2020-21 to the Statutory Auditor of the Company viz. M/s Rishabh Agarwal & Associates was Rs. 1.65 lakhs

**Affirmation regarding Compliance with the Code of Conduct**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31st March 2021.

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

**Murli Wadhupal Dialani**

**Chairman**

**DIN: 08267828**

**CERTIFICATE ON CORPORATE GOVERNANCE**

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

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

We have examined the compliance of conditions of Corporate Governance by M.K. Exim (India) Limited (“the Company”) for the year ended on 31st March 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

For Anshu Parikh & Associates  
Company Secretaries

Anshu Parikh  
Proprietor  
FCS:9785  
C.P: 10686

Date: 12.08.2021  
Place: Jaipur  
UDIN: F009785C000775165



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on March 24, 2020, which has impacted normal business operations of the Company. Indian economy, which was firmly on the path of recovery in the second half of FY 2020-21, was hit by a rather unexpectedly virulent second wave of COVID-19

The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of this report, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables and MAT credit. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from that considered as at the date of approval of the financials results.

The measures taken by the government to contain spread of the COVID-19 pandemic have had an impact on the economic activities as well as on the data collection mechanisms. Estimates are, therefore, likely to undergo sharp revisions for the aforesaid causes in due course. V-shaped economic recovery is expected due to mega vaccination drive, recovery in the services sector and strong growth in consumption and investment coupled with resurgence in high frequency indicators such as power demand, rail freight, e-way bills, GST collection, steel consumption, etc

Your Company delivered a strong performance in FY 2020-21 across businesses, leading to delivery of highest ever consolidated profit, despite macro-economic challenges.

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

**INDIAN ECONOMY RECOVERY**

There were a number of positive features of the Indian economy during the year under review.

A slowdown in economic growth and inflation weakened the country's currency rate nearly 2.83% in 2020 from INR71.28 to INR73.30 to a US dollar before recovering towards the close of the financial year.

Despite the gloomy economic scenario, foreign direct investments (FDI) in India increased 13% to USD57 billion in 2020.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of \$23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of \$2.5 trillion in 2020.

The per capita income was estimated to have declined by 5% from INR1.35 lacs in 2019-20 to INR1.27 lacs in 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of 2020-21.

**OPPORTUNITIES AND THREATS**

The COVID-19 pandemic led to changes in consumption habits. Digital played a pivotal role in economic recovery post pandemic. The new trend emerges like, WFH (work from home) has led to lesser mobility of people and higher stay at home. This has led to higher demand for bigger houses and improvement of home. Though the commercial space remains sluggish.

Despite of all these positive factors there are threats in the form of dumping, import of low-cost products from overseas, increasing number of manufacturers in both organized as well as unorganized sectors, volatile market, may recede the projected growth.

Global and macro-economic factors may lead to an impact in consumer demand and sharp inflation in commodity prices could create risks.

The government has taken important steps which have helped the Indian textile industry to capitalise on opportunities. These include: \* providing adequate low-cost funding by banks. \* Improving the country's export-import policies and continuation of export incentives. \* Amending labour laws to help improve productivity and support smooth functioning. \* Change in the definition of Micro, Small and Medium Enterprises (MSME), which form the backbone of the textile industry. \*Faster



disbursement of the textile ministry's special fund for the sector.

As your company's FMCG brand is well established in the market and pan India presence with dedicated channel partners nationwide and emphasis on quality and manufacture of eco friendly products serve as the tools to withstand competition and move forward and achieve the estimated growth.

### 1. Financial Performance

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

Salient features relating to the Profit & Loss Account:

(Rs. In Lacs)

Particulars	Year ended 31.03.21
Revenue from Operations	5467.19
Other Income	64.22
<b>Total Income</b>	<b>5531.42</b>
Profit Before Financial expenses & Depreciation	1136.65
Less: Depreciation & Amortization Expenses	23.63
Less: Finance Costs	24.63
<b>Profit before tax</b>	<b>1088.39</b>
Taxation	280.82
<b>Profit after tax</b>	<b>807.57</b>

During the year the Company has achieved a turnover of Rs. 5531.42 lakhs and earns profit before Tax [PBT] of Rs. 1088.39 lakh and profit after taxes of Rs. **807.57** lakh. The Segment wise performance has been given in financial statements in the Report.

### KEY RATIOS

Particulars	FY 20-21	FY 19-20
Debtors Turnover Ratio	3.69	3.07
Inventory Turnover Ratio	5.15	5.54
Current Ratio	7.20	3.40
Operating Profit Margin (%)	19.67	6.07
Net profit Margin (%)	14.60	3.65
Interest Coverage Ratio	45.20	12.15
Debt Equity Ratio	0.61	1.27

### 2. Outlook

There is an immense growth potential in Indian textiles and apparel industry due to several reasons. One, revival of demand in India's major export destinations two, rising per capita income and disposable income in the country three, shift in demographics four, changing lifestyles five, increasing demand for quality products, six, increase in participation of women in workforce seven, increased penetration of the organised retail and eight, highly focused approach and favourable policy support of the Government; all are set to fuel the demand of various textile and apparel products in the coming future.

The COVID-19 pandemic developed rapidly into a global crisis since the last month of March, 2020, forcing governments to enforce lock-downs of all economic activity. Your Company immediately shifted their focus towards ensuring the health and well-being of all employees, staffs and workers engaged across the offices and units in India. In the last week of March, 2020 the Company suspended its production and distribution facilities across India

temporarily and moved to 'work from home'(WFH) policy for all its employees and thereby reducing potential risk to them during the spread of the disease. Although there are uncertainties due to the pandemic, the Company is hopeful that it's the strong balance sheet position and inherent resilience of the business model will assist the Company navigate the challenges ahead and gain its market share.

### **Indian Textile Industry**

The textiles and apparels sector is a major contributor to the Indian economy in terms of foreign exchange earnings and employment. Textile & garments industry in India is expected to reach US\$223 Billion by 2021 from US\$140.4 Billion in 2018. India is the third-largest textile manufacturing industry and contributes approximately 6% to the total textile production, globally. India ranks 2nd as the largest producer of textiles and garments and is the 5th largest exporter of textiles spanning apparel, home and technical products. The Indian textile industry is set for growth, buoyed by both strong domestic consumption as well as export demand. Favourable demographic, rising per capital income and a shift in customer preference to branded products is expected to revive the textile industry which has been severely impacted by the COVID-19 pandemic. The Government of India is working on major initiatives and reforms in the Textile sector, including launch of a 'Mega Integrated Textile Region and Apparel (MITRA) Park' scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period; starting a focused product scheme; positioning the country as a global hub in the man-made fibre (MMF) and technical textiles segments. Competitive advantage, robust demand, favourable government policies, increasing investments and urbanisation are expected to be the key drivers for revival of the industry.

### **FMCG**

Fast moving consumer goods (FMCG) is the fourth largest sector in the Indian economy. There are three main segments in the sector, i.e., food and beverages which accounts for 19% share; health care accounting for 31% share; and household and personal care accounting for 50% share. (Source: IBEF). The government has allowed 100% Foreign Direct Investment (FDI) in food processing and single-brand retail and 51% in multi-brand retail. This would boost employment, supply chain and high visibility for FMCG brands across organised retail markets which in turn would drive consumer spending and product launches. The sector witnessed healthy FDI inflows of US\$ 17.8 billion from April 2000 to September 2020. Fast moving consumer goods have a high inventory turnover and are contrasted with specialty items which have lower sales and higher carrying charges. Many retailers only carry FMCGs particularly hypermarkets, big-box stores, and warehouse club stores. Small convenience stores also stock fast moving goods; the limited shelf space is filled with higher turnover items. The COVID-19 pandemic has caused an unprecedented impact on the global economy. It has disabled global trade and cross border transactions like never before. The lockdown of countries and economies has resulted in the overnight evaporation of demand for all industries. Global supply chains have been hindered and it is expected that consumption will pick up gradually where it was disrupted.

### **3.Risks and Concerns**

Risks are an integral part of any business and it is essential that adequate structures and processes are created to identify and effectively mitigate the same. While delivering on our commitments, the safety of all the stakeholders which are involved is of paramount importance to the Company. The Company continuously monitors the environment in which it operates to assess any new uncertainties and risks that may emerge and take active steps to mitigate them. There are no risks that threaten the going concern of the Company.

At the core of the company's risk-mitigating initiatives, there is a comprehensive and integrated risk management framework, which comprises stringent norms and regulations along with a prudent control mechanism. The risk management approach conforms to the company's strategic direction, which is in line with shareholders' desired total returns, the company's credit ratings and its desired risk appetite.

Global commodity inflation, unpredictable economy, volatile business environment, credit risk, cheaper product availability, prevailing competition from the unorganized sector are the various identifiable risks along with uncontrollable external factors. However, your company can respond and cautiously manage these risks by resorting to a conservative business policy and diligent business practices.

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

The Company have internal controls for its business processes across departments to ensure efficiency of operations, compliance with internal policies and applicable laws and regulations.

The Company's internal control systems play an important role and acts as a supplement to the external control systems. Your company has appointed an internal auditor to streamline the system and has adequate internal control systems to maintain accuracy in accounting and financial transactions and comply with rules and regulations.

The internal control systems of the Company are monitored and evaluated by internal auditor and their finding & observations' are reviewed by the Audit Committee.

**5. Human Capital**

The Company's Industrial relations at all the levels remained cordial throughout the year.

**6. Cautionary Note**

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

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

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

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



**M/S Rishabh Agrawal & Associates  
Chartered Accountants**

Above Shop No. 426-427,  
Chandpole Bazaar, Jaipur,  
Rajasthan - 302001  
Ph.: 8740000588  
E-Mail: rishabh88ca@gmail.com

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

**Report on the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying Consolidated financial statements of **M.K. EXIM (INDIA) LIMITED** (“ hereinafter referred to as the Holding Company”) and its subsidiary together referred to as “the Group”) which comprise the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (“hereinafter referred to as the Consolidated financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31<sup>st</sup> March, 2021; and its consolidated profit, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our

audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The 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 including other comprehensive income, consolidated changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The 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.

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

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

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

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

influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- \* Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- \* Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- \* Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies to cease to continue as a going concern.
- \* Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the

consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- \* Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged

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

#### **Other Matter**

We have relied upon the audit report of other auditors for the financial statements of its subsidiary Kolba Farm Fab Private Limited reflecting total assets at Rs. 1286.35 lacs, total revenue of Rs. 441.15 lacs, net loss of Rs. 6.64 lacs and net cash flow amounting to Rs. (3.39) lacs for the year ended on that date, as considered in consolidated financial statements and our report in terms of sub sections 3 & 11 of section 143 of the Act in so far as it relates to the aforesaid subsidiary.

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

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

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable 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, Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with relevant books of account maintained by 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 Indian 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 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 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 which is based on the auditors' reports of the subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the subsidiary company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigation on its consolidated financial position of the Holding and Subsidiary Company.
  - 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 Rishabh Agrawal & Associates**  
**Chartered Accountants**  
**(FRN: 018142C)**

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

**Place: Jaipur**  
**Dated: 30<sup>th</sup> June, 2021 UDIN :21412963AAAADE2750**



## 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 31<sup>st</sup> March, 2021.

### 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 31<sup>st</sup> March, 2021 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 respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the companies internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial

Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls 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
- 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 to the best of our information and according to explanations given to us, 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 31<sup>st</sup> March, 2021, 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 Rishabh Agrawal & Associates**  
**Chartered Accountants**  
**(FRN: 018142C)**

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

**Place: Jaipur**  
**Dated: 30<sup>th</sup> June, 2021**      **UDIN :21412963AAAAD2750**

**M. No. 412963**

**M.K.EXIM (INDIA) LIMITED**  
**(CIN: L63040RJ1992PLC007111)**  
**G-1/150, GARMENT ZONE, E.P.I.P.**  
**SITAPURA, JAIPUR**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021**

	NOTES	AS AT 31ST MARCH, 2021	AS AT 31ST MARCH, 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENTS	1	1,68,25,120	8,41,43,079
CAPITAL WORK-IN-PROGRESS		-	-
INTANGIBLE ASSETS		1,28,250	-
INTANGIBLE ASSETS UNDER DEVELOPMENT		-	-
FINANCIAL ASSETS			
INVESTMENTS	2	3,72,85,360	2,71,05,377
LOANS	3	-	6,82,691
OTHER NON-CURRENT ASSETS	4	4,42,555	55,02,923
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,46,81,285</b>	<b>11,74,34,070</b>
<b>CURRENT ASSETS</b>			
INVENTORIES	5	6,97,01,019	6,93,79,975
FINANCIAL ASSETS			
INVESTMENTS		-	-
TRADE RECEIVABLES	6	10,45,97,081	19,12,15,297
CASH AND CASH EQUIVALENTS	7	6,87,46,400	(34,08,486)
LOANS AND ADVANCES	8	13,86,01,364	4,03,15,581
OTHER FINANCIAL ASSETS		-	-
OTHER CURRENT ASSETS	9	97,04,217	1,26,25,458
<b>TOTAL CURRENT ASSETS</b>		<b>39,13,50,082</b>	<b>31,01,27,825</b>
<b>TOTAL ASSETS</b>		<b>44,60,31,367</b>	<b>42,75,61,895</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
EQUITY SHARE CAPITAL	10	8,97,05,000	7,18,05,000
OTHER EQUITY	11	30,19,46,033	20,41,78,530
NON CONTROLLING INTEREST		-	1,53,03,550
<b>TOTAL EQUITY</b>		<b>39,16,51,033</b>	<b>29,12,87,080</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	12	-	3,49,42,418
PROVISIONS			
DEFERRED TAX LIABILITIES (NET)	13	(5,44,546)	10,71,191
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>(5,44,546)</b>	<b>3,60,13,609</b>
<b>CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	14	2,65,34,273	2,99,41,554
TRADE PAYABLES	15	75,00,506	4,71,20,694
OTHER FINANCIAL LIABILITIES	16	22,21,194	1,16,97,650
OTHER CURRENT LIABILITIES	17	65,66,820	57,68,119
PROVISIONS	18	1,21,02,088	57,33,190
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,49,24,880</b>	<b>10,02,61,206</b>
<b>TOTAL LIABILITIES</b>		<b>5,43,80,334</b>	<b>13,62,74,815</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,60,31,367</b>	<b>42,75,61,895</b>

SIGNIFICANT ACCOUNTING POLICIES

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

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

(Rishabh Agrawal)  
Partner

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain) (Prakriti Sethi)  
CFO Company Secretary

Place : Jaipur  
Date : 30th June, 2021  
UDIN: 21412963AAAAD2750

**M.K.EXIM (INDIA) LIMITED**  
(CIN: L63040RJ1992PLC007111)  
G-1/150, GARMENT ZONE, E.P.I.P.  
SITAPURA, JAIPUR

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2021**

	NOTES	2020-21	2019-20
<b>INCOME</b>			
<b>REVENUE FROM OPERATION</b>			
SALE OF PRODUCT	19	54,64,79,052	48,71,46,494
INCOME FROM SERVICES	20	2,92,63,622	4,20,27,743
		<b>57,57,42,674</b>	<b>52,91,74,237</b>
OTHER INCOME	21	77,35,756	2,30,64,141
<b>TOTAL INCOME</b>		<b>58,34,78,430</b>	<b>55,22,38,378</b>
<b>EXPENSES</b>			
COST OF MATERIAL CONSUMED	22	-	-
PURCHASE OF STOCK IN TRADE	23	35,88,98,327	37,62,71,566
CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE	24	(3,21,044)	(46,22,199)
EMPLOYEE BENEFITS EXPENSES	25	2,42,79,790	2,57,87,718
FINANCE COST	26	46,53,646	46,75,738
DEPRECIATION/AMORTISATION AND DEPLETION EXPENSES	1	1,00,44,926	95,26,840
OTHER EXPENSES	27	7,77,00,001	10,45,42,295
<b>TOTAL EXPENSES</b>		<b>47,52,55,645</b>	<b>51,61,81,958</b>
<b>PROFIT BEFORE SHARE OF PROFIT IN ASSOCIATE CONCERN</b>		<b>10,82,22,785</b>	<b>3,60,56,420</b>
SHARE OF PROFIT IN ASSOCIATE CONCERN		(1,01,530)	-
<b>PROFIT BEFORE TAX</b>		<b>10,81,21,255</b>	<b>3,60,56,420</b>
<b>TAX EXPENSES:-</b>			
CURRENT TAX		(2,84,89,637)	1,22,45,927
DEFERRED TAX		5,67,421	13,72,993
INCOME TAX FOR EARLIER YEARS		-	-
<b>PROFIT FOR THE YEAR</b>		<b>8,01,99,039</b>	<b>2,24,37,500</b>
<b>OTHER COMPREHENSIVE INCOME:-</b>			
(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS (PREVIOUS YEAR RS. NIL)		-	-
(iii) ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>8,01,99,039</b>	<b>2,24,37,500</b>
<b>NET PROFIT ATTRIBUTABLE TO:-</b>			
<b>A OWNERS OF THE COMPANY</b>		<b>8,03,32,710</b>	<b>2,16,70,578</b>
<b>B NON CONTROLLING INTEREST</b>		<b>(1,33,671)</b>	<b>7,66,922</b>
<b>OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>			
<b>A OWNERS OF THE COMPANY</b>		-	-
<b>B NON CONTROLLING INTEREST</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>			
<b>A OWNERS OF THE COMPANY</b>		<b>8,03,32,710</b>	<b>2,16,70,578</b>
<b>B NON CONTROLLING INTEREST</b>		<b>(1,33,671)</b>	<b>7,66,922</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>			
BASIC (RS.)		10.5313	3.0180
DILUTED (RS.)		10.5313	3.0180

SIGNIFICANT ACCOUNTING POLICIES

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

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

For and on behalf of the Board

(Rishabh Agrawal)  
Partner

( Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

( Prakriti Sethi)  
Company Secretary

Place : Jaipur

Date : 30th June, 2021

UDIN: 21412963AAAAD2750

**M.K.EXIM (INDIA) LIMITED**  
**(CIN : L63040RJ1992PLC007111)**  
**G-150, GARMENT ZONE, E.P.I.P.**  
**SITAPURA, JAIPUR**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

CASH FLOW FROM OPERATIVE ACTIVITES (A)	Year Ended 31.03.2021	Year Ended 31.03.2020
<b>Net Profit before tax</b>	108121255	36056420
<b>Adjustments for:</b>		
Deferred Tax Liability	(1615737)	1372993
Depreciation	10044926	9526840
Non Controlling Interest	(15169879)	8226659
Interest Expenses	4653646	2752343
Gratuity	(24811)	185792
Loss on Sale of Fixed Assets / Investment		10500000
<b>Operating Profit before working capital changes</b>	<b>106009399</b>	<b>68621047</b>
<b>Adjustment for:</b>		
Increase/Decrease in Inventories	(321044)	(4622199)
Increase/Decrease Sundry Debtors & Other receivable	89539457	(59269343)
Increase/Decrease in Current liabilities	(41904234)	46791363
Increase/Decrease in Loans & Advances	(98285783)	(355218)
<b>Cash Generated From Operating activities</b>	<b>55037795</b>	<b>51165650</b>
Interest paid	(1230979)	(2752343)
Tax Paid	(27922216)	(9232583)
<b>Net Cash Flow from Operating Activities</b>	<b>25884600</b>	<b>39180724</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		
Purchases of Fixed Assets		(47843513)
Sale of Fixed Assets	57144783	0
Adjustment of Investment of Associate Company	(465207)	0
Proceeds from Govt. Grant		0
Decrease/Increase in Non Current Investments	(4436924)	(26368912)
<b>Net Cash used In Investing Activities</b>	<b>52242652</b>	<b>(74212425)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES ( C)</b>		
Increase/Decrease in Secured Loans	(38349699)	30556013
Decrease in Unsecured Loan		0
Issue of Equity Share Capital	35800000	0
Preliminary Exp.		0
Interest on Bank Loan	(3422667)	0
<b>Net Cash From Financing Activities</b>	<b>(5972365)</b>	<b>30556013</b>
<b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b>	<b>72154886</b>	<b>(4475688)</b>
Opening cash and cash equivalents	(3408486)	1067202
Closing cash and cash equivalents	68746400	(3408486)

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

For and on behalf of the Board

(Rishabh Agrawal)  
Partner

( Murli Wadhupal Dialani )  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

( Prakriti Sethi )  
Company Secretary

Place : Jaipur  
Date : 30th June, 2021  
UDIN: 21412963AAAAD2750

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH, 2021**

**A. EQUITY SHARE CAPITAL**

BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2019	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR 2019-20	BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2020	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR 2020-21	BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2021
7,18,05,000	-	7,18,05,000	1,79,00,000	8,97,05,000

**B. OTHER EQUITY**

	RESERVE & SURPLUS				OTHER COMPREHENSIVE INCOME	TOTAL
	CAPITAL RESERVE	SECURITY PREMIUM	GENERAL RESERVE	RETAINED EARNINGS		
<b>AS ON 31 MARCH 2020</b>						
BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2019	38,08,845	5,34,82,300	-	11,47,16,807	-	17,20,07,952
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-	-	-
TRANSFER TO / (FROM) RETAINED EARNINGS	-	-	-	3,21,70,578	-	3,21,70,578
BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2020	38,08,845	5,34,82,300	-	14,68,87,385	-	20,41,78,530

<b>AS ON 31 MARCH 2021</b>						
BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2020	38,08,845	5,34,82,300	-	14,68,87,385	-	20,41,78,530
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-	-	-
PREMIUM ON EQUITY SHARES ISSUED ON PREFERENTIAL BASIS	-	1,79,00,000	-	-	-	1,79,00,000
ARISING ON CONSOLIDATION DUE TO INVESTMENT IN SHARE OF EQUITY HOLDING	(4,65,207)	-	-	-	-	(4,65,207)
TRANSFER TO / (FROM) RETAINED EARNINGS	-	-	-	8,03,32,710	-	8,03,32,710
BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2021	33,43,638	7,13,82,300	-	22,72,20,095	-	30,19,46,033

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

(Rishabh Agrawal)  
Partner

(Murli Wadhupal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain) (Prakriti Sethi)  
CFO Company Secretary

Place : Jaipur  
Date : 30th June, 2021

**M. K. EXIM ( INDIA ) LTD**

(CIN : L63040RJ1992PLC007111)

**1 PROPERTY, PLANT & EQUIPMENT**

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2020	ADDITION/ (DELETION)	AS ON 31.03.2021	UP TO 31.03.2020	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2021	AS ON 31.03.2021
	<b>Tangible Assets</b>								
1	LAND	71,66,290	-31,78,610	39,87,680	0	0	0	0	39,87,680
2	BUILDING	1,50,05,439	-61,99,259	88,06,180	82,06,974	-15,88,167	4,80,551	70,99,358	17,06,822
3	PLANT & MACHINERY	11,84,32,899	-11,84,32,899	0	6,06,02,185	-6,78,11,506	72,09,321	0	0
4	FURNITURE & FIXTURES	10,09,263	7,91,505	18,00,768	9,39,101	0	50,225	9,89,326	8,11,442
5	VEHICLES	1,77,86,594	0	1,77,86,594	55,51,698	-1,30,596	22,42,754	76,63,856	1,01,22,738
6	COMPUTER	62,488	1,29,055 -23,500	1,68,043	62,488	-23,500	40,247	79,235	88,808
7	OFFICE EQUIPMENT	4,34,637		4,34,637	4,34,637	0	0	4,34,637	0
8	LCD	29,297	72,656	1,01,953	470	0	6,274	6,744	95,209
9	TIME ATTENDANCE BIOME	14,150	0	14,150	425	0	1,304	1,729	12,421
	<b>Intangible Assets</b>								
1	COMPUTER SOFTWARE	0	1,42,500	1,42,500	0	0	14,250	14,250	1,28,250
	<b>TOTAL</b>	<b>15,99,41,057</b>	<b>-12,66,98,552</b>	<b>3,32,42,505</b>	<b>7,57,97,978</b>	<b>-6,95,53,769</b>	<b>1,00,44,926</b>	<b>1,62,89,135</b>	<b>1,69,53,370</b>

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2019	ADDITION/ (DELETION)	AS ON 31.03.2020	UP TO 31.03.2019	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2020	AS ON 31.03.2020
	<b>Tangible Assets</b>								
1.	LAND	71,66,290	0	71,66,290	0	0	0	0	71,66,290
2.	BUILDING	1,04,27,454	45,77,985	1,50,05,439	74,82,557	0	7,24,417	82,06,974	67,98,465
3.	PLANT & MACHINERY	7,52,32,058	4,32,00,841	11,84,32,899	5,39,67,534	0	66,34,651	6,06,02,185	5,78,30,714
4.	FURNITURE & FIXTURES	9,88,023	21,240	10,09,263	8,84,573	0	54,528	9,39,101	70,162
5.	VEHICLES	1,77,86,594	0	1,77,86,594	34,39,540	0	21,12,158	55,51,698	1,22,34,896
6.	COMPUTER	62,488	0	62,488	62,297	0	191	62,488	0
7.	OFFICE EQUIPMENT	4,34,637	0	4,34,637	4,34,637	0	0	4,34,637	0
8.	LCD	0	29,297	29,297	0	0	470	470	28,827
9.	TIME ATTENDANCE BIOME	0	14,150	14,150	0	0	425	425	13,725
	<b>TOTAL</b>	<b>11,20,97,544</b>	<b>4,78,43,513</b>	<b>15,99,41,057</b>	<b>6,62,71,138</b>	<b>0</b>	<b>95,26,840</b>	<b>7,57,97,978</b>	<b>8,41,43,079</b>



<b>M. K. EXIM (INDIA) LTD.</b> <b>(CIN: L63040RJ1992PLC007111)</b>		
<b>NOTES FORMING PART OF FINANCIAL STATEMENTS</b>		
<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>2: NON CURRENT INVESTMENTS</b>		
<b>Other Investments (unquoted)( Non Trade)</b>		
Cost of Investment in Associate Company	1,11,83,847	-
Add: Profit from Valuation of Investment	2,62,03,043	-
Add: Share in Profit in Associate Company	(1,01,530)	-
<b>Value of Investment</b>	<b>3,72,85,360</b>	-
Fixed Deposit	-	2,62,04,377
The Cosmoc Co. operative Bank (9000 equity shares of Rs. 100/ each)	-	9,00,000
NSC	-	1,000
<b>TOTAL NON CURRENT INVESTMENTS</b>	<b>3,72,85,360</b>	<b>2,71,05,377</b>
<b>3: LOANS &amp; ADVANCES</b>		
<b>(Unsecured &amp; Cosidered good)</b>		
Other Advances	-	5,83,000
Mat Credit Entitlement	-	99,691
	-	<b>6,82,691</b>
<b>4: OTHER NON CURRENT ASSETS</b>		
Income tax Refundable	-	11,40,148
Security Deposit	4,42,555	5,82,555
Central subsidy 10%	-	37,80,220
	<b>4,42,555</b>	<b>55,02,923</b>
<b>5:INVENTORIES</b>		
Raw Material	-	-
Finished Goods	6,97,01,019	6,93,79,975
	<b>6,97,01,019</b>	<b>6,93,79,975</b>
<b>6:TRADE RECEIVABLES</b>		
<b>(Unsecured &amp; Considered Good)</b>		
Debts (Outstanding for a period exceeding six months)	-	1,39,30,323
Others	10,45,97,081	17,72,84,974
	<b>10,45,97,081</b>	<b>19,12,15,297</b>
<b>7:CASH &amp; CASH EQUIVALENTS</b>		
Cash in Hand	2,95,842	3,29,284
Balance with Banks	6,84,50,559	(37,37,770)
<b>CASH &amp; CASH EQUIVALENTS AS PER BALANCE SHEET</b>	<b>6,87,46,400</b>	<b>(34,08,486)</b>
<b>CASH &amp; CASH EQUIVALENTS AS PER CONSOLIDATED CASH FLOW</b>	<b>6,87,46,400</b>	<b>(34,08,486)</b>
<b>8:LOANS &amp; ADVANCES</b>		
<b>(Unsecured &amp; considered good)</b>		
Advances to Supliars	13,82,25,904	3,94,51,472
Advances to Employees	3,75,460	8,64,109
	<b>13,86,01,364</b>	<b>4,03,15,581</b>
<b>9:OTHER CURRENT ASSETS</b>		
Prepaid Insurance	1,88,286	1,22,531
Drawback receivable	6,79,892	6,54,217
GST Receivable	33,52,828	92,89,337
Gratuity with LIC of India	17,37,195	-
ITC Receivable	28,41,341	19,18,893
Income Tax Demand	-	85,000
Income Tax Refund	-	55,480
Other Current Assets	4,04,674	-
Rent Security	5,00,000	5,00,000
	<b>97,04,217</b>	<b>1,26,25,458</b>

<b>10 : SHARE CAPITAL</b>						
<b>10.1. GENERAL INFORMATION</b>						
The consolidated Financial Statements present the Consolidated Accounts of M.K.EXIM (INDIA) LIMITED with its Following Subsidiary/Associate :-						
<b>INDIAN SUBSIDIARY/ASSOCIATE:- KOLBA FARM FAB PVT. LTD.</b>					<b>PROPORTION OF OWNERSHIP INTEREST</b>	
					48.98%	70.71%
<b>10.2 Authorised Capital</b>						
10000000 Equity Shares of Rs 10/- each					10,00,00,000.00	10,00,00,000.00
<b>Issued ,Subscribed &amp; Paid up Capital</b>						
8970500 Equity Shares of Rs 10/- each fully paid up The Company raised Rs. 358.00 Lakhs by issuing 17,90,000 fully paid up Equity Shares of Rs. 10/- each for Rs. 20/- per share at a Premium of Rs. 10/- per share on Preferential Basis					8,97,05,000.00	7,18,05,000.00
					<b>8,97,05,000.00</b>	<b>7,18,05,000.00</b>
<b>10.1 Details of shareholders holding more than 5% shares</b>						
<b>Name of shareholder</b>	<b>No. of shares</b>		<b>%</b>			
	<b>20-21</b>	<b>19-20</b>	<b>20-21</b>	<b>19-20</b>		
Manish Dialani	2427740	2427740	27.06	33.81		
Murli Dialani	836769	793865	9.33	11.05		
Murlibhai Fatandas Sawlani	450000	0	5.02	0		
Vasudev Fatandas Sawlani	710000	0	7.91	0		
<b>10.2 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.</b>						
<b>11 : OTHER EQUITY</b>						
<b>CAPITAL RESERVE</b>						
Opening Balance					22,50,132	22,50,132.00
Add: Arising due to change of Shareholding in Associate Company					(4,65,207)	-
Closing Balance					<b>17,84,925</b>	<b>22,50,132</b>
<b>Statement of Profit and Loss</b>						
Opening balance					14,68,87,385	11,47,16,807
(+) Net Profit For the current year					8,03,32,710	2,16,70,578
					22,72,20,095	13,63,87,385
Add:- Appropriations (Loss on sale of Subsidiary Company)					-	1,05,00,000
Profit after Appropriations					22,72,20,095	14,68,87,385
Securities Premium Reserve					7,13,82,300	5,34,82,300
State Investment Subsidy					15,58,713	15,58,713
<b>Balance of Holding Company</b>					<b>30,01,61,108</b>	<b>20,19,28,398</b>
Add:- Share in Reserve & Surplus of Subsidiary					-	-
<b>Total</b>					<b>30,19,46,033</b>	<b>20,41,78,530</b>
<b>12 : BORROWINGS (NON CURRENT)</b>						
Secured loan (secured by hypothecation of car)					-	18,10,979
The Cosmos Co-Operative Bank (Machinery Loan)					-	2,02,97,662
Laaj International					-	1,28,33,777
					-	<b>3,49,42,418</b>
<b>13: DEFERRED TAX LIABILITY (NET)</b>						
In accordance with Indian Accounting Standards-12 "INCOME TAXES "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 as under:						
Timing Difference between Book & Tax Value of Fixed Assets					5,44,546.00	(8,24,030.00)
Gratuity Provision					-	(7,32,245.00)
Others					-	26,27,466.00
					<b>(5,44,546.00)</b>	<b>10,71,191.00</b>

<b>14: BORROWINGS - CURRENT</b>		
Bill Purchase Limit	2,65,34,273	2,49,62,387
<b>WORKING CAPITAL LIMIT :-</b>		
From State Bank of India (Working Capital limit from State Bank of India is secured by way of first charge over all the fixed assets.)	-	49,79,167
	<b>2,65,34,273</b>	<b>2,99,41,554</b>
<b>15: TRADE PAYABLES</b>		
Micro, Small & Medium Enterprises	5,04,704	12,064
Others	69,95,802	4,71,08,630
	<b>75,00,506</b>	<b>4,71,20,694</b>
<b>16: OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long Term Debt	18,10,979	25,75,425
The Cosmos Co-Operative Bank Ltd. (Machinery Loan)	-	87,12,010
Unpaid Dividend	2,00,215	2,00,215
Building rent Security	2,10,000	2,10,000
	<b>22,21,194</b>	<b>1,16,97,650</b>
<b>17: OTHER CURRENT LIABILITIES</b>		
PF & ESI Payable	1,19,489	39,263
Advance Received from Customers	3,10,914	-
Credit Balance of Schedule Bank	-	76,035
Credit Card	1,11,438	48,465
RCM Payable	15,545	1,250
Gratuity Provision	17,36,885	29,09,196
Professional Tax Payable	3,975	-
TCS Payable	36,952	-
TDS Payable	4,69,572	19,96,402
Gst Payable	37,62,049	20,140
D.G.V.C.L	-	6,77,368
	<b>65,66,820</b>	<b>57,68,119</b>
<b>18: PROVISIONS - CURRENT</b>		
Provision for Income tax	2,83,43,347	1,12,57,190
Less : Advance tax & TDS	(1,62,41,259)	(55,24,000)
	1,21,02,088	57,33,190
Tax on Dividend	-	-
Mat	-	-
	<b>1,21,02,088</b>	<b>57,33,190</b>
<b>19: SALE OF PRODUCT</b>		
Domestic Sales	34,01,23,930	19,88,01,967
Export Sales	20,63,55,123	28,83,44,527
	<b>54,64,79,052</b>	<b>48,71,46,494</b>
<b>20: INCOME FROM SERVICES</b>		
Job Work Income	2,90,23,622	4,17,87,743
Rent	2,40,000	2,40,000
	<b>2,92,63,622</b>	<b>4,20,27,743</b>
<b>21: OTHER INCOME</b>		
Exchange Rate Difference	19,06,630	1,30,04,960
Bank Charges	127	-
Duty Drawback	42,82,723	62,87,734
Discount	48,990	17,371
DGVCL Interest	-	38,601
Interest On Gratuity Fund	309	-
IT Interest	33,814	-
Income Tax Excess Provision W/Off	71,530	-
Insurance Claim	-	3,44,622
Sundry Balances W/Off	1,23,705	-
FD Interest	12,67,928	4,68,886
Other Non operating Income	-	29,01,967
	<b>77,35,756</b>	<b>2,30,64,141</b>
<b>21.1 : OTHER COMPREHENSIVE INCOME</b>		
	-	-
	-	-
	-	-
	-	-
<b>22: COST OF MATERIALS CONSUMED</b>		
Opening Stock	-	-
Add: Purchases	-	-
Less: Closing Stock	-	-
	-	-

<b>23: PURCHASE OF TRADING GOODS</b>		
Purchase of Fabric	17,30,82,760	26,24,65,278
Purchase of Goods(For NGO)	32,80,000	-
Purchase of Others	18,25,35,567	11,38,06,288
	<b>35,88,98,327</b>	<b>37,62,71,566</b>
<b>24: CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK-IN-TRADE</b>		
Closing Stock of Finished Goods	6,97,01,019	6,93,79,975
Less: Opening Stock of Finished Goods	6,93,79,975	6,47,57,776
(Increase)/Decrease in Finished Goods	(3,21,044)	(46,22,199)
	<b>(3,21,044)</b>	<b>(46,22,199)</b>
<b>25: EMPLOYEE BENEFITS EXPENSES</b>		
Salary & Wages Expenses	2,26,67,497	2,47,99,663
Staff Welfare Expenses	5,83,754	3,08,242
Provident Fund & ESI Contribution	9,67,290	2,23,580
Gratuity	(24,811)	1,85,792
Professional Tax	43,325	-
Festival Expenses	42,735	2,00,300
Bonus	-	70,141
	<b>2,42,79,790</b>	<b>2,57,87,718</b>
<b>26: FINANCE COST</b>		
Interest	34,22,667	27,52,343
Other Expenses	12,30,979	19,23,395
	<b>46,53,646</b>	<b>46,75,738</b>
<b>27: OTHER EXPENSES</b>		
<b>Manufacturing Expenses:-</b>		
Milligine & Oil Expenses	16,05,399	20,83,246
Demurrage	-	10,99,253
Power & Fuel	44,41,261	64,05,783
Total(A)	<b>60,46,660</b>	<b>95,88,282</b>
<b>Other Expenses:-</b>		
Advertisement Expenses	23,70,086	1,47,43,033
Auditors' Remuneration	2,83,882	3,25,000
Brokerage	30,68,504	-
Commission Expenses	2,06,71,647	3,23,21,416
Consultancy Charges	3,25,000	-
Conveyance Charges	16,77,650	10,82,379
Council Charges	21,867	34,786
Demand & Penalties	4,16,122	28,260
Director Remuneration	63,38,014	47,20,000
Directors Sitting Fee	67,500	-
Discount	30,998	4,43,155
Donation	-	22,100
Electric & Water Expenses	1,92,798	2,05,511
Freight Charges	83,06,411	77,56,647
Insurance Charges	15,64,204	5,98,953
Interest	66,389	-
Legal & Professional Charges	87,47,058	82,30,542
Loss on sale of Fixed Assets	-	-
Loss on sale of Investments	-	1,05,00,000
Office Expenses	8,46,970	9,15,994
Packing Exp.	5,54,696	2,99,590
Postage Expenses	2,82,102	10,54,369
Printing & Stationery	9,65,640	4,53,425
Property Tax	-	-
Registration & Annual Charges	7,20,900	6,03,102
Rent	35,03,920	27,58,040
Repairs to Building	12,59,557	10,65,401
Repairs to Others	10,71,536	21,64,770
Round off Expenses	890	114
Sales Promotion Expenses	41,62,073	20,67,126
Software	4,52,309	-
Security Expenses	-	2,100
Sundry Balances W/off	6,128	2,285
Telephone Expenses	1,63,728	68,383
Testing Charges	-	1,30,850
Training Charges	10,78,945	5,77,650
Travelling Expenses	22,64,797	11,12,847
Vehicle Expenses	1,66,920	6,57,135
Website & Internet Expenses	4,100	9,050
Total(B)	<b>7,16,53,341</b>	<b>9,49,54,013</b>
Total(A)+(B)	<b>7,77,00,001</b>	<b>10,45,42,295</b>

<b>27.1 VALUE OF PACKING MATERIAL CONSUMED</b>	<b>Rs. In Lacs.</b>	<b>%</b>	<b>Rs. In Lacs.</b>	<b>%</b>
Imported	0	0	0	0
Indigenous	0	100	0	100
<b>27.2 PAYMENTS TO AUDITORS</b>				
<b>(a) As Auditors:</b>				
Statutory Audit Fees		1,25,000		1,67,000
Tax Audit Fees		-		87,000
<b>(b) As Advisers, in respect of</b>				
-Other Services		40,000		66,000
		1,65,000		3,20,000
<b>(b) To Income Tax Auditors:</b>				
Tax Audit Fees		1,00,000		1,00,000
<b>As Advisers, in respect of</b>				
-Other Services		58,500		85,000
		1,58,500		1,85,000
<b>28: EARNINGS PER SHARE (EPS)</b>				
Net Profit after tax available for Equity Share holders		8,03,32,710		2,16,70,578
Weighted average of number of equity share outstanding during the year		76,28,000		71,80,500
Basic & Diluted Earnings per share (in Rs.)		10.53		3.02
Face value per equity share (in Rs.)		10		10
<b>29: EARNING IN FOREIGN EXCHANGE &amp; EXPENDITURE</b>				
Foreign Exchange Earning (FOB Value)				
Export		20,57,48,447		28,77,44,062
Foreign Exchange Expenditure		-		-
<b>30: RELATED PARTY DISCLOSURES</b>				
As per Indian Accounting Standards 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Indian Accounting Standard are given below :				
(1) List of related parties and relationships :				
<b>S.NO.</b>	<b>NAME OF RELATED PARTY</b>	<b>RELATIONSHIP</b>		
1.	Mr. Manish Murlidhar Dialani	Key Management Personnel (KMP)		
2.	Mr. Murlidhar Wadhmal Dialani	Key Management Personnel (KMP)		
3.	Mrs. Lajwanti Murlidhar Dialani	Key Management Personnel (KMP)		
4.	Mrs. Prakriti Sethi (Company Secretary)	Key Management Personnel (KMP)		
5.	Mr. Mahaveer Prasad Jain (CFO)	Key Management Personnel (KMP)		
6.	Manish Overseas	Related concern of KMP		
7.	Laaj International	Related concern of KMP		
8.	Reshma Dialani	Relative of KMP		
9.	Hemlata Dialani	Relative of KMP		
Details of transactions with related parties and the status of outstanding balances at the year end.				
<b>1. Key Management Personnel</b>		<b>Current year</b>	<b>Previous year</b>	
		<b>31.03.2021</b>	<b>31.03.2020</b>	
Remuneration		47,86,868	57,41,572	
Rent		34,33,920	22,84,677	
Other Services		0	1,57,714	
Outstanding Payable at the year end		3,99,726	2,79,536	
<b>Unsecured Loans</b>				
Balance at the beginning		0	0	
Taken during the year		0	0	
Paid during the year		0	0	
Balance Payable at the end		0	0	

<b>2.Related concern of Key Management Personnel</b>		
Sale of Finished Goods	23,35,609	0
Debit Balance Outstanding at the end of the year	13,74,20,177	3,59,01,766
Purchase of Finished Goods(Fabric)	34,67,80,888	22,02,87,803
Credit Balance Outstanding at the end of the year	0	0
<b>3.Associate Company Loans &amp; Advances</b>		
Balance at the beginning	0	0
Given during the year	0	0
Received during the year	0	0
Balance at the end	0	0
<b>Investment</b>	0	0
<b><u>31:REMUNERATION PAID TO DIRECTORS</u></b>		
Remuneration	42,75,000	52,20,000
<b><u>32:CONTINGENT LIABILITIES AND COMMITMENTS</u></b>	<b><u>Year Ended</u></b> <b><u>31.03.2021</u></b>	<b><u>Year Ended</u></b> <b><u>31.03.2020</u></b>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability		
Pending in Appeals	0.00	330967.00

**33:SEGMENT REPORTING**

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

(Rs. In lakhs)

	Finish Fabrics,Garments & Plastic Material		Cosmetics		Unallocable		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue	2431.66	3531.96	3400.72	1988.02	2.40	2.40	5834.78	5522.38
Profit before tax	79.79	200.53	999.01	262.66	2.40	(102.63)	1081.21	360.56
Less : MAT Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax liability Created/(Reverse)	(3.27)	3.78	(2.39)	0.00	(0.01)	9.95	(5.67)	13.73
Income Tax	24.10	9.94	260.16	0.00	0.62	112.52	284.88	122.46
INCOME TAX FOR EARLIER YEARS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit After Tax	58.96	186.81	741.25	262.66	1.78	(225.10)	801.99	224.37
Segment Assets	1861.26	3007.94	2487.21	1141.05	111.84	126.62	4460.31	4275.61
Segment Liabilities	341.40	935.63	82.73	367.76	119.68	59.36	543.80	1362.75
Capital Expenditure	0.53	477.78	10.82	0.00	0.00	0.65	11.36	478.43
Non Cash Expenses other than Depreciation	60.34	1.88	0.00	0.00	0.00	105.00	60.34	106.88
Depreciation	99.68	95.26	0.77	0.01	0.00	0.00	100.45	95.27

## (v) Information about secondary business segment :-

	Current Year	Previous Year
Domestic	3691.48	2440.11
Export	2063.55	2883.45
	<u>5755.03</u>	<u>5323.56</u>

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

(Rishabh Agrawal)  
Partner

(Murli Wadhupal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

(Prakriti Sethi)  
Company Secretary

Place : Jaipur  
Date : 30th June, 2021



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

**A. CORPORATE INFORMATION**

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

**1. Significant Accounting Policies:**

**Basis of preparation:**

The Consolidated Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. The Consolidated financial statements have been prepared under the historical cost convention on accrual and going concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

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

**Use of Estimates:**

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

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

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

The financial statements of the Company and its subsidiary are combined on a line by line basis by

adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions. Profits or losses resulting from intra-group transactions that are recognized in assets, such as inventory and property, plant & equipment, are eliminated in full. Offset (eliminate) the carrying amount of the parent's investment in subsidiary. Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

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

The Company MK Exim (India) Limited held

70.71% of holding in the equity shares of the Company Kolba Farm Fab Pvt Ltd at the beginning of the FY 2020-21. The Company Kolba Farm Fab Pvt Ltd issued shares in FY 2020-21 which resulted in reduction of holding of MK Exim (India) Limited in Kolba Farm Fab Pvt Ltd from 70.71% to 48.98%. Thus Kolba Farm Fab Pvt Ltd became associate company from subsidiary of MK Exim (India) Limited as on the reporting date 31.03.2021.

**3. Tangible Fixed Assets:** Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

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

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

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

**6. Depreciation and Amortisation:** Depreciation on the fixed assets is provided under straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 or at rates permissible under applicable local laws so as to charge off the cost of assets to the Statement of Profit and Loss over their estimated useful life, except on the following categories of assets:

- (i) Assets costing up to Rs.5,000/- are fully depreciated in the year of acquisition.
- (ii) Leasehold land and leasehold improvements are amortised over the primary period of lease.
- (iii) Intangible assets are amortised over their useful life of 5 years.

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

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

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

Current investments are carried at the lower of

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

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

- 9. Employee Benefits:** Employee benefits include provident fund, employee state insurance scheme and gratuity fund.

The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books on accrual basis.

- 10. Inventories:** Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost of stock in trade procured for specific projects is assigned by specific identification of individual costs of each item. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the weighted average cost formula. Cost of stores and spare parts is determined using weighted average cost.

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

- 12. Revenue Recognition:** Revenue from

Operations:- Sale and operating income includes sale of products, services, profit from partnership firms, income from job work services etc. Sale of goods are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales exclude sales tax and value added tax. Sale of services are recognised when services are rendered and related costs are incurred. Export benefit are accounted for in the year of exports based on eligibility and when there is no Uncertainty in receiving the same.

**Other income:-** Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when right to receive is established. Rent income is booked as per terms of contracts.

- 13. Taxation:** Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**Minimum Alternative tax (MAT) credit** is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued

by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement at each balance sheet date and writes down the carrying amount of the MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

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

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

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

**16. Cash and cash equivalent:** Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

**17. Provisions, Contingent Liabilities and Contingent Assets:** Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- ◆ Possible obligations which will be confirmed only by future events nowholly within the control of the company or
- ◆ Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

## Form AOC-1

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

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

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

Part "B": Associates and Joint Ventures										
Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture										
Sr. No.	Name of Associates /Joint Ventures	1. Latest audited Balance Sheet date	2. Shares of Associates/Joint Ventures held by the company on the year end	3. Description of how there is significant influence	4. Reason why the associat/joint venture is not consolidated	5. Networth attributable to Shareholding as per latest audited Balance Sheet	6. Profit/Loss for the year			
			No.	Extend of Holding %			i. Considered in Consolidation	ii. Not Considered in Consolidation		
1	KOLBA FARM FAB PVT. LTD.	31.03.2021	1	49.98%	Holding Exceeds 20%	111.84	-1.02	372.85	NA	-5.62



**M/S Rishabh Agrawal & Associates**  
**Chartered Accountants**

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Chandpole Bazaar, Jaipur,  
Rajasthan - 302001  
Ph.: 8740000588  
E-Mail: rishabh88ca@gmail.com

## INDEPENDENT AUDITORS' REPORT

**To the members of M.K. EXIM (INDIA) LIMITED**  
**Report on the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021; and its profit, total comprehensive income, the change in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial

statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

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

- \* The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- \* Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- \* In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- \* If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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 including other comprehensive income, changes in equity and



cash flows of the company in accordance with the Ind AS and accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud and error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Other Matter**

We have relied upon the audit report of other auditors for the financial statements of its office at Mumbai reflecting total assets at Rs. 1488.52 lacs, total revenue of Rs. 3400.72 lacs and net profit of Rs. 1025.73 lacs for the year ended on that date, as considered in Standalone 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 office.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the 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.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the branch at Mumbai referred to in the Other Matters section we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the statement of Cash Flow dealt with by this report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under 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 31<sup>st</sup> March, 2021 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - I. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

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

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

**M. No. 412963**

**Place: Jaipur**  
**Dated: 30<sup>th</sup> June, 2021**     **UDIN :21412963AAAADD9979**

**ANNEXURE A REFERRED TO IN OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF M.K. EXIM (INDIA) LIMITED FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021**

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.  
(c) 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. And hence reporting under clause (5) of the order is not applicable.
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. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - (C) There are no disputed dues of Customs Duty, Sales Tax, Service Tax and State Value Added Tax which have not been deposited as on March 31, 2021.
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. The Company has not taken any loans or borrowings from government. The Company has not issued any debentures.
9. The company has applied the term loan, the purpose for which the loan was obtained. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
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. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. The company has made preferential allotment of equity shares during FY 2020-21. The company raised Rs. 3.58 crores by issuing 17,90,000/- fully paid up equity shares of Rs. 10/- each for Rs. 20/- per share at premium of Rs. 10/- per share. The requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.
15. The company has not 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 Rishabh Agrawal & Associates**  
**Chartered Accountants**  
**(FRN: 018142C)**

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

**Place: Jaipur** **M. No. 412963**  
**Dated: 30<sup>th</sup> June, 2021** **UDIN :21412963AAAADD9979**

## 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 31<sup>st</sup> March, 2021**

### **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 31<sup>st</sup> March, 2021 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 prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 31<sup>st</sup> March, 2021, 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 branch at Mumbai, is based on the corresponding report on the auditors of Mumbai branch of the company. Our opinion is not qualified in respect of this matter.

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

**(Rishabh Agrawal)  
Partner**

**M. No. 412963**

**Place: Jaipur**

**Dated: 30<sup>th</sup> June, 2021 UDIN :21412963AAAADD9979**



**M.K.EXIM (INDIA) LIMITED**  
(CIN : L63040RJ1992PLC007111)  
**G-1/150, GARMENT ZONE, E.P.I.P.**  
**SITAPURA, JAIPUR**

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021**

	NOTES	AS AT 31ST MARCH, 2021	AS AT 31ST MARCH, 2020
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENTS	1	1,68,25,120	1,81,81,250
INTANGIBLE ASSETS		1,28,250	-
FINANCIAL ASSETS			
INVESTMENTS	2	1,11,83,847	1,11,84,847
LOANS	3	-	-
OTHER NON-CURRENT ASSETS	4	4,42,555	5,82,555
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,85,79,772</b>	<b>2,99,48,652</b>
<b>CURRENT ASSETS</b>			
INVENTORIES	5	6,97,01,019	6,93,79,975
FINANCIAL ASSETS			
INVESTMENTS		-	-
TRADE RECEIVABLES	6	10,45,97,081	19,12,15,297
CASH AND CASH EQUIVALENTS	7	6,87,46,400	(33,76,811)
LOANS AND ADVANCES	8	13,86,01,364	4,03,15,581
OTHER FINANCIAL ASSETS		-	-
OTHER CURRENT ASSETS	9	97,04,217	1,26,25,458
<b>TOTAL CURRENT ASSETS</b>		<b>39,13,50,082</b>	<b>31,01,59,500</b>
<b>TOTAL ASSETS</b>		<b>41,99,29,854</b>	<b>34,01,08,152</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
EQUITY SHARE CAPITAL	10	8,97,05,000	7,18,05,000
OTHER EQUITY	11	27,58,44,519	17,71,87,558
<b>TOTAL EQUITY</b>		<b>36,55,49,519</b>	<b>24,89,92,558</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	12	-	18,10,979
PROVISIONS			
DEFERRED TAX LIABILITIES (NET)	13	(5,44,546)	(2,83,768)
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>(5,44,546)</b>	<b>15,27,211</b>
<b>CURRENT LIABILITIES</b>			
FINANCIAL LIABILITIES			
BORROWINGS	14	2,65,34,273	2,99,41,554
TRADE PAYABLES	15	75,00,506	4,59,33,388
OTHER FINANCIAL LIABILITIES	16	22,21,194	29,85,640
OTHER CURRENT LIABILITIES	17	65,66,820	49,94,611
PROVISIONS	18	1,21,02,088	57,33,190
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,49,24,881</b>	<b>8,95,88,383</b>
<b>TOTAL LIABILITIES</b>		<b>5,43,80,335</b>	<b>9,11,15,594</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,99,29,854</b>	<b>34,01,08,152</b>

SIGNIFICANT ACCOUNTING POLICIES

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

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

For and on behalf of the Board

(Rishabh Agrawal)  
Partner

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

(Prakriti Sethi)  
Company Secretary

Place : Jaipur

Date : 30th June, 2021

UDIN: 21412963AAAADD9979

**M.K.EXIM (INDIA) LIMITED**  
(CIN : L63040RJ1992PLC007111)  
**G-1/150, GARMENT ZONE, E.P.I.P.**  
**SITAPURA, JAIPUR**

**STANDALONE STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31ST MARCH, 2021**

	NOTES	2020-21	2019-20
<b>INCOME</b>			
<b>REVENUE FROM OPERATIONS</b>			
SALE OF PRODUCTS	19	54,64,79,052	48,71,46,494
INCOME FROM SERVICES	20	2,40,000	2,40,000
		<b>54,67,19,052</b>	<b>48,73,86,494</b>
OTHER INCOME	21	64,22,817	1,96,42,316
<b>TOTAL INCOME</b>		<b>55,31,41,869</b>	<b>50,70,28,810</b>
<b>EXPENSES</b>			
COST OF MATERIAL CONSUMED	22	-	-
PURCHASE OF STOCK IN TRADE	23	35,88,98,327	37,62,71,566
CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE	24	(3,21,044)	(46,22,199)
EMPLOYEE BENEFITS EXPENSES	25	1,42,46,765	1,13,11,864
FINANCE COST	26	24,62,466	27,59,642
DEPRECIATION/AMORTISATION AND DEPLETION EXPENSES	1	23,63,596	26,38,403
OTHER EXPENSES	27	6,66,52,230	8,78,88,658
<b>TOTAL EXPENSES</b>		<b>44,43,02,339</b>	<b>47,62,47,934</b>
<b>PROFIT BEFORE TAX</b>		<b>10,88,39,530</b>	<b>3,07,80,876</b>
<b>TAX EXPENSES</b>			
CURRENT TAX		(2,83,43,347)	(1,12,51,864)
DEFERRED TAX		2,60,778	(9,95,415)
INCOME TAX FOR EARLIER YEARS		-	-
<b>PROFIT FOR THE YEAR</b>		<b>8,07,56,961</b>	<b>1,85,33,597</b>
<b>OTHER COMPREHENSIVE INCOME:-</b>			
(i) ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS (PREVIOUS YEAR RS. NIL)		-	-
(iii) ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
(iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>8,07,56,961</b>	<b>1,85,33,597</b>
<b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>			
BASIC (RS.)		10.5869	2.5811
DILUTED (RS.)		10.5869	2.5811
SIGNIFICANT ACCOUNTING POLICIES SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS			
<b>As per our report of even date annexed</b>		<b>For and on behalf of the Board</b>	
<b>For Rishabh Agrawal &amp; Associates</b>			
<b>Chartered Accountants</b>			
<b>(Rishabh Agrawal)</b>	<b>( Murli Wadhmal Dialani)</b>	<b>(Manish M Dialani)</b>	<b>(M.P. Jain)</b>
Partner	Chairman	Managing Director	CFO
	DIN : 08267828	DIN : 05201121	<b>( Prakriti Sethi)</b>
			Company Secretary
Place : Jaipur			
Date : 30th June, 2021			
UDIN: 21412963AAAADD9979			

**M.K.EXIM (INDIA) LIMITED**  
**(CIN : L63040RJ1992PLC007111)**  
**G-150, GARMENT ZONE, E.P.I.P.**  
**SITAPURA, JAIPUR**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

CASH FLOW FROM OPERATIVE ACTIVITES (A)	Year Ended 31.03.21	Year Ended 31.03.20
<b>Net Profit before tax</b>	108839530	30780876
<b>Adjustments for:</b>		
Deferred Tax Liability		
Depreciation	2363596	2638403
Interest Expenses	2462465	1342523
Gratuity	(24811)	185792
Unrealised Exchange Loss	6052730	13004960
Loss on Sale of Investments	0	10500000
<b>Operating Profit before working capital changes</b>	<b>119693510</b>	<b>58452554</b>
<b>Adjustment for:</b>		
Increase/Decrease in Inventories	(321044)	(4622199)
Increase/Decrease Sundry Debtors & Other receivable	83486727	(96098680)
Increase/Decrease in Loan and Advances	(98285783)	0
Increase/Decrease in Current liabilities	(31231410)	44631055
<b>Cash Generated From Operating activites</b>	<b>73341999</b>	<b>2362730</b>
Interest paid	(1196188)	(1342523)
Tax Paid	(28343347)	(12247279)
<b>Net Cash Flow from Operating Activities</b>	<b>43802464</b>	<b>(11227072)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		
Purchases of Fixed Assets	(1135716)	(64687)
Sale of Investents	0	9500000
Interest Income	0	0
Decrease/Increase in Investment/Other Non Current Assets	141000	509422
<b>Net Cash used In Investing Activities</b>	<b>(994716)</b>	<b>9944735</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES ( C )</b>		
Increase/Decrease in Secured Loans	(5218260)	(2575426)
Issue of Equity Share Capital	35800000	0
Interest on Bank Loan	(1266278)	0
<b>Net Cash From Financing Activities</b>	<b>29315462</b>	<b>(2575426)</b>
<b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b>	<b>72123210</b>	<b>(3857762)</b>
Opening cash and cash equivalents	(3376810)	480952
Closing cash and cash equivalents	68746400	(3376810)

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

For and on behalf of the Board

(Rishabh Agrawal)  
Partner

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain) (Prakriti Sethi)  
CFO Company Secretary

Place : Jaipur

Date : 30th June, 2021

UDIN: 21412963AAAADD9979

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

**STANDALONE STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH, 2021**

**A. EQUITY SHARE CAPITAL**

BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2019	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR 2019-20	BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2020	CHANGES IN EQUITY SHARE CAPITAL DURING THE YEAR 2020-21	BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2021
7,18,05,000	-	7,18,05,000	1,79,00,000	8,97,05,000

**B. OTHER EQUITY**

	RESERVE & SURPLUS			OTHER COMPREHENSIVE INCOME	TOTAL
	CAPITAL RESERVE	SECURITY PREMIUM	RETAINED EARNINGS		
<b>AS ON 31 MARCH 2020</b>					
BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2019	15,58,713	5,34,82,300	10,36,12,948	-	15,86,53,961
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-	-
TRANSFER TO / (FROM) RETAINED EARNINGS	-	-	1,85,33,597	-	1,85,33,597
BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2020	15,58,713	5,34,82,300	12,21,46,545	-	17,71,87,558

<b>AS ON 31 MARCH 2021</b>					
BALANCE AT THE BEGINNING OF THE REPORTING PERIOD i.e. 01 APRIL, 2020	15,58,713	5,34,82,300	12,21,46,545	-	17,71,87,558
PREMIUM ON EQUITY SHARES ISSUED ON PREFERENTIAL BASIS	-	1,79,00,000	-	-	1,79,00,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-	-
TRANSFER TO / (FROM) RETAINED EARNINGS	-	-	8,07,56,961	-	8,07,56,961
BALANCE AT THE END OF THE REPORTING PERIOD i.e. 31 MARCH, 2021	15,58,713	7,13,82,300	20,29,03,506	-	27,58,44,519

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

(Rishabh Agrawal)  
Partner

( Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

( Prakriti Sethi)  
Company Secretary

Place : Jaipur

Date : 30th June, 2021

**M. K. EXIM ( INDIA ) LTD**  
(CIN : L63040RJ1992PLC007111)

**1 PROPERTY, PLANT & EQUIPMENT**

SR. NO.	DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2020	ADDITION/ (DELETION)	AS ON 31.03.2021	UP TO 31.03.2020	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2021	AS ON 31.03.21
	<b>Tangible Assets</b>								
1	LAND	39,87,680	0	39,87,680	0	0	0	0	39,87,680.00
2	BUILDING	88,06,180	0	88,06,180	69,60,220	0	1,39,138	70,99,358	17,06,822.00
3	PLANT & MACHINERY	0	0	0	0	0	0	0	0.00
4	FURNITURE & FIXTURES	10,09,263	7,91,505	18,00,768	9,39,101	0	50,225	9,89,326	8,11,442.00
5	VEHICLES	1,77,86,594	0	1,77,86,594	55,51,698	0	21,12,158	76,63,856	1,01,22,738
6	COMPUTER	38,988	1,29,055	1,68,043	38,988	0	40,247	79,235	88,808.08
7	OFFICE EQUIPMENT	4,34,637		4,34,637	4,34,637	0	0	4,34,637	0.00
8	LCD	29,297	72,656	1,01,953	470	0	6,274	6,744	95,209.13
9	TIME ATTENDANCE BIOMETRIC	14,150	0	14,150	425	0	1,304	1,729	12,421.00
	<b>Intangible Assets</b>								
1	COMPUTER SOFTWARE	0	1,42,500	1,42,500	0	0	14,250	14,250	1,28,250.00
	<b>TOTAL</b>	<b>3,21,06,789</b>	<b>11,35,716</b>	<b>3,32,42,505</b>	<b>1,39,25,539</b>	<b>0</b>	<b>23,63,596</b>	<b>1,62,89,135</b>	<b>1,69,53,370</b>

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
		AS AT 01.04.2019	ADDITION/ (DELETION)	AS ON 31.03.20	UP TO 31.03.2019	ADJUSTMENT	FOR THE YEAR	UPTO 31.03.2020	AS ON 31.03.20
	<b>Tangible Assets</b>								
1	LAND	39,87,680	0	39,87,680	0	0	0	0	39,87,680.00
2	BUILDING	88,06,180	0	88,06,180	64,89,398	0	4,70,822	69,60,220	18,45,960.00
3	PLANT & MACHINERY	0	0	0	0	0	0	0	0.00
4	FURNITURE & FIXTURES	9,88,023	21,240	10,09,263	8,84,573	0	54,528	9,39,101	70,162.00
5	VEHICLES	1,77,86,594	0	1,77,86,594	34,39,540	0	21,12,158	55,51,698	1,22,34,896
6	COMPUTER	38,988	0	38,988	38,988	0	0	38,988	0.00
7	OFFICE EQUIPMENT	4,34,637		4,34,637	4,34,637	0	0	4,34,637	0.00
8	LCD	0	29,297	29,297	0	0	470	470	28,826.88
9	TIME ATTENDANCE BIOMETRIC	0	14,150	14,150	0	0	425	425	13,725.00
	<b>TOTAL</b>	<b>3,20,42,102</b>	<b>64,687</b>	<b>3,21,06,789</b>	<b>1,12,87,136</b>	<b>0</b>	<b>26,38,403</b>	<b>1,39,25,539</b>	<b>1,81,81,250</b>

<b>M. K. EXIM (INDIA) LTD.</b> (CIN : L63040RJ1992PLC007111)		
<b>NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS</b>		
<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>2: NON CURRENT INVESTMENTS</b>		
<b>Other Investments (unquoted)( Non Trade) (measured at cost)</b>		
KOLBA FARM FAB PVT. LTD Associate Company (Subsidiary Company)	1,11,83,847	1,11,83,847
N S C	-	1,000
<b>TOTAL NON CURRENT INVESTMENTS</b>	<b>1,11,83,847</b>	<b>1,11,84,847</b>
<b>3: LOANS &amp; ADVANCES</b>		
<b>(Unsecured &amp; Cosidered good)</b>		
	-	-
	-	-
<b>4: OTHER NON CURRENT ASSETS</b>		
Security Deposit	4,42,555	5,82,555
	<b>4,42,555</b>	<b>5,82,555</b>
<b>5:INVENTORIES</b>		
Raw Material	-	-
Finished Goods	6,97,01,019	6,93,79,975
	<b>6,97,01,019</b>	<b>6,93,79,975</b>
<b>6:TRADE RECEIVABLES</b>		
<b>(Unsecured &amp; Considered Good)</b>		
Debts (Outstanding for a period exceeding six months)	-	1,39,30,323
Others	10,45,97,081	17,72,84,974
	<b>10,45,97,081</b>	<b>19,12,15,297</b>
<b>7:CASH &amp; CASH EQUIVALENTS</b>		
Cash in Hand	2,95,842	3,27,504
Balance with Banks	6,84,50,559	-37,04,315
<b>CASH &amp; CASH EQUIVALENTS AS PER BALANCE SHEET</b>	<b>6,87,46,400</b>	<b>(33,76,811)</b>
<b>CASH &amp; CASH EQUIVALENTS AS PER STANDALONE CASH FLOW STATEMENT</b>	<b>6,87,46,400</b>	<b>(33,76,811)</b>
<b>8:LOANS &amp; ADVANCES</b>		
<b>(Unsecured &amp; considered good)</b>		
Advances to Suppliers	13,82,25,904	3,94,51,472
Advances to Employees	3,75,460	8,64,109
	<b>13,86,01,364</b>	<b>4,03,15,581</b>
<b>9:OTHER CURRENT ASSETS</b>		
Prepaid Insurance	1,88,286	1,22,531
Drawback receivable	6,79,892	6,54,217
GST Refundable	33,52,828	92,89,337
Gratuity with LIC of India	17,37,195	-
ITC Receivable	28,41,341	19,18,893
Income Tax Demand	-	85,000
Income Tax Refundable A.Y. 19-20	-	55,480
Other Current Assets	4,04,674	-
Rent Security	5,00,000	5,00,000
	<b>97,04,217</b>	<b>1,26,25,458</b>

<b>10 : SHARE CAPITAL</b>					
<b>Authorised Capital</b>					
10000000 Equity Shares of Rs 10/- each				10,00,00,000.00	10,00,00,000.00
<b>Issued, Subscribed &amp; Paid up Capital</b>					
8970500 Equity Shares of Rs 10/- each fully paid up				8,97,05,000.00	7,18,05,000.00
The Company raised Rs. 358.00 Lakhs by issuing 17,90,000 fully paid up Equity Shares of Rs. 10/- each for Rs. 20/- per share at a Premium of Rs. 10/- per share on Preferential Basis					
				<b>8,97,05,000.00</b>	<b>7,18,05,000.00</b>
<b>10.1 Details of shareholders holding more than 5% shares</b>					
<b>Name of shareholder</b>	<b>No. of shares</b>		<b>%</b>		
	<b>20-21</b>	<b>19-20</b>	<b>20-21</b>	<b>19-20</b>	
<b>Manish Dialani</b>	<b>2427740</b>	<b>2427740</b>	<b>27.06</b>	<b>33.81</b>	
<b>Murli Dialani</b>	<b>836769</b>	<b>793865</b>	<b>9.33</b>	<b>11.05</b>	
<b>Murlibhai Fatandas Sawlani</b>	<b>450000</b>	<b>0</b>	<b>5.02</b>	<b>0</b>	
<b>Vasudev Fatandas Sawlani</b>	<b>710000</b>	<b>0</b>	<b>7.91</b>	<b>0</b>	
<b>10.2 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.</b>					
<b>11 : OTHER EQUITY</b>					
Statement of Profit and Loss					
Opening balance				12,21,46,545	10,36,12,948
(+ ) Net Profit For the current year				8,07,56,961	1,85,33,597
Less:- Appropriations				20,29,03,506	12,21,46,545
Profit after Appropriations				-	-
Securities Premium Reserve				20,29,03,506	12,21,46,545
State Investment Subsidy				7,13,82,300	5,34,82,300
Other Comprehensive Income (OCI)				15,58,713	15,58,713
				-	-
				<b>27,58,44,519</b>	<b>17,71,87,558</b>
<b>12 : BORROWINGS (NON CURRENT)</b>					
Secured loan (secured by hypothecation of car)				-	18,10,979
				-	<b>18,10,979</b>
<b>13: DEFERRED TAX LIABILITY (NET)</b>					
In accordance with Indian Accounting Standards-12 "INCOME TAXES "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 as under:					
Timing Difference between Book & Tax Value of Fixed Assets				5,44,546.00	(4,48,477.00)
Gratuity Provision				-	7,32,245.00
				<b>-5,44,546.00</b>	<b>-2,83,768.00</b>
<b>14: BORROWINGS - CURRENT</b>					
Bill Purchase Limit				2,65,34,273	2,49,62,387
<b>WORKING CAPITAL LIMIT :-</b>					
From State Bank of India				-	49,79,167
(Working Capital limit from State Bank of India is secured by way of first charge over all the fixed assets.)					
				<b>2,65,34,273</b>	<b>2,99,41,554</b>
<b>15: TRADE PAYABLES</b>					
Micro, Small & Medium Enterprises				5,04,704	12,064
Others				69,95,802	4,59,21,324
				<b>75,00,506</b>	<b>4,59,33,388</b>



<b>16: OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long Term Debt	18,10,979	25,75,425
Unpaid Dividend	2,00,215	2,00,215
Building Rent Security	2,10,000	2,10,000
	<b>22,21,194</b>	<b>29,85,640</b>
<b>17: OTHER CURRENT LIABILITIES</b>		
PF & ESI Payable	1,19,489	39,263
Advance Received from Customers	3,10,914	-
Credit Balance of Schedule Bank	-	76,035
Credit Card	1,11,438	48,465
RCM Payable	15,545	1,250
GST Payable	37,62,049	-
Gratuity Provision	17,36,885	29,09,196
Professional Tax Payable	3,975	-
TCS Payable	36,952	-
TDS Payable	4,69,572	19,20,402
	<b>65,66,820</b>	<b>49,94,611</b>
<b>18. PROVISIONS - CURRENT</b>		
Provision for Income tax	2,83,43,347	1,12,57,190
Less :Advance tax & TDS	(1,62,41,259)	(55,24,000)
	1,21,02,088	57,33,190
Tax on Dividend	-	-
	<b>1,21,02,088</b>	<b>57,33,190</b>
<b>19: SALE OF PRODUCTS</b>		
Domestic Sales	34,01,23,930	19,88,01,967
Export Sales	20,63,55,123	28,83,44,527
	<b>54,64,79,052</b>	<b>48,71,46,494</b>
<b>20: INCOME FROM SERVICES</b>		
Rent	2,40,000	2,40,000
	<b>2,40,000</b>	<b>2,40,000</b>
<b>21: OTHER INCOME</b>		
Exchange Rate Difference	19,06,630	1,30,04,960
Bank Charges	127	-
Duty Drawback	42,82,723	62,87,734
Insurance claim	-	3,44,622
Interest on Gratuity Fund	309	-
Income Tax Excess Provision W/Off	71,530	-
Sundry Balances W/Off	1,23,705	-
Discount	37,793	5,000
	<b>64,22,817</b>	<b>1,96,42,316</b>
<b>21.1 : OTHER COMPREHENSIVE INCOME</b>		
	-	-
	-	-
<b>22: COST OF MATERIALS CONSUMED</b>		
Opening Stock	-	-
Add: Purchases	-	-
Less: Closing Stock	-	-
	-	-
<b>23: PURCHASE OF TRADING GOODS</b>		
Purchase of Fabric	17,30,82,760	26,24,65,278
Purchase of Goods(For NGO)	32,80,000	-
Purchase of Goods (Cosmetics)	18,25,35,567	11,38,06,288
	<b>35,88,98,327</b>	<b>37,62,71,566</b>
<b>24: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>		
Closing Stock of Finished Goods	6,97,01,019	6,93,79,975
Less: Opening Stock of Finished Goods	6,93,79,975	6,47,57,776
(Increase)/Decrease in Finished Goods	(3,21,044)	(46,22,199)
	<b>(3,21,044)</b>	<b>(46,22,199)</b>

<b>25:EMPLOYEE BENEFITS EXPENSES</b>			
Salary Expenses		1,27,22,821	1,04,38,259
Staff Welfare Expenses		4,95,405	2,63,933
Provident Fund & ESI Contribution		9,67,290	2,23,580
Gratuity		(24,811)	1,85,792
Professional Tax		43,325	-
Festival Expenses		42,735	2,00,300
		<b>1,42,46,765</b>	<b>1,13,11,864</b>
<b>26:FINANCE COST</b>			
Interest		12,66,278	13,42,523
Other Expenses		11,96,188	14,17,119
		<b>24,62,466</b>	<b>27,59,642</b>
<b>27:OTHER EXPENSES</b>			
Advertisement Expenses		23,70,086	1,47,43,033
Auditors' Remuneration		2,55,000	2,25,000
Brokerage		30,68,504	-
Commission Exp.		2,06,71,647	3,23,21,416
Consultancy Charges		3,25,000	-
Conveyance Charges		15,96,001	10,07,436
Council Charges		21,867	34,786
Demand & Penalties		4,13,880	3,660
Director Remuneration		42,75,000	22,20,000
Directors Sitting Fee		67,500	-
Discount		30,998	4,43,155
Donation		-	22,100
Electric & Water Expenses		1,92,798	2,05,511
Freight Charges		73,49,621	60,55,873
Insurance Charges		14,53,095	5,20,895
Interest		66,389	-
Legal & Professional Charges		81,14,800	81,60,802
Loss on sale of Fixed Assets		-	-
Loss on sale of Investments		-	1,05,00,000
Office Expenses		4,32,599	3,19,521
Packing Exp.		5,54,696	2,99,590
Postage Expenses		2,78,578	10,54,029
Printing & Stationery		9,19,080	4,32,428
Registration & Annual Charges		7,20,900	4,73,769
Rent		35,03,920	27,58,040
Repairs to Others		4,10,824	3,96,791
Repairs to Building		12,59,557	10,65,401
Round Off Exp.		890	97
Sales Promotion Expenses		41,62,073	20,67,126
Software		4,52,309	-
Sundry Balances W/off		6,128	2,285
Telephone Expenses		1,63,728	68,383
Testing Charges		-	1,30,850
Training Charges		10,78,945	5,77,650
Travelling Expenses		22,64,797	11,12,847
Vehicle Expenses		1,66,920	6,57,135
Website & Internet Expenses		4,100	9,050
		<b>6,66,52,230</b>	<b>8,78,88,658</b>
<b>27.1 VALUE OF PACKING MATERIAL CONSUMED</b>		<b>Rs. In Lacs.</b>	<b>%</b>
Imported		0	0
Indigenous		0	100
<b>27.2 PAYMENTS TO AUDITORS</b>			
<b>(a) To Company Auditors:</b>			
Statutory Audit Fees		1,25,000	1,25,000
Tax Audit Fees		-	-
<b>As Advisers,in respect of</b>			
-Other Services		40,000	20,000
		<b>1,65,000</b>	<b>1,45,000</b>
<b>(b) To Income Tax Auditors:</b>			
Tax Audit Fees		1,00,000	1,00,000
<b>As Advisers,in respect of</b>			
-Other Services		58,500	85,000
		<b>1,58,500</b>	<b>1,85,000</b>

<b>28:EARNINGS PER SHARE (EPS)</b>		
Net Profit after tax available for Equity Share holders	8,07,56,961	1,85,33,597
Weighted average of number of equity share outstanding during the year	76,28,000	71,80,500
Basic & Diluted Earnings per share( in Rs.)	10.59	2.58
Face value per equity share( in Rs.)	10	10
<b>29:EARNING IN FOREIGN EXCHANGE &amp; EXPENDITURE</b>		
<b>Foreign Exchange Earning(FOB Value)</b>		
Export	20,57,48,447	28,77,44,062
<b>Foreign Exchange Expenditure</b>	-	-
<b>30:RELATED PARTY DISCLOSURES</b>		
As per Indian Accounting Standards 24, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Indian Accounting Standard are given below :		
(1)List of related parties and relationships :		
<b>S.NO.</b>	<b>NAME OF RELATED PARTY</b>	<b>RELATIONSHIP</b>
1.	Mr. Manish Murlidhar Dialani	Key Management Personnel (KMP)
2.	Mr. Murli Wadhmal Dialani	Key Management Personnel (KMP)
3.	Mrs. Lajwanti Murlidhar Dialani	Key Management Personnel (KMP)
4.	Mrs. Prakriti Sethi (Company Secretary)	Key Management Personnel (KMP)
5.	Mr. Mahaveer Prasad Jain (CFO)	Key Management Personnel (KMP)
6.	Kolba Farm Fab Pvt. Ltd.	Associate Company
7.	Manish Overseas	Related concern of KMP
8.	Laaj International	Related concern of KMP
9.	Reshma Dialani	Relative of KMP
10.	Hemlata Dialani	Relative of KMP
Details of transactions with related parties and the status of outstanding balances at the year end.		
<b>1.Key Management Personnel</b>	<b>Current year 31.03.2021</b>	<b>Previous year 31.03.2020</b>
Remuneration	47,86,868	27,41,572
Rent	34,33,920	22,84,677
Services from Relatives of KMP	0	1,57,714
Outstanding Payable at the year end	3,99,726	2,79,536
<b>Unsecured Loans</b>		
Balance at the beginning	0	0
Taken during the year	0	0
Paid during the year	0	0
Balance Payable at the end	0	0

<b>2.Related concern of Key Management Personnel</b>		
Sale of Finished Goods	23,35,609	0
Debit Balance Outstanding at the end of the year	13,74,20,177	3,59,01,766
Purchase of Finished Goods	34,67,80,888	22,02,87,803
Credit Balance Outstanding at the end of the year	0	0
<b>3.Associate Company Loans &amp; Advances</b>		
Balance at the beginning	0	0
Given during the year	0	0
Received during the year	0	0
Balance at the end	0	0
<b>Investment</b>	0	0
<b><u>31:REMUNERATION PAID TO DIRECTORS</u></b>		
Remuneration	42,75,000	22,20,000
<b><u>32:CONTINGENT LIABILITIES AND COMMITMENTS</u></b>	<b><u>Year Ended</u></b>	<b><u>Year Ended</u></b>
	<b><u>31.03.2021</u></b>	<b><u>31.03.2020</u></b>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability		
Pending in Appeals	0.00	330967.00

**33:SEGMENT REPORTING**

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

(Rs. In lakhs)

	Finish Fabrics,Garments & Plastic Material		Cosmetics		Unallocable		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue	2128.30	3079.87	3400.72	1988.02	2.40	2.40	5531.42	5070.29
Profit before tax	86.98	147.78	999.01	262.66	2.40	(102.63)	1088.40	307.81
Less : MAT Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax liability Created/(Reverse)	(0.21)	0.00	(2.39)	0.00	(0.01)	9.95	(2.61)	9.95
Income Tax	22.65	0.00	260.16	0.00	0.62	112.52	283.43	112.52
INCOME TAX FOR EARLIER YEARS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit After Tax	64.54	147.78	741.25	262.66	1.78	(225.10)	807.57	185.34
Segment Assets	1600.25	2133.42	2487.21	1141.05	111.84	126.62	4199.30	3401.09
Segment Liabilities	341.40	484.04	82.73	367.76	119.68	59.36	543.80	911.16
Capital Expenditure	0.53	0.00	10.82	0.00	0.00	0.65	11.36	0.65
Non Cash Expenses other than Depreciation	60.34	1.88	0.00	0.00	0.00	105.00	60.34	106.88
Depreciation	22.86	26.38	0.77	0.01	0.00	0.00	23.64	26.39

## (v) Information about secondary business segment :-

	Current Year	Previous Year
Domestic	3401.24	1988.02
Export	2063.55	2883.45
	<u>5464.79</u>	<u>4871.46</u>

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

(Rishabh Agrawal)  
Partner

(Murli Wadhmal Dialani)  
Chairman  
DIN : 08267828

(Manish M Dialani)  
Managing Director  
DIN : 05201121

(M.P. Jain)  
CFO

(Prakriti Sethi)  
Company Secretary

Place : Jaipur  
Date : 30th June, 2021

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

### A. CORPORATE INFORMATION

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

#### 1. Significant Accounting Policies:

##### Basis of preparation:

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual and going concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

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

##### Use of Estimates:

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

2. **Tangible Fixed Assets:** Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs relating to acquisition of tangible assets which takes substantial period of

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

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

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

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

5. **Depreciation and Amortisation:** Depreciation on the fixed assets is provided under straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 or at rates permissible under applicable local laws so as to charge off the cost of assets to the Statement of Profit and Loss over their estimated useful life, except on the following categories of assets

- (i) Assets costing up to Rs. 5, 000/- are fully depreciated in the year of acquisition.
- (ii) Leasehold land and leasehold improvements are amortised over the primary period of lease.
- (iii) Intangible assets are amortised over their useful life of 5 years.

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

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

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

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

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

**8. Employee Benefits:** Employee benefits include provident fund, employee state insurance scheme and gratuity fund.

The company has taken a policy from Life Insurance Corporation of India for the payment of gratuity. The gratuity has been provided in books

on accrual basis.

**9. Inventories:** Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost of stock in trade procured for specific projects is assigned by specific identification of individual costs of each item. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the weighted average cost formula. Cost of stores and spare parts is determined using weighted average cost.

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

**11. Revenue Recognition:**

**Revenue from Operations:-** Sale and operating income includes sale of products, services, profit from partnership firms, income from job work services etc. Sale of goods are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales exclude sales tax and value added tax. Sale of services are recognised when services are rendered and related costs are incurred. Export benefits are accounted for in the year of exports based on eligibility and when there is no Uncertainty in receiving the same.

**Other income:-** Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when right to receive is established. Rent income is booked as per terms of contracts.

**12. Taxation:** Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period

is recognized in the year in which the timing differences originate.

At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**Minimum Alternative tax (MAT) credit** is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement at each balance sheet date and writes down the carrying amount of the MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

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

**14. Provisions:** A provision is recognized when



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

**15. Cash and cash equivalent:** Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

**16. Provisions, Contingent Liabilities and Contingent Assets:-** Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- \* Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- \* Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

## Updation of shareholders' details

To

Beetal Financial &amp; Computer Services Private Limited

Beetal House, 3<sup>rd</sup> Floor, 99 madangir,

Behind Local Shopping Centre,

Near Dada Harsukhdas Mandir,

New Delhi-110062

-----Shares held by us in M K 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	
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**Bank Details**

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

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(Signature of the sole/first holder)