

**30th Annual Report**  
**2021-2022**



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

## 30th Annual Report 2021-22

|                                          |    |
|------------------------------------------|----|
| Corporate information.....               | 3  |
| Notice .....                             | 4  |
| Directors Report .....                   | 22 |
| Report On Corporate Governance .....     | 39 |
| Management Discussion and Analysis ..... | 51 |
| Consolidated Financial Statements .....  |    |
| Independent auditors Reports .....       | 54 |
| Balance Sheet .....                      | 58 |
| Statement of Profit and Loss .....       | 59 |
| Statement of Cash Flow .....             | 60 |
| Statement of Changes in Equity .....     | 61 |
| Notes .....                              | 62 |
| Standalone Financial Statements .....    |    |
| Independent auditors Reports .....       | 77 |
| Balance Sheet .....                      | 83 |
| Statement of Profit and Loss .....       | 84 |
| Statement of Cash Flow. ....             | 85 |
| Statement of Changes in Equity .....     | 86 |
| Notes .....                              | 87 |

## CORPORATE INFORMATION

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board of Directors:</b>                   | <p><b>Shri Murli Wadhupal Dialani</b><br/>Chairman &amp; Whole-Time Director</p> <p><b>Shri Manish Murlidhar Dialani</b><br/>Managing Director</p> <p><b>Smt. Lajwanti M. Dialani</b><br/>Whole-Time Director</p> <p><b>Shri Laxmikant Ramswarup Patodia</b> (Resigned on 18.10.2021)<br/>Independent Director</p> <p><b>Shri Vishesh Mahesh Nihalani</b><br/>Independent Director</p> <p><b>Ms. Priya Murlidhar Makhija</b><br/>Independent Director</p> <p><b>Shri Gaurav L. Patodia</b> (Appointed on 13.11.2021)<br/>Additional Independent Director</p> |
| <b>Company Secretary:</b>                    | <b>Mrs. Prakriti Sethi</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Auditors:</b>                             | <p><b>Rishabh Agrawal &amp; Associates,</b><br/><b>Chartered Accountants</b><br/>Above Shop No. 426-427, Chandpole Bazaar, Jaipur,<br/>Rajasthan - 302001</p>                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Banker:</b>                               | <b>State Bank of India</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Plant &amp;Registered Office:</b>         | G-1/150, Garment Zone, E.P.I.P.,<br>RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Phone:</b>                                | +91 141 3937501, 3937504.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>E-mail:</b>                               | mkexim@mkexim.com                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Web-Site:</b>                             | www.mkexim.com                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Registrar &amp; Share Transfer Agent:</b> | <p><b>Beetal Financial &amp; Computer Services (P) Ltd.</b><br/>Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Center,<br/>Near Dada Harsukhdas Mandir, New Delhi – 110 062<br/>Tel: (011) 2996 1281/82 Fax: (011) 2996 1284<br/>Email: beetalrta@gmail.com<br/>Website: www.beetalfinancial.com</p>                                                                                                                                                                                                                                |

## NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of M K Exim (India) Limited will be held on Friday, 30th September, 2022 at 11.00 A.M IST through Video Conference / Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022:

### ORDINARY BUSINESS

- To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the year ended 31st March 2022 together with Report of Auditors and the Board of Directors thereon; and to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 and the Reports of the Board of Directors’ and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

- To appoint a Director in place of Mr. Murli Wadhmal Dialani (DIN: 08267828), who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an ordinary resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Murli Wadhmal Dialani (DIN: 08267828), who retires by rotation at this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

### SPECIAL BUSINESS

- Re-appointment of Mrs. Lajwanti Murlidhar Dialani (DIN: 05201148) as Whole Time Director

To consider and if thought fit, to pass the following Resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 2(94), 152, 196, 197 and 203 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time and other applicable Rules and provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the re-appointment of Mrs. Lajwanti Murlidhar Dialani (DIN: 05201148) as Whole-Time Director of the Company for a further period of five years with effect from 26th August, 2022 up to 25th August, 2027, liable to retire by rotation, upon such terms and conditions as set out in the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, hereto annexed, be and is hereby approved, confirmed and ratified.”

**“RESOLVED FURTHER THAT** the authority be and is hereby granted to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement including authority, from time to time, to determine the amount of salary, allowances, perquisites and other benefits payable to Mrs. Lajwanti M. Dialani, as recommended by the Nomination and Remuneration Committee, in such manner as may be agreed to between the Board of Directors and Mrs. Lajwanti M. Dialani; provided however that the remuneration payable to her shall not exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mrs. Lajwanti M. Dialani, the remuneration payable to her by way of salary, allowances and perquisites shall not exceed the limits prescribed under Schedule V to the Companies Act, 2013, or any amendment, modification, variation or re-enactment thereof.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors or director(s) to give effect to the aforesaid resolutions.”

- Appointment of Mr. Gaurav Laxmikant Patodia (DIN: 09317764) as Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

**“RESOLVED THAT** Mr. Gaurav Laxmikant Patodia (DIN: 09317764) who was appointed as an Additional Independent Director of the Company with effect from 13.11.2021, by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office as such up to this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (“the Act”) and as per Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), The appointment of Mr. Gaurav L. Patodia (DIN:09317764), that meets the criteria for independence as provided in section 149(6) and Regulation 16(1)(b) of SEBI (LODR), 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of five years, i.e., from November 13th, 2021 to November 12th, 2026 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby

approved.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Gaurav L. Patodia shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

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

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

**“RESOLVED that** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and/or carrying out new contracts/arrangements and /or continuing with existing contracts/ arrangements/transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with M/s Manish Overseas, a related party of the Company on such terms and conditions as may be agreed between the Company and M/s Manish Overseas, for an aggregate value not exceeding Rs. 50.00 crore during Financial Year 2022-23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.

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

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

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

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

**“RESOLVED that** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time and the Company’s Policy on Related Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and/or carrying out new contracts/arrangements and /or continuing with existing contracts/ arrangements/transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with M/s Laaj International, a related party of the Company on such terms and conditions as may be agreed between the Company and M/s Laaj International, for an aggregate value not exceeding Rs. 50.00 crore during Financial Year 2022-23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.

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

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

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

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

**“RESOLVED that** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Companies Act, 2013 (the Act), if any, read with relevant Rules, if any, as amended from time to time and the Company’s Policy on Related

Party Transactions and based on the recommendation of the Audit Committee of Directors, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and/or carrying out new contracts/arrangements and /or continuing with existing contracts/arrangements/transactions (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, with M/s Kolba Farm Fab Pvt. Ltd, a related party of the Company on such terms and conditions as may be agreed between the Company and M/s Kolba Farm Fab Pvt. Ltd, for an aggregate value not exceeding Rs. 50.00 crore during Financial Year 2022-23, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

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

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

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

Place: Jaipur

Date: 26.08.2022

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 , No. 02/2021 dated January 13, 2021 No. 21/2021 dated December 14, 2021 and No. 2/2022 dated May 5, 2022 (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") and SEBI circulars, 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 Thirtieth-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, 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 requirement of physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members will not be available and hence the Proxy Forms 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 Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to parikhanshu26@gmail.com with a copy marked to complianceofficer@mkexim.com.
8. The Register of members and share transfer books of the Company will remain closed from **Saturday, 24<sup>th</sup> September 2022 to Friday, 30<sup>th</sup> September 2022** (both days inclusive) for the purpose of the annual general meeting.
9. The relative Explanatory Statement pursuant to Section 102of the Act, in regard to the business as set out in Item Nos 3 to 7 above are annexed hereto.
10. 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.
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 holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes

13. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant (“DP”) in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market. The Form ISR-1 is available on the website of the Company at [www.mkexim.com](http://www.mkexim.com).
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
15. **Nomination facility:** Section 72 of the Act provides for facility to the members for making nomination in respect of the shares held by them in the Company. Members holding shares in single name and who have not registered the nomination should submit to the Company form SH 13 for making nomination. Members holding the shares in electronic form should submit the form to their depository participants. Members can change the nomination by filing form SH-14 with the Company (in case of shares held in physical form) or to the depository participant (in case shares are in electronic form). Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit **Form No. ISR-3**. The said forms can be downloaded from the company’s website at [www.mkexim.com](http://www.mkexim.com). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
16. 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.
17. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company’s website under the weblink at [www.mkexim.com](http://www.mkexim.com) and on the website of the Company’s RTA at [www.beetalfinancial.com](http://www.beetalfinancial.com). It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
20. 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.
21. 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, Notice of 30th AGM along with the Annual Report for FY2022 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 FY2022 will also be available on the Company’s website at [www.mkexim.com](http://www.mkexim.com) and website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Company shall send the physical copy of the Annual Report for FY22 only to those Members who specifically request for the same at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com).
22. This AGM Notice is being sent by email only to those eligible Members who have already registered their email address with the Depositories/the DP/the Company’s RTA/ the Company or who will register their email address with M/s Beetal Financial & Computer services (P) Ltd on or before 27.08.2022.
23. 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., Friday 23<sup>rd</sup> September, 2022, 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).
24. 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).

25. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company are available on the website of the Company and on Ministry of Corporate Affairs' website. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.
26. 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.
27. Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
28. 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.
- Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at [complianceofficer@mkexim.com](mailto:complianceofficer@mkexim.com).
29. Instructions for remote e-voting, joining the e-AGM and e-voting at e-AGM are as follows:

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

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

#### A. VOTING THROUGH ELECTRONIC MEANS

- 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 Friday 23<sup>rd</sup> September, 2022 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 e-voting during 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 **<27.09.2022 at 9:00 a.m.>** and ends on **<29.09.2022 at 5:00 p.m.>**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **<23.09.2022>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders                                                                                               | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>                               | <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 <b>NSDL Depository</b>                               | <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.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

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

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

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

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

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

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

|                                                        | <b>For Physical shareholders and other than individual shareholders holding shares in Demat</b>                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                                    | 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<br><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) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com).

evotingindia.com and register themselves in the “Corporates” module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; complianceofficer@mkexim.com, 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 27 September 2022 (from 9.00 a.m.) to 28 September 2022 (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 complianceofficer@mkexim.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance during the period from 27 September 2022 (from 9.00 a.m.) to 28 September 2022 (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 complianceofficer@mkexim.com. These queries will be replied to by the company suitably by email. Please note that only questions of the members holding the shares as on cut-off date will be considered. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.
- 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](mailto: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 to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

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

**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 30<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.

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

Place: Jaipur  
Date: 26.08.2022

Prakriti Sethi  
Company Secretary  
**Registered Office:**  
G1/150, Garment Zone,  
E.P.I.P., RIICO Industrial Area, Sitapura, Tonk Road, Jaipur-302022  
CIN: L63040RJ1992PLC007111

**ANNEXURE-1**

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

| Name of Director                                                                    | Mr. Murli Wadhupal Dialani                                                                                                             | Mrs. Lajwanti M Dialani                                                          | Mr. Gaurav L Patodia                                                                   |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Category                                                                            | Chairman and Whole time Director                                                                                                       | Whole time Director                                                              | Independent Director                                                                   |
| DIN                                                                                 | 08267828                                                                                                                               | 05201148                                                                         | 09317764                                                                               |
| Date of birth<br>And age                                                            | 25.11.1956<br>66 years                                                                                                                 | 08.05.1956<br>66 years                                                           | 26.05.1996<br>26 Years                                                                 |
| Qualification                                                                       | Graduate                                                                                                                               | Graduate                                                                         | MBA                                                                                    |
| Nature of experience /<br>expertise                                                 | Vast experience in Finance,<br>production, sales and marketing                                                                         | Finance and Market Analyst                                                       | Advanced Valuation Analyst                                                             |
| Brief resume                                                                        | having 42 years' experience in<br>Finance, production, sales and<br>marketing in Fabric and garment<br>fields as well as FMCG products | having 42 years' experience in<br>Finance and Market Analysis                    | Having 3 years' experience<br>in Finance, Marketing and<br>Advanced Valuation Analysis |
| Terms and conditions<br>Of appointment / re-<br>Appointment                         | As Whole Time Director and<br>designated as chairman liable to<br>retire by rotation                                                   | As Whole Time Director liable<br>to retire by rotation                           | For a period of 5 years Not<br>liable to retire by rotation                            |
| Number of shares Held<br>in the Company                                             | 2515929                                                                                                                                | 967923                                                                           | 4920                                                                                   |
| Relationship with Other<br>directors/ KMP                                           | Relative of Mr. Manish Murlidhar<br>Dialani<br>And Mrs. Lajwanti M Dialani                                                             | Relative of Mr. Manish<br>Murlidhar Dialani<br>And Mr. Murli Wadhupal<br>Dialani | None                                                                                   |
| No of board meetings<br>Attended out of 11<br>Board meetings in the<br>year 2021-22 | 10                                                                                                                                     | 11                                                                               | 4                                                                                      |
| Directorship<br>details                                                             | Kolba Farm Fab Private Limited                                                                                                         | Kolba Farm Fab Private<br>Limited                                                | NIL                                                                                    |

## 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. |
|----------------------|-----------|-------------------|-----------------|-----------------|
|                      |           |                   |                 |                 |

**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.

**EXPLANATORY STATEMENT**

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

**Item No.3: Re-appointment of Mrs. Lajwanti M. Dialani as Whole Time Director, liable to retire by rotation**

The shareholders of the Company at their 25<sup>th</sup> Annual General Meeting of the Company ('AGM') held on 29<sup>th</sup> September 2017 had accorded approval for the appointment of Mrs. Lajwanti M. Dialani as Whole-Time Director of the Company for a period of five years with effect from 29<sup>th</sup> September, 2017 to 28<sup>th</sup> September, 2022, liable to retire by rotation, by passing an ordinary resolution pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable Rules and provisions of the Act. The terms and conditions of the above appointment were within the overall limits of Schedule V of the Companies Act, 2013.

The present tenure of Mrs. Lajwanti M. Dialani as Whole-Time Director of the Company is going to expires on 28<sup>th</sup> September, 2022, The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Mrs. Lajwanti M. Dialani as Whole-time Director. Accordingly, in view of the above the Board of Directors of the Company has, based on the recommendation of the Nomination and Remuneration Committee at its meeting held on August 26<sup>th</sup>, 2022 and, subject to approval of members of the company, has re-appointed Mrs. Lajwanti M. Dialani as Whole-Time Director of the Company for a period of 5 years from from 26<sup>th</sup> August, 2022 up to 25<sup>th</sup> August, 2027 upon the terms and conditions including the remuneration as recommended by the Nomination and Remuneration Committee of Directors at their meeting held on 26<sup>th</sup> August, 2022. The Company has received a Notice under Section 160 (1) of the Act proposing her candidature for the office of Director of the Company.

Subject to the approval of the shareholders

Pursuant to the provisions of Section 196 (4) of the Companies Act, 2013, appointment of a Whole-time Director and the terms and conditions of such appointment and remuneration payable shall be approved by the Board of Directors at a meeting, which shall be subject to the approval of the shareholders by a resolution at the ensuing general meeting of the company. The main terms and conditions of the re-appointment of Mrs. Lajwanti M. Dialani are given below:

**I. Tenure of re-appointment:**

The re-appointment of Whole-time Director, liable to retire by rotation shall be for a further period of Five years with effect from 26<sup>th</sup> August, 2022 up to 25<sup>th</sup> August, 2027.

**II. Remuneration:**

The Whole Time Director shall be paid remuneration of Rs. 2.00 lakhs per month which is inclusive of salary, allowances, perquisites and benefits, if any. The perquisites and benefits, if any, shall be valued as per Income Tax Rules, 1962.

Any time during the term of these five years, the remuneration payable maybe revised by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, based on the performance of the Company, performance of the Whole-time Director and her contributions to the growth of the Company and the market standards and the said remuneration, as enhanced, shall not exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof. Shareholders' approval is also being sought to empower the Board to vary the terms of employment, including the remuneration from time to time based on the exigencies of business, but within the limits prescribed by the Companies Act, 2013.

**III. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mrs. Lajwanti M. Dialani, as Whole time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration, for a period of 3 years, by way of Salary, Benefits, Perquisites and Allowances and Performance linked bonus as specified above, subject to ceilings and approvals, if any as required under Schedule V of the Act, or any modification(s) thereto.

**IV. Nature of Duties:**

The Whole-time Director shall have all powers and authorities which remain vested with her under the Companies Act, 2013 and Articles of Association of the company and the Whole-time Director shall be titled to the management and control of whole of the affairs of the company.

**V. Other terms of Appointment**

- a. The terms and conditions of the appointment of the Whole Time Director may be altered and varied from time to time by the Board/its committee as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V to the Act, or any amendments made hereinafter in this regard in such manner as may be agreed between the Board/its committee and the Whole Time Director, subject to such approvals as may be required.
- b. She shall not divulge or disclose or use for his own purpose or any other purpose any information or knowledge or trade secret of the company.
- c. Subject to the superintendence, control and direction of the board, she shall exercise and perform such powers and duties, as the Board of directors shall determine from time to time.



- d. The appointment is terminable by either party giving the other six months' notice in writing.
- e. During her tenure she shall be liable to retire by rotation.

In accordance with the provisions of Sections 196, 197, 203 & other applicable provisions of the Act, read with Schedule V to the said Act, the proposed appointment and the terms of remuneration payable to Mrs. Lajwanti M. Dialani recommended to be passed by members by way of Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

The Board recommends the Resolution at Item No. 3 for approval of the shareholders.

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

1. General information:

- a) Nature of Industry: Textile and Cosmetics
- b) Date or expected date of commencement of Commercial Production: Not applicable (Company is an existing company).
- c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- d) Financial performance based on given indicators: (Rs. In Lakhs)

| PARTICULARS                              | 2020-21  | 2021-22  |
|------------------------------------------|----------|----------|
| Gross Revenue                            | 5531.42  | 7424.92  |
| Profit / (Loss) Before Income Tax        | 1088.40  | 1783.58  |
| Less: Provision for Taxation Current Tax | (283.43) | (458.83) |
| Deferred Tax                             | 2.60     | (0.18)   |
| Net Profit/ (loss) after Tax             | 807.57   | 1324.57  |

- e) Foreign investments or collaborations, if any: NA

2. Information about the appointee:

- a. Background details: Mrs. Lajwanti M Dialani is 66 years old and associate with our company from last 7 years and having 42 years of ' experience in Finance and Market Analysis.

- b. Past remuneration: (Rs. in Lakhs)

| Period  | Total |
|---------|-------|
| 2021-22 | 15.00 |
| 2020-21 | 9.25  |

- c. Remuneration proposed: As mentioned above

- d. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile of Mrs. Lajwanti M. Dialani, the responsibilities shouldered to her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

- e. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Relative of Mr. Murli Wadhmal Dialani, Chairman and WTD and Mr. Manish Dialani, Managing Director

Mrs. Lajwanti M Dialani is interested in the resolution pertaining to her own re-appointment. Mr. Murli Wadhmal Dialani, Chairman and WTD and Mr. Manish Dialani, Managing Director being relative, are interested in the resolution. Relatives of Mrs. Lajwanti M Dialani may be also be deemed to be interested in the said resolution to the extent of their respective shareholdings, if any, in the Company

None of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this Resolution.

The Board commends the Resolution at Item No. 3 for approval by the members.

**Item 4: Appointment of Mr. Gaurav L. Patodia as Independent Director of the Company.**

Based on recommendation of Nomination and Remuneration Committee, Board of Directors appointed Mr. Gaurav L. Patodia as an Additional independent Director of the Company, not liable to retire by rotation, for a term of 5 years i.e. from 13.11.2021 to 12.11.2026, pursuant to provisions of Section 161(1) of the Act and Articles of Association of the Company, subject to approval of members.

The Company has, in terms of Section 160 of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Directors.

The details of Mr. Gaurav L. Patodia as required to be given pursuant to the listing Regulations and the secretarial Standards, are attached (Annexure-1) to the notice.

Mr. Gaurav L. Patodia has given his declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director. In the opinion of the Board, Mr. Gaurav L. Patodia is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of Regulation 25(8) of Listing Regulations, Mr. Gaurav L. Patodia has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties

Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Gaurav L. Patodia on the Board of the Company and accordingly the Board recommends the appointment of Mr. Gaurav L. Patodia as an Independent Director as proposed in the Resolution no. 4 for approval by the Members as a Special Resolution.

Except Mr. Gaurav L. Patodia and their respective relatives, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this Resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and condition of appointment of the Independent Directors are uploaded on the website of the Company [www.mkexim.com](http://www.mkexim.com) and is available for inspection.

#### **Item : 5, 6, 7**

#### **Background, details and benefits of the transaction: Manish Overseas**

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

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

| <b>Name of the related party</b>                                                                                                                                                                                                                                                                                                                        | <b>M/s. Manish Overseas</b>                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the director or key managerial personnel who is related                                                                                                                                                                                                                                                                                         | Mr. Manish M Dialani, Managing Director<br>Mrs. Lajwanti M Dialani, Whole time director<br>Mr. Murli Dialani, Director                                                                                                                                                           |
| Nature of relationship                                                                                                                                                                                                                                                                                                                                  | Mr. Murli Dialani is the sole proprietor of M/s. Manish Overseas.<br>Mr. Manish Dialani is the son of Mr. Murli Dialani and Mrs. Lajwanti Dialani is the wife of Mr. Murli Dialani<br>Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murli Dialani are related to each other. |
| Nature, materials terms, monetary value and particulars of contract or arrangement                                                                                                                                                                                                                                                                      | The proposed resolution is an enabling one. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement                                                            |
| Tenure of the proposed transaction (particular tenure shall be specified)                                                                                                                                                                                                                                                                               | 1 Year                                                                                                                                                                                                                                                                           |
| Value of the proposed transaction                                                                                                                                                                                                                                                                                                                       | Purchase of Cosmetic Products (FMCG) Up to Rs. 50.00 Crore during the year                                                                                                                                                                                                       |
| The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided) | 70%                                                                                                                                                                                                                                                                              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:<br>i) details of the source of funds in connection with the proposed transaction;<br>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,<br>· nature of indebtedness;<br>· cost of funds; and<br>· tenure;<br>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and<br>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not applicable                                                                                                                                                                                                                                                                          |
| Justification as to why the RPT is in the interest of the listed entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | The business activities of fast moving consumer products such as hair care products, personal hygiene and health products will substantially improve the top line and bottom line of the Company thereby enhancing the value of the investments made by the shareholders in the Company |
| Any other information relevant or important for members to take a decision on the proposed resolution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Nil                                                                                                                                                                                                                                                                                     |

#### Background, details and benefits of the transaction: Laaj International

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

|                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the related party                                                                                                                                                                                                                                                                                                                               | M/s. Laaj International                                                                                                                                                                                                                             |
| Name of the director or key managerial personnel who is related                                                                                                                                                                                                                                                                                         | Mr. Manish M Dialani, Managing Director<br>Mrs. Lajwanti M Dialani, Whole time director<br>Mr. Murli Dialani, Director                                                                                                                              |
| Nature of relationship                                                                                                                                                                                                                                                                                                                                  | Mr. Manish Dialani is the sole proprietor of M/s. Laaj International.<br>Mr. Manish Dialani is the son of Mr. Murli Dialani and Mrs. Lajwanti Dialani<br>Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murli Dialani are related to each other. |
| Nature, materials terms, monetary value and particulars of contract or arrangement                                                                                                                                                                                                                                                                      | The proposed resolution is an enabling one. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement                               |
| Tenure of the proposed transaction (particular tenure shall be specified)                                                                                                                                                                                                                                                                               | 1 Year                                                                                                                                                                                                                                              |
| Value of the proposed transaction                                                                                                                                                                                                                                                                                                                       | Purchase of Textile Fabrics Up to Rs. 50.00 Crore during the year                                                                                                                                                                                   |
| The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided) | 70%                                                                                                                                                                                                                                                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:<br>i) details of the source of funds in connection with the proposed transaction;<br>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,<br>· nature of indebtedness;<br>· cost of funds; and<br>· tenure;<br>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and<br>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not applicable                                                                                                                                                                                                                           |
| Justification as to why the RPT is in the interest of the listed entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | The Company's business mainly consists of export of fabrics, clothes and grey. It would be more economical and cost efficient if the job work is done for making grey out of the yarn supplied by the Company to M/s Laaj International. |
| Any other information relevant or important for members to take a decision on the proposed resolution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Nil                                                                                                                                                                                                                                      |

#### Background, details and benefits of the transaction: M/s Kolba Farm Fab Private Limited

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

|                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the related party                                                                                                                                                                                                                                                                                                                               | M/s. Kolba Farm Fab Private Limited                                                                                                                                                                                                                                                                                                                  |
| Name of the director or key managerial personnel who is related                                                                                                                                                                                                                                                                                         | Mr. Manish M Dialani, Managing Director<br>Mrs. Lajwanti M Dialani, Whole time director<br>Mr. Murlil Dialani, Director                                                                                                                                                                                                                              |
| Nature of relationship                                                                                                                                                                                                                                                                                                                                  | Mr. Manish Dialani is a director and member of Kolba Farm Fab Private Limited.<br>Mrs. Lajwanti Dialani is a director and member of Kolba Farm Fab Private Limited.<br>Mr. Murlil Dialani is a director and member of Kolba Farm Fab Private Limited.<br>Mr. Manish Dialani, Mrs. Lajwanti Dialani and Mr. Murlil Dialani are related to each other. |
| Nature, materials terms, monetary value and particulars of contract or arrangement                                                                                                                                                                                                                                                                      | The proposed resolution is an enabling one. Other material terms and commercial terms will be evaluated by the Audit Committee and recommended to the Board of Directors before entering into contract or arrangement                                                                                                                                |
| Tenure of the proposed transaction (particular tenure shall be specified)                                                                                                                                                                                                                                                                               | 1 Year                                                                                                                                                                                                                                                                                                                                               |
| Value of the proposed transaction                                                                                                                                                                                                                                                                                                                       | Purchase of Textile Fabric / Job Work Up to Rs. 50.00 Crore during the year                                                                                                                                                                                                                                                                          |
| The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided) | 70%                                                                                                                                                                                                                                                                                                                                                  |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>i) details of the source of funds in connection with the proposed transaction;</p> <p>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,</p> <ul style="list-style-type: none"> <li>· nature of indebtedness;</li> <li>· cost of funds; and</li> <li>· tenure;</li> </ul> <p>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</p> <p>iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</p> | Not applicable                                                                                                                                                                                                                                                             |
| Justification as to why the RPT is in the interest of the listed entity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | M/s. Kolba Farm Fab Private Limited has an upgraded and modern yarn spinning unit. The Associate Company has been meeting the requirements of various customers for yarns and other related products in and around Gujarat. The company is known for its quality products. |
| Any other information relevant or important for members to take a decision on the proposed resolution                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Nil                                                                                                                                                                                                                                                                        |

**DIRECTORS' REPORT**

TO

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

Your Directors have pleasure in presenting their 30<sup>th</sup> Annual Report and the audited financial statements for the financial year ended 31st March 2022

**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<br/>31.03.22</b> | <b>Year ended<br/>31.03.21</b> |
|---------------------------------------------------|--------------------------------|--------------------------------|
| Income from operations                            | 7424.92                        | 5531.42                        |
| Profit before interest, depreciation and taxation | 1846.43                        | 1136.65                        |
| Finance cost                                      | 34.16                          | 24.62                          |
| Depreciation                                      | 28.69                          | 23.64                          |
| Profit before tax                                 | 1783.58                        | 1088.39                        |
| Taxation                                          | 459.02                         | 280.82                         |
| Profit after tax                                  | 1324.56                        | 807.57                         |
| Balance brought forward from previous year        | 2029.04                        | 1221.47                        |
| Less Dividend                                     | ---                            | ---                            |
| Less Transfer to General Reserve                  | 3300.00                        | ---                            |
| Disposable surplus available after adjustments    | 53.60                          | 2029.04                        |
| Balance carried to balance sheet                  | 53.60                          | 2029.04                        |

**OPERATIONAL REVIEW:**

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

The income during the financial year ended 31st March 2022 is Rs. 7424.92 lakhs compared to Rs. 5531.42 lakhs, an increase of about 34%. The Company's division of distributorship of cosmetics (FMCG) products contributed a revenue Rs. 5215.27 lakhs during the year. The profit after tax is Rs. 1324.56 lakhs for the year under report compared to Rs. 807.57 lakhs for the financial year ended 31st March 2021, an increase of about 64%. The sales by way of exports are Rs. 2103.01 lakhs during the year ended 31st March 2022 compared to Rs. 2063.55 lakhs in the previous year. Export sales constitute about 28% of the total revenue during the year.

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

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

During the reporting period 2021-22 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 2022. 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 transfer an amount of Rs. 13.00 crores to be transferred to General Reserve out of the profit of F.Y 2021-22. Further, the company transferred an amount of Rs. 20 crores from reserve and surplus to general reserve during financial year 2021-22 for the purpose of issue of bonus shares

**SHARE CAPITAL:**

The paid up equity share capital of the Company as at 31st March, 2022 Rs. 2691.15 lakhs. During the year under review, the Company has issued 1,79,41,000 bonus equity shares. With the issue of bonus shares, the paid up capital has increased from Rs. 897.05 Lakhs at the beginning of the financial year to Rs. 2691.15 lakhs at the end of the financial year. 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, 2022.

**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, 2022.

Cash and cash equivalents as at March 31, 2022 was Rs. 771.11 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 30,00,00,000/- comprising of 3,00,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 26,91,15,000/-.

**(b) Loan funds**

During the year the Secured Loan of the Company was increased by 39.77%, i.e. from Rs. 283.45 Lakhs to Rs. 396.18 Lakhs.

**(c) Sales**

During the year the turnover of the Company has increased by 34%, i.e. from Rs. 5464.79 Lakhs to Rs. 7318.27 Lakhs, the board is making their possible efforts to improve the performance of the company during the current financial year.

**DEPOSITS:**

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

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

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

**MATERIAL CHANGES AND 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**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in Annexure E of this Report. The Policy is available on Company's website at [www.mkexim.com](http://www.mkexim.com).

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO:****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. 2097.24 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. Murlidhar Wadhwal Dialani, Chairman and Whole Time Director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers for reappointment.

Shri Laxmikant Ramswaroop Patodia resigned from office of Independent Director w.e.f. 29.10.2021 and Shri Gaurav L patodia was appointed at the office of additional independent Director in the Board meeting held on 13.11.2021.

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

The Boards recommends to the members the resolution for re-appointment of Mr. Murlidhar Wadhwal Dialani, as chairman and Whole Time 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 Murlidhar Wadhwal 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 2021-22 forms part of this Annual Report. The requisite certificate from the Practicing



Company Secretary confirming compliance with the conditions of corporate governance as stipulated under SEBI LODR is annexed to the corporate governance report.

### **BOARDE VALUATION**

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 11 (Eleven) times during the financial year 2021-22. 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 2022 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 2022 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**

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

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

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

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

M/s Kolba Farm Fab Private Limited is the associate company

The salient features of the financial statement of the associate company are given in form AOC 1 in Annexure "A".

### **CONSOLIDATED FINANCIAL STATEMENT**

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

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

### **FAMILIARISATION PROGRAMME**

The details of the familiarization programme under taken 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 2022.

**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 2022 does not contain any qualification, reservation or adverse remark. These reports are self-explanatory and do not require any comments thereon. The Report is enclosed with the financial statements in this Annual Report

**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 31<sup>st</sup> March, 2022.

The remark contained in Secretarial Auditors' Report for F.Y 2021-22 regarding non-registration of an independent director with Independent Director's data bank, the board hereby submits that the concerned Director Mr. Vishesh Nihalani has been made aware of all the provisions and requirements of section 150 of the companies act, 2013 and rules thereof on part of company and the Director shall take required steps to get registered with Independent Director's data bank in due course. Mr. Vishesh Nihalani is eligible for exemption from online proficiency self-assessment test as prescribed in rules.

Besides above remark, the report is self-explanatory and do not require any comments thereon.

**REPORTING OF FRAUDS BY AUDITORS**

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

**COST RECORDS**

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

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

**EXTRACT OF THE ANNUAL RETURN**

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

**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 there to. 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 Four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee and the CSR Committee. The majority of the members of these committees are Independent and non-executives.

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 2021-22, 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 2022-23 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**

Murli Wadhupal Dialani

Chairman

DIN: 08267828

Place: Jaipur

Dated: 26.08.2022

**ANNEXURE "A" 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**

(Rs.in Lakhs)

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

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

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

|                                                                               |                                |
|-------------------------------------------------------------------------------|--------------------------------|
| Name of associates/Joint Ventures                                             | Kolba Farm Fab Private Limited |
| 1. Latest audited Balance Sheet Date                                          | 31.03.2022                     |
| 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. 379.24 Lakhs               |
| 6. Profit/Loss for the year                                                   |                                |
| 6.1 Considered in Consolidation                                               | Rs. 6.39 Lakhs                 |
| 6.2 Not Considered in Consolidation                                           | Rs. 6.65 Lakhs                 |

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

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

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

**ANNEXURE "B" TO DIRECTORS' REPORT****FORM NO. AOC -2**

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

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

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

| S. No. | Particulars                                                                                                       | Details |
|--------|-------------------------------------------------------------------------------------------------------------------|---------|
| A      | Name (s) of the related party & nature of relationship                                                            | NIL     |
| B      | Nature of contracts/arrangements/transaction                                                                      | NIL     |
| C      | Duration of the contracts/arrangements/transaction                                                                | NIL     |
| D      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | NIL     |
| E      | Justification for entering into such contracts or arrangements or transactions'                                   | NIL     |
| F      | Date of approval by the Board                                                                                     | NIL     |
| G      | Amount paid as advances, if any                                                                                   | NIL     |
| H      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NIL     |

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

| S. No. | Particulars                                                                                     | Details                                                         |                                                                       |
|--------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------|
| A      | Name (s) of the related party & nature of relationship                                          | M/s. Manish Overseas<br>Proprietor Mr. Murli Wadhmal<br>Dialani | M/s. Laaj International<br>Proprietor Mr. Manish Murlidhar<br>Dialani |
| B      | Nature of contracts/ arrangements/<br>transaction                                               | Purchase of Cosmetics (FMCG)<br>Goods                           | Purchase of Fabrics and Textiles<br>Goods                             |
| C      | Duration of the contracts/ arrange-<br>ments/ transaction                                       | 01.04.2021 to 31.03.2022                                        | 01.04.2021 to 31.03.2022                                              |
| D      | Salient terms of the contracts or<br>arrangements or transaction including<br>the value, if any | Up to Rs. 50.00 Crore during the year                           | Up to Rs. 50.00 Crore during the year                                 |
| E      | Amount paid as advances, if any                                                                 | Rs. 10.00 Crore                                                 | Rs. 4.00 Crore                                                        |

**ANNEXURE "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 2022                                                                                                                                                                              | Manish Dialani 7.66:1<br>Lajwanti Dialani 3.19:1<br>Murlidhar Dialani 1.28:1                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2     | Percentage increase in remuneration of each director and CEO in the financial year ended 31 <sup>st</sup> March 2022                                                                                                                                                                                                                            | Manish Dialani – 29.73%<br>Lajwanti Dialani – 62.16%<br>Murli Dialani – 4.35%                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3     | The percentage increase of in the median remuneration of employees in the financial year.                                                                                                                                                                                                                                                       | Not applicable as the employee drawing median remuneration was employed for part of the year                                                                                                                                                                                                                                                                                                                                                                                                               |
| 4     | The number of permanent employees on the role of the Company                                                                                                                                                                                                                                                                                    | 43                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 5     | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Having regard to the factors such as size of the operations of the Company, its profitability and the managerial remuneration paid by similar companies in the same group of industry, the Nomination & Remuneration Committee recommended the increase in remuneration of the managerial personnel which was approved by the Board of Directors of the Company.<br><br>The same criteria are applied while increasing their remuneration of other employees, after taking into account their performance. |
| 6     | The key parameters for any variable component of remuneration availed by the directors                                                                                                                                                                                                                                                          | There are no variable components in the remuneration of directors                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 7     | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.                                                                                                                                                      | No employee received remuneration in excess of the highest paid director during the year.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 8     | Affirmation that the remuneration is as per the remuneration policy of the Company                                                                                                                                                                                                                                                              | Yes. The remuneration paid is as per the remuneration policy of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                |

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

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

**Murli Wadhupal 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](mailto:parikhanshu26@gmail.com)**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2022**

*[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, 2022. 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 31/03/2022, 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, 2022 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 subject to the observation that:

a. An independent Director has not yet registered with Independent Director's data bank pursuant to section 150 of the Companies Act, 2013 read with rules thereof.

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: 10.08.2022  
Place: Jaipur  
UDIN: F009785D000774221**

**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: 10.08.2022**  
**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 2021-22 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)

Mahaveer Prasad Jain  
(Chief Financial Officer)

Place: Jaipur

Date: 30.05.2022

**ANSHU PARIKH & ASSOCIATES****Company Secretaries****Flat no-202, Alokik Orchid., D-159A, Savitri Path, Bapu Nagar, Jaipur****Mob: +91-9887658618.****E-mail: [parikhanshu26@gmail.com](mailto:parikhanshu26@gmail.com)****Certificate of Non-Disqualification of Directors****(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)****To,  
The Members,  
M.K. Exim (India) Limited  
G1/150, Garment Zone, E.P.I.P,  
Sitapura, Tonk Road, Jaipur-302022**

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

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](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 financial year ending on 31<sup>st</sup> March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, subject to the remarks mentioned below.

| S.No | Name of Director              | DIN      | Date of appointment in the Company | Date of Cessation | Remarks                                                                                                                                                               |
|------|-------------------------------|----------|------------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | Murli Wadhmal Dialani         | 08267828 | 11.04.2019                         | -                 | -                                                                                                                                                                     |
| 2    | Manish Murlidhar Dialani      | 05201121 | 29.09.2014                         | -                 | -                                                                                                                                                                     |
| 3    | Lajwanti Murlidhar Dialani    | 05201148 | 30.03.2015                         | -                 | -                                                                                                                                                                     |
| 4    | Priya Murlidhar Makhija       | 07109712 | 11.04.2019                         | -                 | -                                                                                                                                                                     |
| 5    | Laxmikant Ramswaroop Patodia* | 03497821 | 20.06.2018                         | 29.10.2021        | -                                                                                                                                                                     |
| 6    | Vishesh Mahesh Nihalani       | 06786707 | 20.06.2018                         | -                 | IICA: Independent Director do not hold a valid registration with Independent Director's data bank pursuant to the provisions of Companies Act, 2013 and rules thereof |
| 7    | Gaurav Laxmikant Patodia      | 09317764 | 13.11.2021                         | -                 | -                                                                                                                                                                     |

\*Mr. Laxmikant Ramswaroop Patodia resigned from office of Independent director and ceased as Independent Director of the Company w.e.f. October 29, 2021.

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

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

**For Anshu Parikh & Associates  
Company Secretaries****Anshu Parikh  
Proprietor  
FCS:9785  
CP no: 10686****Date: 16.08.2022  
Place: Jaipur  
UDIN: F009785D000798034**

**ANNEXURE “E” TO THE DIRECTORS’ REPORT****Annual Report on Corporate Social Responsibility (CSR) Activities**

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

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

To pursue these objectives we will continue:

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

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

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

| S. No | Name of Director                                    | Designation | Category                   | No. of meetings held during the year | No. of meetings attended |
|-------|-----------------------------------------------------|-------------|----------------------------|--------------------------------------|--------------------------|
| 1     | Mr. Laxmikant R Patodia<br>(Resigned on 18.10.2021) | Chairman    | Non-Executive, Independent | 2                                    | 1                        |
| 2     | Mr. Vishesh M Nihalani                              | Member      | Non-Executive, Independent | 2                                    | 2                        |
| 3     | Ms. Priya Murlidhar Makhija                         | Member      | Non-Executive, Independent | 2                                    | 2                        |
| 4.    | Mr. Murli Wadhupal Dialani                          | Member      | Executive                  | 2                                    | 2                        |
| 5.    | Mr. Gaurav L Patodia<br>(Appointed on 13.11.2021)   | Chairman    | Non-Executive, Independent | 2                                    | 1                        |

3. Web Link to the Company’s CSR policy: <http://www.mkexim.com/policies.html>
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable to the Company, since the Company did not meet the criteria specified under Section 135(5) of the Companies Act, 2013.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.: Not Applicable
6. Average net profit of the company for last three financial years: Average net profit: Rs. 523.28 Lakhs
7. (a) Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)  
The company was required to spend Rs.10.47 Lakhs during the year  
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable  
(c) Amount required to be set off for the financial year, if any: Not Applicable  
(d) Total CSR obligation for the financial year (7a+7b+7c): Rs. 10.47 lakhs
8. Details of CSR spent for the financial year:
  - (a) Total amount spent for the financial year: Rs. 10.50Lakhs  
Amount unspent if any: NIL
  - (b) Details of CSR amount spent against ongoing projects for the financial year: Not applicable
  - (c) Manner in which the amount spent during the financial year is detailed below:

| (1)    | (2)                                          | (3)                                                           | (4)                                                                                                                             | (5)                                            | (6)                                                                                                                     | (7)                                              | (8)                                                               |
|--------|----------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------|
| S. No. | CSR Project or activity identified           | Sector in which the Project is covered                        | Project Programs<br>(1) Local Area or Other<br><br>(2) Specify the State and District where projects or programs was undertaken | Amount outlay (budget project or program wise) | Amount spent on the project or program<br>Sub heads:<br>(1) Direct expenditure on projects or programs<br>(2) Overheads | Cumulative expenditure upto the reporting period | Amount Spent: Direct or through implementing agency (Rs. In Lakh) |
| 1.     | Kranti Agrani Dr G D Bapu Lad Memorial Trust | Girls Education                                               | Kundal, Distt.-Sangli Maharashtra                                                                                               | N.A.                                           | N.A.                                                                                                                    | N.A.                                             | 7.00                                                              |
| 2.     | Shri Shankar Seva Dham Sansthan              | mentally retarded, old aged persons, helpless, terminally ill | Jaipur                                                                                                                          | N.A.                                           | N.A.                                                                                                                    | N.A.                                             | 3.50                                                              |
|        | Total                                        |                                                               |                                                                                                                                 |                                                |                                                                                                                         |                                                  | 10.50                                                             |

(d) Amount spent in Administrative Overheads: NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 10.50 Lakhs

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

9. (a) Details of Unspent CSR amount for the preceding three financial year(s): NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). NA

11. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board Report : NA

12. A responsibility Statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company.

CSR Committee hereby certify that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the company.

For M.K.Exim (India) Limited

**Mr. Manish Murlidhar Dialani**

(Managing Director)

**Mr. Gaurav L Patodia**

(Chairman of CSR committee)

## REPORT ON CORPORATE GOVERNANCE

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

The detailed report on Corporate Governance for the financial year ended March 31, 2022, 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 stakeholders to uphold highest standard in all matter concerning the Company. It has empowered responsible person to implement its board policies, guidelines and has set up adequate review process. The Board provides strategic guidance on the affair of the Company. The Independent Director provides independent and objective judgment on matters placed before them.

#### Board Composition & Categories.

The Board of Directors of the Company consists of an optimum combination of executive and non-executive directors. The Board of Directors comprises six Directors out of which three Directors are Non-Executive Directors as on 31.03.2022. 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 31.03.2022. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

As on March 31, 2022, the Board comprised of six Directors, designated as follows:

| S. No | Name                            | Designation                                           |
|-------|---------------------------------|-------------------------------------------------------|
| 1     | Shri Murlidhar 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 Vishesh Mahesh Nihalani    | independent non-executive Directors                   |
| 6     | Shri GauravL Patodia            | Additional independent non-executive Directors        |

During the F.Y 2021-22, there is change in composition of board of directors of the company as follows:

Shri Laxmikant Ramswaroop Patodia resigned from office of Independent Director w.e.f. 29.10.2021 and Shri Gaurav L patodia was appointed at the office of additional independent Director in the Board meeting held on 13.11.2021.

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, 11 (Eleven) Board Meetings were held on 30.04.2021, 30.06.2021, 28.07.2021, 10.08.2021, 26.08.2021, 29.10.2021, 13.11.2021, 21.12.2021, 17.01.2022, 28.01.2022 and 10.02.2022. 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 2021-22 Attendance at |          | No. Of Other Directorships Held* | No. of Committee Positions held |               |
|---------------------------------------------------------------|-------------------------------------------------------|--------------------------|----------|----------------------------------|---------------------------------|---------------|
|                                                               |                                                       | BM                       | Last AGM |                                  | This Company                    | Other Company |
| Shri Murlidhar Dialani                                        | Chairman and Whole-time Director (executive director) | 10                       | YES      | NIL                              | 4                               | NIL           |
| Shri Manish Murlidhar Dialani                                 | Managing Director (executive director)                | 11                       | YES      | NIL                              | NIL                             | NIL           |
| Smt. Lajwanti Murlidhar Dialani                               | Whole-time Director (executive director)              | 11                       | YES      | NIL                              | NIL                             | NIL           |
| Ms. Priya Murlidhar Makhija                                   | independent non-executive Directors                   | 11                       | YES      | 1                                | 4                               | 3             |
| Shri Laxmikant Ramswaroop Patodia<br>(Resigned on 18.10.2021) | independent non-executive Directors                   | 5                        | YES      | NIL                              | 4                               | NIL           |
| Shri Vishesh Mahesh Nihalani                                  | independent non-executive Directors                   | 11                       | YES      | NIL                              | 4                               | NIL           |
| Shri Gaurav L Patodia<br>(Appointed on 13.11.2021)            | independent non-executive Directors                   | 4                        | NA       | NIL                              | 4                               | NIL           |

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

#### Relationships between directors

| S.No | Name                            | Relationship                                               | No. of Shares Held |
|------|---------------------------------|------------------------------------------------------------|--------------------|
| 1    | Shri Murlidhar Dialani          | Related to Mrs. Lajwanti Dialani And Mr. Manish Dialani    | 2515929            |
| 2    | Shri Manish Murlidhar Dialani   | Related to Mrs. Lajwanti Dialani And Mr. Murlidhar Dialani | 7283220            |
| 3    | Smt. Lajwanti Murlidhar Dialani | Related to Mr. Murlidhar Dialani And Mr. Manish Dialani    | 967923             |
| 4    | Ms. Priya Murlidhar Makhija     | NA                                                         | NIL                |
| 5    | Shri Vishesh Mahesh Nihalani    | NA                                                         | NIL                |
| 6    | Shri Gaurav L Patodia           | NA                                                         | 4920               |

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, one-third Directors of the Company, liable to retire by rotation retires at every Annual General Meeting. In the ensuing Annual General Meeting Mr. Murlidhar Dialani (Chairman and whole time 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 under taking 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 2022, 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 Vishesh Mahesh Nihalani | Y                                                       | Y                                                                                                                                         | Y                                                                                                              | Y                               | Y                                                                                           | Y                                                                                                                                      |
| 6      | Shri Gaurav L Patodia        | 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 Four Committees constituted by the Board

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

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

Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist

in its functions. Senior officers/ functional heads of Company are invited to present various details called 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 whistleblower & 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 8 times on 30.04.2021, 30.06.2021, 10.08.2021, 26.08.2021, 13.11.2021, 21.12.2021, 17.01.2022 and 10.02.2022. 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<br>(Resigned on 18.10.2021) | Chairman    | Non-Executive, Independent | 4                        |
| 2     | Mr. Vishesh M Nihalani                              | Member      | Non-Executive, Independent | 8                        |
| 3     | Ms. Priya Murlidhar Makhija                         | Member      | Non-Executive, Independent | 8                        |
| 4.    | Mr. Murli Wadhupal Dialani                          | Member      | Executive                  | 8                        |
| 5.    | Mr. Gaurav L Patodia<br>(Appointed on 13.11.2021)   | Chairman    | Non-Executive, Independent | 3                        |

**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 3 times on 29.10.2021, 13.11.2021 and 21.12.2021. 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<br>(Resigned on 18.10.2021) | Chairman    | Non-Executive, Independent | NIL                      |
| 2     | Mr. Vishesh M Nihalani                              | Member      | Non-Executive, Independent | 3                        |
| 3     | Ms. Priya Murlidhar Makhija                         | Member      | Non-Executive, Independent | 3                        |
| 4.    | Mr. Murli Wadhmal Dialani                           | Member      | Executive                  | 3                        |
| 5.    | Mr. Gaurav L Patodia<br>(Appointed on 13.11.2021)   | Chairman    | Non-Executive, Independent | 1                        |

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

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

(In Rs.)

| Name of Directors           | Sitting fees |
|-----------------------------|--------------|
| Mr. Laxmikant R Patodia     | 16,500       |
| Mr. Vishesh M Nihalani      | 39,000       |
| Ms. Priya Murlidhar Makhija | 39,000       |
| Mr. Gaurav L Patodia        | 15,000       |

Pecuniary relations or transactions of the Non-Executive Directors

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

**Remuneration of directors:**

Details of Remuneration paid to the Directors for the financial year ended 31st March, 2022.

(Rs. in Lakhs)

| Sl. No. | Name of Director                | Salary | Benefits | Commission | Bonuses | Stock Option & Pension | Sitting Fee | Total |
|---------|---------------------------------|--------|----------|------------|---------|------------------------|-------------|-------|
| 1       | Shri Murli Wadhmal Dialani      | 6.00   | -        | -          | -       | -                      | -           | 6.00  |
| 2       | Shri Manish Murlidhar Dialani   | 36.00  | -        | -          | -       | -                      | -           | 36.00 |
| 3       | Smt. Lajwanti Murlidhar Dialani | 15.00  | -        | -          | -       | -                      | -           | 15.00 |

i. No commission is payable to the Executive Directors.

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

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

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

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

#### 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 Personnel, 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 2021-22.

#### 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 3 times on 28.07.2021, 21.12.2021 and 18.02.2022. 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<br>(Resigned on 18.10.2021) | Chairman    | Non-Executive, Independent | 1                        |
| 2     | Mr. Vishesh M Nihalani                              | Member      | Non-Executive, Independent | 3                        |
| 3     | Ms. Priya Murlidhar Makhija                         | Member      | Non-Executive, Independent | 3                        |
| 4.    | Mr. Murli Wadhupal Dialani                          | Member      | Executive                  | 3                        |
| 5.    | Mr. Gaurav L Patodia<br>(Appointed on 13.11.2021)   | Chairman    | Non-Executive, Independent | 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 2021-22-No Complaint was received.

#### **CSR Committee:**

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

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to in the above clause (a); and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The CSR Policy is uploaded on the Company's website www.mkexim.com as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. As on date of this report, the CSR Committee comprises 3 IDs and the ED. The Past Chairperson of the CSR Committee Mr. Laxmikant Ramswaroop Patodia (ceased w.e.f 29.10.2022) also attended the last Annual General Meeting of the Company. During the period under review, 2 CSR Committee meetings were held on 10.08.2021 and 21.12.2021. The requisite quorum was present for all the meetings.

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

| S. No | Name of Director                                    | Designation | Category                   | No. of meetings attended |
|-------|-----------------------------------------------------|-------------|----------------------------|--------------------------|
| 1     | Mr. Laxmikant R Patodia<br>(Resigned on 18.10.2021) | Chairman    | Non-Executive, Independent | 1                        |
| 2     | Mr. Vishesh M Nihalani                              | Member      | Non-Executive, Independent | 2                        |
| 3     | Ms. Priya Murlidhar Makhija                         | Member      | Non-Executive, Independent | 2                        |
| 4.    | Mr. Murli Wadhupal Dialani                          | Member      | Executive                  | 2                        |
| 5.    | Mr. Gaurav L Patodia<br>(Appointed on 13.11.2021)   | Chairman    | Non-Executive, Independent | 1                        |

#### **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 |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|-------------------------------------------|
| 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                                        |
| 2020-21 | Video conferencing (VC) and/or other audio-visual means (OAVM), without physical presence of members. The venue of the AGM was deemed to be the Registered Office of the Company at G-1/150, Garment Zone, E.P.I.P., Sitapura, Tonk Road, Jaipur-302022 | 29.09.2021 | 11:00 A.M. | NO                                        |

#### **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 2021-22

#### **POSTAL BALLOT**

- The Company has issued Postal Ballot Notice dated 21.12.2021 pursuant to the provisions of Sections 108 and 110 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs, inter-alia, for conducting Postal

Ballot through e-voting vide General Circulars Nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020 and 10/2021 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020 and June 23, 2021 respectively ("MCA Circulars"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and other applicable laws and regulations, if any, to seek the consent of the members of M.K Exim (India) Limited ("the Company") for the resolutions, through postal ballot using remote electronic voting ("E -voting") for following:

13. TO INCREASE THE AUTHORIZED SHARE CAPITAL OF THE COMPANY - as an Ordinary Resolution
  14. TO AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY - as a Special Resolution
  15. TO AMEND THE CAPITAL CLAUSE IN THE ARTICLES OF ASSOCIATION OF THE COMPANY- as a Special Resolution
  16. ISSUE OF BONUS SHARES - as a Special Resolution
  17. AMENDMENT OF OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY - as a Special Resolution
- (ii) Voting rights reckoned on the paid-up value of shares registered in the name of the Members on Friday, December 24, 2021 (the Cut-off date).
- (iii) Facility for voting through Postal Ballot and electronic means was available during the following period-
- Commencement of voting from Wednesday, December 29, 2021 at 9.00 A.M. (IST); and
  - ended on Thursday, January 27, 2022 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 January 28, 2022, and resolutions were passed by requisite majority, deemed to be passed on the 27<sup>th</sup> January, 2022 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 INCREASE THE AUTHORIZED SHARE CAPITAL OF THE COMPANY:

Type of resolution: Ordinary 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  | 8970500            | 6353168                       | NIL                          | 100.00                                            |
| Total            | 8970500            | 6353168                       | NIL                          | 100.00                                            |

Item No. 2 - TO AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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  | 8970500            | 6353168                       | NIL                          | 100.00                                            |
| Total            | 8970500            | 6353168                       | NIL                          | 100.00                                            |

Item No. 3 - TO AMEND THE CAPITAL CLAUSE IN THE ARTICLES OF ASSOCIATION OF THE COMPANY:

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  | 8970500            | 6353168                       | NIL                          | 100.00                                            |
| Total            | 8970500            | 6353168                       | NIL                          | 100.00                                            |

Item No. 4 - ISSUE OF BONUS SHARES:

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  | 8970500            | 6353168                       | NIL                          | 100.00                                            |
| Total            | 8970500            | 6353168                       | NIL                          | 100.00                                            |

Item No. 5 - AMENDMENT OF OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

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  | 8970500            | 6164038                       | 189130                       | 97.023                                            |
| Total            | 8970500            | 6164038                       | 189130                       | 97.023                                            |

### 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):<br>Date, Time & Venue | Friday, 30.09.2022 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, 2021 – 31st March, 2022.                                                                                                                                                                             |
| c) Date of Book Closure                                | Saturday, 24.09.2022 to Friday, 30.09.2022 (both dates inclusive)                                                                                                                                                               |
| d) Dividend payment date:                              | Board do not recommend Dividend for the year 2021-22.                                                                                                                                                                           |
| e) Listing of Shares on Stock Exchanges                | 1. BSE Limited<br>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   | May   | Jun   | Jul   | Aug   | Sep   | Oct    | Nov    | Dec    | Jan    | Feb    | Mar    |
|--------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|
|        | 2021  | 2021  | 2021  | 2021  | 2021  | 2021  | 2021   | 2021   | 2021   | 2022   | 2022   | 2022   |
| HIGH   | 33.50 | 46.85 | 45.00 | 87.15 | 96.60 | 86.00 | 103.60 | 127.35 | 307.80 | 412.35 | 349.20 | 111.80 |
| LOW    | 26.75 | 28.10 | 35.40 | 37.00 | 64.05 | 66.25 | 84.45  | 84.05  | 115.15 | 240.10 | 105.75 | 90.10  |

\*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, 2022:**

| M.K.EXIM (INDIA) LIMITED               |                     |                   |                    |               |
|----------------------------------------|---------------------|-------------------|--------------------|---------------|
| DISTRIBUTION SCHEDULE AS ON 31/03/2022 |                     |                   |                    |               |
| NO. OF EQUITY SHARES HELD              | NO. OF SHAREHOLDERS | % OF SHAREHOLDERS | NO. OF SHARES HELD | % OF HOLDING  |
| UP TO 500                              | 9312                | 84.94             | 771527             | 2.867         |
| 501 TO 1000                            | 536                 | 4.89              | 400941             | 1.490         |
| 1001 TO 2000                           | 424                 | 3.87              | 617440             | 2.294         |
| 2001 TO 3000                           | 397                 | 3.62              | 1101594            | 4.093         |
| 3001 TO 4000                           | 43                  | 0.39              | 150688             | 0.560         |
| 4001 TO 5000                           | 52                  | 0.47              | 236798             | 0.880         |
| 5001 TO 10000                          | 91                  | 0.83              | 611353             | 2.272         |
| 10001 AND ABOVE                        | 108                 | 0.99              | 23021159           | 85.544        |
| <b>TOTAL</b>                           | <b>10963</b>        | <b>100.00</b>     | <b>26911500</b>    | <b>100.00</b> |

| M.K.EXIM (INDIA) LIMITED              |                             |              |                 |               |
|---------------------------------------|-----------------------------|--------------|-----------------|---------------|
| SHAREHOLDING PATTERN AS ON 31/03/2022 |                             |              |                 |               |
| S.no                                  | Description                 | No           | Shares          | %Equity       |
| 1                                     | CLEARING MEMBERS            | 20           | 11011           | 0.04          |
| 2                                     | H U F                       | 92           | 153643          | 0.57          |
| 3                                     | BODIES CORPORATES           | 22           | 1009873         | 3.75          |
| 4                                     | N R I - REPARTRIABLE        | 86           | 479078          | 1.78          |
| 5                                     | NRI NON-REPATRIATION        | 38           | 27845           | 0.10          |
| 6                                     | PROMOTER INDIVIDUALS        | 5            | 11277036        | 41.90         |
| 7                                     | RESIDENT INDIVIDUALS        | 10699        | 13923014        | 51.75         |
| 8                                     | FOREIGN PORTFOLIO INVESTORS | 1            | 30000           | 0.11          |
|                                       | <b>Total:</b>               | <b>10963</b> | <b>26911500</b> | <b>100.00</b> |

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

2,56,61,275 equity shares were dematerialized till 31st March, 2022 which was 95.35% 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 31.03.2022.

**ADDRESS FOR PLANT AND CORRESPONDENCE**

M.K.EXIM (INDIA) LIMITED,

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

PH: 0141-3937501, FAX: 0141-3937502

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

**OTHER DISCLOSURES:**

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



basis, were approved by the Audit Committee. The detailed Policy on Related Party Transactions is available at [www.mkexim.com](http://www.mkexim.com).

- The company has complied with all mandatory requirements
- policy for determining 'material' subsidiaries is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)
- policy on dealing with related party transactions is available at [www.mkexim.com/policies.html](http://www.mkexim.com/policies.html)
- A certificate from M/s. Anshu Parikh & Associates, Practising Company Secretaries has been received stating / confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority and is attached as a part of this report.
- Total fees for all services paid by the Company during F.Y 2021-22 to the Statutory Auditor of the Company viz. M/s Rishabh Agarwal & Associates was Rs. 1.60 lakhs
- Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace. The Company has not received any complaint of sexual harassment during the year under review.
- The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3) read together with Schedule V( C) to the SEBI Listing Regulations

#### **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 2022.

**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**

I have examined the compliance of conditions of Corporate Governance by M.K. Exim (India) Limited ("the Company") for the year ended on 31st March 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

**For Anshu Parikh & Associates****Company Secretaries****Anshu Parikh****Proprietor****FCS: 9785****C.P: 10686****Date: 16.08.2022****Place: Jaipur****UDIN: F009785D000798056**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

F Y22 is a story of economic resurgence during which Indians from all walks of life, were determined to overcome this health scare. Hence, despite an anxious start to FY22 owing to the Delta variant and the third wave towards the close of the year, India reported a solid performance - registering an 8.9% GDP growth in FY22 (against a 6.6% contraction in GDP in FY21). This stellar performance was powered by relentless vaccination drives, substantial fiscal stimulus and timely policy support by the government. The stellar performance was contributed by all sectors of the Indian economy. Industry grew by 11.8%, Agriculture grew by 3.9% and services scaled by 8.2%. India's total tax revenue in FY22 scaled by 34% to Rs. 27.07 lakh crore in FY 22. This was about Rs. 5 lakh crore more than the Budget estimate - this was consequent to the rapid recovery of the economy and efficient tax administration. The surreal growth in tax revenues has improved India's tax to GDP ratio to 11.7% in FY22 - it includes a direct tax to GDP ratio of 6.1% and an indirect tax to GDP ratio of 5.6%. In addition, 19 out of 22 High-Frequency Indicators crossed their pre-pandemic figures - showcasing a holistic rebound.

The other positive was that India's merchandise exports increased to a record \$419.65 billion, but imports increased higher to \$611.89 billion, leaving a deficit of \$192.24 billion. Even as the nation was getting ready to sustain the momentum of its resurgence into FY23, geopolitical headwinds appeared which will cast a shadow on India's growth prospects in the current year. After taking cognizance of these and other challenges such as the prevailing global supply-chain disruption, inflationary pressures and surging fuel prices, the Reserve Bank of India estimates India's GDP to grow by about 7.2% in FY23, down from its earlier estimate of 7.8%

Your Company delivered a strong performance in FY 2021-22 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.

### 1. Financial Performance

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

Salient features relating to the Profit & Loss Account:

(Rs. In Lakhs)

| Particulars                                     | Year ended 31.03.22 |
|-------------------------------------------------|---------------------|
| Revenue from Operations                         | 7318.27             |
| Other Income                                    | 106.65              |
| <b>Total Income</b>                             | <b>7424.92</b>      |
| Profit Before Financial expenses & Depreciation | 1846.43             |
| Less: Depreciation & Amortization Expenses      | 28.69               |
| Less: Finance Costs                             | 34.16               |
| <b>Profit before tax</b>                        | <b>1783.58</b>      |
| Taxation                                        | 459.02              |
| <b>Profit after tax</b>                         | <b>1324.56</b>      |

During the year the Company has achieved a turnover of Rs. 7424.92 lakhs and earns profit before Tax [PBT] of Rs. 1783.58 lakh and profit after taxes of Rs. 1324.56 lakh. The Segment wise performance has been given in financial statements in the Report.

### KEY RATIOS

| Particulars                 | FY 21-22 | FY 20-21 |
|-----------------------------|----------|----------|
| Debtors Turnover Ratio      | 6.05     | 3.69     |
| Inventory Turnover Ratio    | 4.33     | 5.15     |
| Current Ratio               | 7.17     | 7.20     |
| Operating Profit Margin (%) | 24.02    | 19.67    |
| Net profit Margin (%)       | 17.84    | 14.60    |
| Interest Coverage Ratio     | 53.21    | 45.20    |
| Debt Equity Ratio           | 0.26     | 0.61     |

### 2. Outlook

#### Textile Industry

After agriculture, textile in India is the largest industry which generates the highest employment, both skilled and unskilled. The sector contributes ~5% to the country's GDP, 7% of industry output in value terms and 12% of the country's export earnings.

India is the 6th largest exporter of textiles and apparel in the world. These points to one reality... the textile industry is critical for India's growth.

The sustained growth of the textile industry was thwarted by the pandemic. In FY21, demand collapsed, operations dropped at manufacturing units and delivery commitments went awry. The entire industry suffered. In FY22, the textile industry bounced back with renewed vigour. The dry pipeline across the globe and in India owing to a dismal FY21 created pentup demand which spiked volumes. Also, the China-plus-one sourcing strategy adopted by a majority of the western world resulted in a surge in demand for products across the textile value chain for the global textile hubs. India being a major player in the global textile market received a good share of the shift in sourcing. Demand from domestic consumers also resurfaced as the lockdown restrictions were eased and normalcy returned. After three disappointing years from a global trade perspective, India's textile exports vaulted to \$44 billion in FY22 (against \$33 billion in 2020-21), fueled by new high-priced orders. This reversal in fortunes has cheered the sector since textile exports had been declining at a compound annual growth rate (CAGR) of 9.6% between 2018-19 and 2020-21

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

- The huge spike in raw cotton prices could dent India's competitiveness in the global market despite being the largest producer of cotton in the world
- Lack of scale and restricted access to key markets.
- The Amended Technical Upgradation Funds (ATUF) scheme, which provides a capital investment subsidy of 10-15% to textile manufacturers, is about to expire. The industry does not have any clarity on the possibility of its extension

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

- It announced the PLI (Payment Linked Incentive) scheme worth Rs. 10,683 crore for man-made fibre and technical textiles over a five year period
- Under the Union Budget 2022-23 the total allocation for the textile industry is Rs. 12,382 crore (\$1.62 billion)
- In October 2021, the government introduced SAMARTH training at 75 training centres across India, to bridge the skill gap in the industry

Global textile trade (exports) is projected to be \$940 billion by 2026, according to a CII-Kearney report titled, "Creating a competitive advantage for India in the global textile and apparel industry". The Indian government and the industry aspire to take textile and apparel exports to \$100 billion by 2030, from \$44 billion in FY22. This means textile exports need to have a high cumulative annual growth rate in the next eight years.

## **FMCG**

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

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

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

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

**Partnering for growth:**

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

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

Our performance in a challenging environment, we have shown resilience and agility to deliver strong all-round performance. We have gained market shares in all our divisions, across price segments and across regions. In Hair Care and personal care division performing well on a strong base comparator. Our dynamic financial management, a strong savings programme and calibrated pricing actions helped protect our business model against rising input costs. Our cash from operations (after taxes) was at 386.94 Lakhs.

**3. Risks and Concerns**

Risk management is integral to your Company's strategy and to the achievement of Company's long-term goals. Our success as an organisation depends on our ability to identify and leverage the opportunities generated by our business and the markets we operate in. In doing this we take an embedded approach to risk management which puts risk and opportunity assessment at the core of the Board's agenda, which is where we believe it should be. Company's appetite for risk is driven by the following:

- Our growth should be consistent, competitive, profitable, and responsible;
- Our actions on issues such as plastic and climate change must reflect their urgency, and not be constrained by the uncertainty of potential impacts;
- Our behaviours must be in line with our Code of Business Principles (Code) and Code Policies;
- Our ambition to continuously improve our operational efficiency and effectiveness.

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

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

The Company maintains a system of well-established policies and procedures for internal control of operations and activities. The Company continuously strives to integrate the entire organization - from strategic support functions like finance, human resource and regulatory affairs to core operations like research, manufacturing and supply chain management. The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues. The Company adheres to standard operating practices in its manufacturing and operating activities. The Company has appointed independent agencies as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

**5. Human Capital**

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

**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**

## INDEPENDENT AUDITORS' REPORT

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

#### Report on the Consolidated Financial Statements

##### Opinion

We have audited the accompanying Consolidated financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company") and its associate company which comprise the Consolidated Balance Sheet as at 31st March, 2022, 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, 2022; and its consolidated profit, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

##### Basis for Opinion

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

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

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

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

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

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

##### 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 company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

We also provide those charged with governance with a statement

that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Other Matter

We have relied upon the audit report of other auditors for the financial statements of its associate Kolba Farm Fab Private Limited reflecting total assets at Rs. 1080.89 lacs, total revenue of Rs. 469.89 lacs, net profit of Rs. 13.04 lacs for the year ended on that date, as considered in consolidated financial statements and our report in terms of sub sections 3 & 11 of section 143 of the Act in so far as it relates to the aforesaid associate.

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

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

#### Report on Other Legal and Regulatory Requirements

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

- 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.
- In our opinion, proper books of account as required by law have been kept by the company and its associate including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books of the Company and the report of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with relevant books of account maintained by company and its associate relating to the preparation of Consolidated Financial Statements.
- 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, 2022 and taken on record by the Board of Directors of the Company and the report of statutory auditors of associate company, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and its associate and the operating effectiveness of such controls, refer to our separate report in Annexure A which is based on the auditors' reports of the associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the associate company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigation on its consolidated financial position of the Company and associate.
  - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
  - iv. (a). The Management of the Parent Company, whose financial statements have been audited under the act, have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b). The Management of the Parent Company, whose financial statements have been audited under the act, that, have represented to us, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c). Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Parent Company and subsidiary / associates have not declared or paid any dividend during the year and have not proposed final dividend for the year.

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

**Place: Jaipur**  
**Dated: 30<sup>th</sup> May, 2022**

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

**M. No. 412963**  
**UDIN : 22412963AJVRPS8452**



**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, 2022.**

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

1. We have audited the internal financial controls over financial reporting of M.K. Exim (India) Limited ("the Company") & its associate company as of 31<sup>st</sup> March, 2022 in the conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

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

**Auditor' Responsibility**

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

**Meaning of Internal Financial Controls 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 to the best of our information and according to explanations given to us, the Company and its associate have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, 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 associate company, is based on the corresponding report on the auditors of associate company. Our opinion is not qualified in respect of this matter.

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

**Place: Jaipur**  
**Dated: 30<sup>th</sup> May, 2022**

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

**M. No. 412963**  
**UDIN : 22412963AJVRPS8452**

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

| PARTICULARS                                                                            | NOTES   | AS AT<br>31ST MARCH, 2022 | AS AT<br>31ST MARCH, 2021 |
|----------------------------------------------------------------------------------------|---------|---------------------------|---------------------------|
| <b>ASSETS</b>                                                                          |         |                           |                           |
| <b>NON-CURRENT ASSETS</b>                                                              |         |                           |                           |
| PROPERTY, PLANT AND EQUIPMENTS                                                         | 1       | 5,45,63,111               | 1,68,25,120               |
| INTANGIBLE ASSETS                                                                      | 2       | 1,76,168                  | 1,28,250                  |
| FINANCIAL ASSETS                                                                       |         |                           |                           |
| INVESTMENTS                                                                            | 3       | 3,79,24,295               | 3,72,85,360               |
| DEFERRED TAX ASSETS (NET)                                                              | 13      | 5,26,063                  | 5,44,546                  |
| OTHER NON-CURRENT ASSETS                                                               | 4       | 4,44,055                  | 4,42,555                  |
| <b>TOTAL NON-CURRENT ASSETS</b>                                                        |         | <b>9,36,33,692</b>        | <b>5,52,25,831</b>        |
| <b>CURRENT ASSETS</b>                                                                  |         |                           |                           |
| INVENTORIES                                                                            | 5       | 12,94,84,455              | 6,97,01,019               |
| FINANCIAL ASSETS                                                                       |         |                           |                           |
| TRADE RECEIVABLES                                                                      | 6       | 13,72,98,916              | 10,45,97,081              |
| CASH AND CASH EQUIVALENTS                                                              | 7       | 7,71,11,291               | 6,87,46,400               |
| LOANS AND ADVANCES                                                                     | 8       | 14,13,74,162              | 13,86,01,364              |
| OTHER CURRENT ASSETS                                                                   | 9       | 1,65,12,756               | 97,04,217                 |
| <b>TOTAL CURRENT ASSETS</b>                                                            |         | <b>50,17,81,580</b>       | <b>39,13,50,082</b>       |
| <b>TOTAL ASSETS</b>                                                                    |         | <b>59,54,15,272</b>       | <b>44,65,75,913</b>       |
| <b>EQUITY AND LIABILITIES</b>                                                          |         |                           |                           |
| <b>EQUITY</b>                                                                          |         |                           |                           |
| EQUITY SHARE CAPITAL                                                                   | 10      | 26,91,15,000              | 8,97,05,000               |
| OTHER EQUITY                                                                           | 11      | 25,56,31,512              | 30,19,46,033              |
| <b>TOTAL EQUITY</b>                                                                    |         | <b>52,47,46,512</b>       | <b>39,16,51,033</b>       |
| <b>LIABILITIES</b>                                                                     |         |                           |                           |
| <b>NON-CURRENT LIABILITIES</b>                                                         |         |                           |                           |
| FINANCIAL LIABILITIES                                                                  |         |                           |                           |
| BORROWINGS                                                                             | 12      | 7,07,784                  | -                         |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                                   |         | <b>7,07,784</b>           | <b>-</b>                  |
| <b>CURRENT LIABILITIES</b>                                                             |         |                           |                           |
| FINANCIAL LIABILITIES                                                                  |         |                           |                           |
| BORROWINGS                                                                             | 14      | 3,83,81,470               | 2,65,34,273               |
| TRADE PAYABLES                                                                         | 15      |                           |                           |
| TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES                      |         | 30,26,418                 | 16,93,305                 |
| TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES |         | 2,31,64,657               | 58,07,201                 |
| OTHER FINANCIAL LIABILITIES                                                            | 16      | 9,38,727                  | 22,21,194                 |
| PROVISIONS                                                                             | 17      | 2,65,483                  | 1,21,02,088               |
| OTHER CURRENT LIABILITIES                                                              | 18      | 41,84,222                 | 65,66,820                 |
| <b>TOTAL CURRENT LIABILITIES</b>                                                       |         | <b>6,99,60,977</b>        | <b>5,49,24,880</b>        |
| <b>TOTAL LIABILITIES</b>                                                               |         | <b>7,06,68,761</b>        | <b>5,49,24,880</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                    |         | <b>59,54,15,272</b>       | <b>44,65,75,913</b>       |
| SIGNIFICANT ACCOUNTING POLICIES                                                        |         |                           |                           |
| SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS                                     | 1 TO 35 |                           |                           |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRPS8452

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

| PARTICULARS                                                                                                              | NOTES   | PERIOD ENDED<br>31.03.2022 | PERIOD ENDED<br>31.03.2021 |
|--------------------------------------------------------------------------------------------------------------------------|---------|----------------------------|----------------------------|
| <b>INCOME</b>                                                                                                            |         |                            |                            |
| <b>REVENUE FROM OPERATION</b>                                                                                            |         |                            |                            |
| SALE OF PRODUCT                                                                                                          | 19      | 73,18,27,156               | 54,64,79,052               |
| INCOME FROM SERVICES                                                                                                     | 20      | -                          | 2,90,23,622                |
|                                                                                                                          |         | <b>73,18,27,156</b>        | <b>57,55,02,674</b>        |
| OTHER INCOME                                                                                                             | 21      | 1,06,65,067                | 79,75,756                  |
| <b>TOTAL INCOME</b>                                                                                                      |         | <b>74,24,92,222</b>        | <b>58,34,78,430</b>        |
| <b>EXPENSES</b>                                                                                                          |         |                            |                            |
| COST OF MATERIAL CONSUMED                                                                                                | 22      | -                          | -                          |
| PURCHASE OF STOCK IN TRADE                                                                                               | 23      | 49,11,25,738               | 35,88,98,327               |
| CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE                                                         | 24      | (5,64,82,866)              | (3,21,044)                 |
| EMPLOYEE BENEFITS EXPENSES                                                                                               | 25      | 2,02,14,290                | 2,42,79,790                |
| FINANCE COST                                                                                                             | 26      | 34,16,422                  | 46,53,646                  |
| DEPRECIATION AND AMORTISATION EXPENSES                                                                                   | 1-2     | 28,68,714                  | 1,00,44,926                |
| OTHER EXPENSES                                                                                                           | 27      | 10,29,91,496               | 7,77,00,001                |
| <b>TOTAL EXPENSES</b>                                                                                                    |         | <b>56,41,33,795</b>        | <b>47,52,55,645</b>        |
| <b>PROFIT BEFORE TAX</b>                                                                                                 |         | <b>17,83,58,427</b>        | <b>10,82,22,785</b>        |
| TAX EXPENSES:-                                                                                                           |         |                            |                            |
| CURRENT TAX                                                                                                              |         | (4,58,83,400)              | (2,84,89,637)              |
| DEFERRED TAX                                                                                                             |         | (18,483)                   | 5,67,421                   |
| <b>PROFIT FOR THE YEAR</b>                                                                                               |         | <b>13,24,56,544</b>        | <b>8,03,00,569</b>         |
| <b>PROFIT BEFORE SHARE OF PROFIT IN ASSOCIATE CONCERN</b>                                                                |         | <b>13,24,56,544</b>        | <b>8,03,00,569</b>         |
| SHARE OF PROFIT IN ASSOCIATE CONCERN                                                                                     |         | 6,38,935                   | (1,01,530)                 |
| <b>CONSOLIDATED PROFIT FOR THE YEAR</b>                                                                                  |         | <b>13,30,95,479</b>        | <b>8,01,99,039</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 POFIT AND LOSS                                                     |         | -                          | -                          |
| (iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF POFIT AND LOSS                               |         | -                          | -                          |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                                                                           |         | <b>13,30,95,479</b>        | <b>8,01,99,039</b>         |
| <b>NET PROFIT ATTRIBUTABLE TO:-</b>                                                                                      |         |                            |                            |
| A OWNERS OF THE COMPANY                                                                                                  |         | 13,30,95,479               | 8,03,32,710                |
| B NON CONTROLLING INTEREST                                                                                               |         | -                          | (1,33,671)                 |
| <b>OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>                                                                      |         |                            |                            |
| A OWNERS OF THE COMPANY                                                                                                  |         | -                          | -                          |
| B NON CONTROLLING INTEREST                                                                                               |         | -                          | -                          |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>                                                                      |         |                            |                            |
| A OWNERS OF THE COMPANY                                                                                                  |         | 13,30,95,479               | 8,03,32,710                |
| B NON CONTROLLING INTEREST                                                                                               |         | -                          | (1,33,671)                 |
| <b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>                                                            |         |                            |                            |
| BASIC (RS.)                                                                                                              |         | 4.95                       | 3.51                       |
| DILUTED (RS.)                                                                                                            |         | 4.95                       | 3.51                       |
| SIGNIFICANT ACCOUNTING POLICIES<br>SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS                                    | 1 TO 35 |                            |                            |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRPS8452

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| CASH FLOW FROM OPERATIVE ACTIVITES (A)                                    | Year Ended 31.03.2022 | Year Ended 31.03.2021 |
|---------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Net Profit before tax</b>                                              | <b>178997362</b>      | <b>108121255</b>      |
| <b>Adjustments for:</b>                                                   |                       |                       |
| Depreciation                                                              | 2868714               | 10044926              |
| Non Controlling Interest                                                  |                       | (15169879)            |
| Interest Expenses                                                         | 2228730               | 3422667               |
| Gratuity                                                                  | 225154                | (24811)               |
| <b>Operating Profit before working capital changes</b>                    | <b>184319959</b>      | <b>106394158</b>      |
| <b>Adjustment for:</b>                                                    |                       |                       |
| Increase/Decrease in Inventories                                          | (59783436)            | (321044)              |
| Increase/Decrease Sundry Debtors                                          | (32701833)            | 86618215              |
| Increase/Decrease Other Current Assets                                    | (6808540)             | 2921241               |
| Increase/Decrease in Current liabilities                                  | 2963746               | (43519971)            |
| Increase/Decrease in Loans & Advances                                     | (2772798)             | (98285783)            |
| <b>Cash Generated From Operating activites</b>                            | <b>85217099</b>       | <b>53806816</b>       |
| Tax Paid                                                                  | (45883400)            | (27922216)            |
| <b>Net Cash Flow from Operating Activities</b>                            | <b>39333699</b>       | <b>25884600</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>                            |                       |                       |
| Purchases of Fixed Assets                                                 | (40654623)            |                       |
| Sale of Fixed Assets                                                      |                       | 57144783              |
| Increase in Investment of Associate Company                               |                       | (465207)              |
| Decrease/Increase in Non Current Assets                                   | (1500)                | 0                     |
| Decrease/Increase in Non Current Investments                              | (638935)              | (4436924)             |
| <b>Net Cash used In Investing Activities</b>                              | <b>(41295058)</b>     | <b>52242652</b>       |
| <b>CASH FLOW FROM FINANCING ACTIVITIES ( C)</b>                           |                       |                       |
| Increase/Decrease in Secured Loans                                        | 12554980              | (38349699)            |
| Issue of Equity Share Capital                                             | 0                     | 35800000              |
| Interest on Bank Loan                                                     | (2228730)             | (3422667)             |
| <b>Net Cash From Financing Activities</b>                                 | <b>10326251</b>       | <b>(5972366)</b>      |
| <b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b> | <b>8364892</b>        | <b>72154886</b>       |
| Opening cash and cash equivalents                                         | 68746400              | (3408486)             |
| <b>Closing cash and cash equivalents</b>                                  | <b>77111291</b>       | <b>68746400</b>       |

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 Wadhuma Dialani)  
Chairman  
DIN : 08267828(Manish M Dialani)  
Managing Director  
DIN : 05201121(M.P. Jain)  
CFO(Prakriti Sethi)  
Company SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRPS8452

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

| A. EQUITY SHARE CAPITAL                                  |                                                            |                                                                   |                                                         |                                                    |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| As at 31st March, 2022                                   |                                                            |                                                                   |                                                         |                                                    |
| BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS | RESTATED BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DURING THE CURRENT YEAR | BALANCE AT THE END OF THE CURRENT REPORTING PERIOD |
| 89705000                                                 | -                                                          | 89705000                                                          | 179410000                                               | 269115000                                          |

| As at 31st March, 2021                                    |                                                            |                                                                    |                                                          |                                                     |
|-----------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------|
| BALANCE AT THE BEGINNING OF THE PREVIOUS REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS | RESTATED BALANCE AT THE BEGINNING OF THE PREVIOUS REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DURING THE PREVIOUS YEAR | BALANCE AT THE END OF THE PREVIOUS REPORTING PERIOD |
| 71805000                                                  | -                                                          | 71805000                                                           | 17900000                                                 | 89705000                                            |

| B. OTHER EQUITY                                                               |                   |                  |                   |                 |                |
|-------------------------------------------------------------------------------|-------------------|------------------|-------------------|-----------------|----------------|
| As at 31st March, 2022                                                        |                   |                  |                   |                 |                |
|                                                                               | RESERVE & SURPLUS |                  |                   |                 | TOTAL          |
|                                                                               | CAPITAL RESERVE   | SECURITY PREMIUM | RETAINED EARNINGS | GENERAL RESERVE |                |
| BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD i.e. 01 APRIL, 2021  | 33,43,638         | 7,13,82,300      | 22,72,20,095      | -               | 30,19,46,033   |
| TRANSFERRED FROM RETAINED EARNINGS                                            | -                 | -                | (33,00,00,000)    | 33,00,00,000    | -              |
| ISSUE OF BONUS EQUITY SHARES                                                  | -                 | -                | -                 | (17,94,10,000)  | (17,94,10,000) |
| PROFIT/(LOSS) FOR THE YEAR                                                    | -                 | -                | 13,30,95,479      | -               | 13,30,95,479   |
| TRANSFER TO / (FROM) RETAINED EARNINGS                                        | (15,58,713)       | -                | 15,58,713         | -               | -              |
| BALANCE AT THE END OF THE CURRENT REPORTING PERIOD i.e. 31 MARCH, 2022        | 17,84,925         | 7,13,82,300      | 3,18,74,287       | 15,05,90,000    | 25,56,31,512   |
| As at 31st March, 2021                                                        |                   |                  |                   |                 |                |
|                                                                               | RESERVE & SURPLUS |                  |                   |                 | TOTAL          |
|                                                                               | CAPITAL RESERVE   | SECURITY PREMIUM | RETAINED EARNINGS | GENERAL RESERVE |                |
| BALANCE AT THE BEGINNING OF THE PREVIOUS REPORTING PERIOD i.e. 01 APRIL, 2020 | 38,08,845         | 5,34,82,300      | 14,68,87,385      | -               | 20,41,78,530   |
| ARISING DUE TO CHANGE OF SHARE-HOLDING IN ASSOCIATE COMPANY                   | (4,65,207)        | -                | -                 | -               | (4,65,207)     |
| PREMIUM ON EQUITY SHARES ISSUED ON PREFERENTIAL BASIS                         | -                 | 1,79,00,000      | -                 | -               | 1,79,00,000    |
| PROFIT/(LOSS) FOR THE YEAR                                                    | -                 | -                | 8,03,32,710       | -               | 8,03,32,710    |
| BALANCE AT THE END OF THE PREVIOUS 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 Wadhmal Dialani)  
Chairman  
DIN : 08267828(Manish M Dialani)  
Managing Director  
DIN : 05201121(M.P. Jain)  
CFO(Prakriti Sethi)  
Company SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRPS8452

## 1 PROPERTY, PLANT &amp; EQUIPMENT

| S. NO. | PARTICULARS                  | GROSS BLOCK         |                         |                     | DEPRECIATION        |                 |                  | NET BLOCK          |                     |
|--------|------------------------------|---------------------|-------------------------|---------------------|---------------------|-----------------|------------------|--------------------|---------------------|
|        |                              | AS AT<br>01.04.2021 | ADDITION/<br>(DELETION) | AS ON<br>31.03.2022 | UP TO<br>31.03.2021 | ADJUST-<br>MENT | FOR THE<br>YEAR  | UPTO<br>31.03.2022 | AS ON<br>31.03.2022 |
|        | <b>Tangible Assets</b>       |                     |                         |                     |                     |                 |                  |                    |                     |
| 1      | LAND                         | 39,87,680           | 3,49,06,040             | 3,88,93,720         | 0                   | 0               | 0                | 3,88,93,720        |                     |
| 2      | BUILDING                     | 88,06,180           | 0                       | 88,06,180           | 70,99,358           | 0               | 1,39,138         | 15,67,684          |                     |
| 3      | PLANT &<br>MACHINERY         | 0                   | 0                       | 0                   | 0                   | 0               | 0                | 0                  |                     |
| 4      | FURNITURE &<br>FIXTURES      | 18,00,768           | 22,266                  | 18,23,034           | 9,89,326            | 0               | 71,695           | 7,62,013           |                     |
| 5      | VEHICLES                     | 1,77,86,594         | 55,76,987               | 2,33,63,581         | 76,63,856           | 0               | 25,58,696        | 1,31,41,029        |                     |
| 6      | COMPUTER                     | 1,68,043            | 42,415                  | 2,10,458            | 79,235              | 0               | 61,454           | 69,769             |                     |
| 7      | OFFICE EQUIPMENT             | 4,34,637            | 38,551                  | 4,73,188            | 4,34,637            | 0               | 6,341            | 32,210             |                     |
| 8      | LCD                          | 1,01,953            | 0                       | 1,01,953            | 6,744               | 0               | 9,640            | 85,569             |                     |
| 9      | TIME ATTENDANCE<br>BIOMETRIC | 14,150              | 0                       | 14,150              | 1,729               | 0               | 1,304            | 11,117             |                     |
|        | <b>TOTAL</b>                 | <b>3,31,00,005</b>  | <b>4,05,86,259</b>      | <b>7,36,86,264</b>  | <b>1,62,74,885</b>  | <b>0</b>        | <b>28,48,268</b> | <b>1,91,23,153</b> | <b>5,45,63,111</b>  |

| S. NO. | PARTICULARS                  | GROSS BLOCK         |                         |                     | DEPRECIATION        |                     |                    | NET BLOCK          |                     |
|--------|------------------------------|---------------------|-------------------------|---------------------|---------------------|---------------------|--------------------|--------------------|---------------------|
|        |                              | AS AT<br>01.04.2020 | ADDITION/<br>(DELETION) | AS ON<br>31.03.2021 | UP TO<br>31.03.2020 | ADJUST-<br>MENT     | FOR THE<br>YEAR    | UPTO<br>31.03.2021 | AS ON<br>31.03.2021 |
|        | <b>Tangible Assets</b>       |                     |                         |                     |                     |                     |                    |                    |                     |
| 1      | LAND                         | 71,66,290           | -31,78,610              | 39,87,680           | 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          |                     |
| 3      | PLANT &<br>MACHINERY         | 11,84,32,899        | -11,84,32,899           | 0                   | 6,06,02,185         | -6,78,11,506        | 72,09,321          | 0                  |                     |
| 4      | FURNITURE &<br>FIXTURES      | 10,09,263           | 7,91,505                | 18,00,768           | 9,39,101            | 0                   | 50,225             | 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          |                     |
| 6      | COMPUTER                     | 62,488              | 1,29,055                | 1,68,043            | 62,488              | -23,500             | 40,247             | 79,235             |                     |
| 7      | OFFICE EQUIPMENT             | 4,34,637            | -23,500                 | 4,34,637            | 4,34,637            | 0                   | 0                  | 4,34,637           |                     |
| 8      | LCD                          | 29,297              | 72,656                  | 1,01,953            | 470                 | 0                   | 6,274              | 6,744              |                     |
| 9      | TIME ATTENDANCE<br>BIOMETRIC | 14,150              | 0                       | 14,150              | 425                 | 0                   | 1,304              | 1,729              |                     |
|        | <b>TOTAL</b>                 | <b>15,99,41,057</b> | <b>-12,68,41,052</b>    | <b>3,31,00,005</b>  | <b>7,57,97,978</b>  | <b>-6,95,53,769</b> | <b>1,00,30,676</b> | <b>1,62,74,885</b> | <b>1,68,25,120</b>  |

## 2 INTANGIBLE ASSETS

| S. NO. | DESCRIPTION          | GROSS BLOCK - AT COST |                         |                     | DEPRECIATION        |                 |                 | NET BLOCK          |                   |
|--------|----------------------|-----------------------|-------------------------|---------------------|---------------------|-----------------|-----------------|--------------------|-------------------|
|        |                      | AS AT<br>01.04.2021   | ADDITION/<br>(DELETION) | AS ON<br>31.03.2022 | UP TO<br>31.03.2021 | ADJUST-<br>MENT | FOR THE<br>YEAR | UPTO<br>31.03.2022 | AS ON<br>31.03.22 |
| 1      | COMPUTER<br>SOFTWARE | 1,42,500              | 68,364                  | 2,10,864            | 14,250              | 0               | 20,446          | 34,696             | 1,76,168          |
|        | <b>TOTAL</b>         | <b>1,42,500</b>       | <b>68,364</b>           | <b>2,10,864</b>     | <b>14,250</b>       | <b>0</b>        | <b>20,446</b>   | <b>34,696</b>      | <b>1,76,168</b>   |

| S. NO. | DESCRIPTION          | GROSS BLOCK - AT COST |                         |                     | DEPRECIATION        |                 |                 | NET BLOCK          |                   |
|--------|----------------------|-----------------------|-------------------------|---------------------|---------------------|-----------------|-----------------|--------------------|-------------------|
|        |                      | AS AT<br>01.04.2020   | ADDITION/<br>(DELETION) | AS ON<br>31.03.2021 | UP TO<br>31.03.2020 | ADJUST-<br>MENT | FOR THE<br>YEAR | UPTO<br>31.03.2021 | AS ON<br>31.03.21 |
| 1      | COMPUTER<br>SOFTWARE | 0                     | 1,42,500                | 1,42,500            | 0                   | 0               | 14,250          | 14,250             | 1,28,250          |
|        | <b>TOTAL</b>         | <b>0</b>              | <b>1,42,500</b>         | <b>1,42,500</b>     | <b>0</b>            | <b>0</b>        | <b>14,250</b>   | <b>14,250</b>      | <b>1,28,250</b>   |

## NOTES FORMING PART OF FINANCIAL STATEMENTS

| Particulars                                                       | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------------------------------------|------------------------|------------------------|
| <b>3: NON CURRENT INVESTMENTS</b>                                 |                        |                        |
| <b>Equity Instruments (unquoted)( Non Trade)</b>                  |                        |                        |
| Cost of Investment in Associate Company                           | 1,11,83,847            | 1,11,83,847            |
| Kolba Farm Fab Pvt. Ltd. (3665930 Equity Shares of Rs. 10/- Each) |                        |                        |
| <b>Carrying Value of Investment in Associate</b>                  | <b>3,72,85,360</b>     | <b>3,72,85,360</b>     |
| Add: Share in Profit in Associate Company                         | 6,38,935               |                        |
| <b>Carrying Value of Investment in Associate</b>                  | <b>3,79,24,295</b>     | <b>3,72,85,360</b>     |
| <b>TOTAL</b>                                                      | <b>3,79,24,295</b>     | <b>3,72,85,360</b>     |

|                                    |                 |                 |
|------------------------------------|-----------------|-----------------|
| <b>4: OTHER NON CURRENT ASSETS</b> |                 |                 |
| Security Deposit                   | 4,44,055        | 4,42,555        |
| <b>TOTAL</b>                       | <b>4,44,055</b> | <b>4,42,555</b> |

|                       |                     |                    |
|-----------------------|---------------------|--------------------|
| <b>5: INVENTORIES</b> |                     |                    |
| Raw Material          | 33,00,570           | -                  |
| Finished Goods        | 12,61,83,885        | 6,97,01,019        |
| <b>TOTAL</b>          | <b>12,94,84,455</b> | <b>6,97,01,019</b> |

|                             |                     |                     |
|-----------------------------|---------------------|---------------------|
| <b>6:TRADE RECEIVABLES</b>  |                     |                     |
| Considered Good - Unsecured | 13,72,98,916        | 10,45,97,081        |
| Credit Impaired             | -                   | -                   |
| <b>TOTAL</b>                | <b>13,72,98,916</b> | <b>10,45,97,081</b> |

| Ageing of Trade Receivables                  | As on 31st March 2022                               |                   |                     |
|----------------------------------------------|-----------------------------------------------------|-------------------|---------------------|
|                                              | Outstanding for following periods from invoice date |                   |                     |
| Particulars                                  | Less than 6 Months                                  | 6 Months - 1 year | Total               |
| <b>Unsecured</b>                             |                                                     |                   |                     |
| Undisputed Trade receivables considered good | 124317254                                           | 1,29,81,662       | 13,72,98,916        |
| <b>Total Debtors</b>                         | <b>124317254</b>                                    | <b>12981662</b>   | <b>13,72,98,916</b> |

| Ageing of Trade Receivables                  | As on 31st March 2021                               |                   |                     |
|----------------------------------------------|-----------------------------------------------------|-------------------|---------------------|
|                                              | Outstanding for following periods from invoice date |                   |                     |
| Particulars                                  | Less than 6 Months                                  | 6 Months - 1 year | Total               |
| <b>Unsecured</b>                             |                                                     |                   |                     |
| Undisputed Trade receivables considered good | 104597081                                           | -                 | 10,45,97,081        |
| <b>Total Debtors</b>                         | <b>104597081</b>                                    | <b>-</b>          | <b>10,45,97,081</b> |

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| <b>7: CASH &amp; CASH EQUIVALENTS</b> |                    |                    |
| Cash in Hand                          | 6,60,650           | 2,95,842           |
| Balance with Banks                    | 7,64,50,641        | 6,84,50,559        |
| <b>TOTAL</b>                          | <b>7,71,11,291</b> | <b>6,87,46,400</b> |

**8: LOANS & ADVANCES**

|                                             |                     |                     |
|---------------------------------------------|---------------------|---------------------|
| (Unsecured & considered good)               |                     |                     |
| Trade Advances to Suppliers - Related party | 14,00,00,000        | 13,69,45,246        |
| Trade Advances to Suppliers - Others        | 8,25,000            | 12,80,658           |
| Advances to Employees                       | 5,49,162            | 3,75,460            |
| <b>TOTAL</b>                                | <b>14,13,74,162</b> | <b>13,86,01,364</b> |

**9: OTHER CURRENT ASSETS**

|                            |                    |                  |
|----------------------------|--------------------|------------------|
| Drawback receivable        | 5,74,440           | 6,79,892         |
| GST Receivable             | 13,71,432          | 33,52,828        |
| Gratuity with LIC of India | 19,26,067          | 17,37,195        |
| ITC Receivable             | 76,78,275          | 28,41,341        |
| Income Tax Demand          | 8,66,000           | -                |
| Income Tax Refund          | 7,210              | -                |
| Other Advances             | 14,24,334          | 4,04,674         |
| Prepaid Insurance          | 1,00,131           | 1,88,286         |
| Rent Security              | 5,00,000           | 5,00,000         |
| RoDTEP Receivable          | 20,64,867          | -                |
| <b>TOTAL</b>               | <b>1,65,12,756</b> | <b>97,04,217</b> |

**10 : SHARE CAPITAL****10.1. GENERAL INFORMATION**

The consolidated Financial Statements present the Consolidated Accounts of M.K.EXIM (INDIA) LIMITED with its Following Associate :-

|                                 |                                         |        |
|---------------------------------|-----------------------------------------|--------|
| <b>INDIAN ASSOCIATE:-</b>       | <b>PROPORTION OF OWNERSHIP INTEREST</b> |        |
| <b>KOLBA FARM FAB PVT. LTD.</b> | 48.98%                                  | 48.98% |

**10.2 Authorised Capital**

|                                                                                                                       |                        |                       |
|-----------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| 30000000 (10000000) Equity Shares of Rs 10/- each                                                                     | 30,00,00,000.00        | 10,00,00,000.00       |
| <b>Issued ,Subscribed &amp; Paid up Capital</b>                                                                       |                        |                       |
| 26911500 (8970500) Equity Shares of Rs 10/- each fully paid up                                                        | 26,91,15,000.00        | 8,97,05,000.00        |
| The Company issued 1,79,41,000 Bonus Equity Shares of Rs. 10/- each in the ratio of 2:1 during the year under review. |                        |                       |
|                                                                                                                       | <b>26,91,15,000.00</b> | <b>8,97,05,000.00</b> |

**10.3 MOVEMENT IN EQUITY SHARE CAPITAL**

| Particulars                                  | As at 31st March, 2022 |                     | As at 31st March, 2021 |                    |
|----------------------------------------------|------------------------|---------------------|------------------------|--------------------|
|                                              | No. of Shares          | Amount              | No. of Shares          | Amount             |
| Opening Balance                              | 89,70,500              | 8,97,05,000         | 71,80,500              | 7,18,05,000        |
| Issued - Bonus Equity Shares                 | 1,79,41,000            | 17,94,10,000        | -                      | -                  |
| Issued - Equity Shares on Preferential basis | -                      | -                   | 17,90,000              | 1,79,00,000        |
| <b>Closing Balance</b>                       | <b>2,69,11,500</b>     | <b>26,91,15,000</b> | <b>89,70,500</b>       | <b>8,97,05,000</b> |



**Terms and rights attached to equity shares**

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

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

| Particulars                | As at 31st March, 2022 |       | As at 31st March, 2021 |       |
|----------------------------|------------------------|-------|------------------------|-------|
|                            | No. of Shares          | %     | No. of Shares          | %     |
| Manish Dialani             | 7283220                | 27.06 | 24,27,740              | 27.06 |
| Murli Dialani              | 2515929                | 9.35  | 8,36,769               | 9.33  |
| Murlibhai Fatandas Sawlani | 1350000                | 5.02  | 4,50,000               | 5.02  |
| Vasudev Fatandas Sawlani   | 2130000                | 7.91  | 7,10,000               | 7.91  |

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

| Promoter/Promoter Group name | As at 31st March, 2022 |              | As at 31st March, 2021 |              | % Change During the Year |
|------------------------------|------------------------|--------------|------------------------|--------------|--------------------------|
|                              | No. of Shares          | %            | No. of Shares          | %            |                          |
| <b>Promoter :-</b>           |                        |              |                        |              |                          |
| Manish Dialani               | 7283220                | 27.06        | 24,27,740              | 27.06        | 0.00                     |
| <b>Promoter Group :-</b>     |                        |              |                        |              |                          |
| Murli Dialani                | 2515929                | 9.35         | 8,36,769               | 9.33         | 0.02                     |
| Lajwanti M Dialani           | 967923                 | 3.60         | 3,22,641               | 3.60         | -                        |
| Reshma Dialani               | 509934                 | 1.89         | 1,69,978               | 1.89         | -                        |
| Pushpa Khanchandani          | 30                     | 0.00         | 10                     | 0.00         | -                        |
| <b>Total</b>                 | <b>11277036</b>        | <b>41.90</b> | <b>3757138</b>         | <b>41.88</b> | <b>0.02</b>              |

**11 : OTHER EQUITY****11.1 Capital Reserve (on investment in Associate Concern)**

|                                                                 |                  |                  |
|-----------------------------------------------------------------|------------------|------------------|
| Opening Balance                                                 | 17,84,925        | 22,50,132        |
| Add: Arising due to change of Shareholding in Associate Company | -                | (4,65,207)       |
| <b>Closing Balance</b>                                          | <b>17,84,925</b> | <b>17,84,925</b> |

**11.2 Statement of Retained Earnings**

|                                      |                     |                     |
|--------------------------------------|---------------------|---------------------|
| Opening balance                      | 22,72,20,095        | 14,68,87,385        |
| Add: Net Profit For the year         | 13,30,95,479        | 8,03,32,710         |
| <b>Profit before Appropriations</b>  | <b>36,03,15,574</b> | <b>22,72,20,095</b> |
| Appropriations :-                    |                     |                     |
| Add: State Investment Subsidy        | 15,58,713           | -                   |
| Less: Transferred to General Reserve | (33,00,00,000)      | -                   |
| <b>Profit after Appropriations</b>   | <b>3,18,74,287</b>  | <b>22,72,20,095</b> |

**11.3 General Reserve:-**

|                                |                     |          |
|--------------------------------|---------------------|----------|
| Opening Balance                | -                   | -        |
| Add: Transferred from Reserves | 33,00,00,000        | -        |
| Less: issue of Bonus Shares    | (17,94,10,000)      | -        |
| <b>Closing Balance</b>         | <b>15,05,90,000</b> | <b>-</b> |

|                                 |                     |                     |
|---------------------------------|---------------------|---------------------|
| 11.4 Securities Premium Reserve | 7,13,82,300         | 7,13,82,300         |
| 11.5 State Investment Subsidy   | -                   | 15,58,713           |
| <b>Total</b>                    | <b>25,56,31,512</b> | <b>30,19,46,033</b> |

**12 : BORROWINGS (NON CURRENT)**

|                                                                      |                 |          |
|----------------------------------------------------------------------|-----------------|----------|
| Secured Term loan from Indian Bank (secured by hypothecation of car) | 7,07,784        | -        |
| <b>Total</b>                                                         | <b>7,07,784</b> | <b>-</b> |

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

|                                                 |                 |                 |
|-------------------------------------------------|-----------------|-----------------|
| Timing Difference - Property, Plant & Equipment | 5,17,010        | 5,44,546        |
| Others                                          | 9,053           | -               |
| <b>Total</b>                                    | <b>5,26,063</b> | <b>5,44,546</b> |

**14: BORROWINGS - CURRENT**

|                                                                                                                                                                                                                                                         |                    |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Bill Discounting<br>(From State Bank of India - primary security by hypothecation of stock & receivables and colateral security of immovable property at G-1/150, Garment Zone, Sitapura, Tonk Road, Jaipur being the registered office of the Company. | 3,83,81,470        | 2,65,34,273        |
| <b>Total</b>                                                                                                                                                                                                                                            | <b>3,83,81,470</b> | <b>2,65,34,273</b> |

**15: TRADE PAYABLES**

|                                                                                            |                    |                  |
|--------------------------------------------------------------------------------------------|--------------------|------------------|
| (a) Total outstanding dues of micro enterprises and small enterprises                      | 30,26,418          | 16,93,305        |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,25,82,130        | 58,07,201        |
| (c) Employee benefits payable                                                              | 5,82,527           | -                |
| <b>Total</b>                                                                               | <b>2,61,91,076</b> | <b>75,00,506</b> |

| Ageing of Trade Payables | As on 31st March 2022 |              |          |                 |
|--------------------------|-----------------------|--------------|----------|-----------------|
|                          | Less than 1 Year      | 1-2 Year     | 2-3 Year | Total           |
| Undisputed               |                       |              |          |                 |
| MSME                     | 30,26,418             | -            | -        | 30,26,418       |
| Others                   | 2,31,39,009           | 25,649       | -        | 2,31,64,657     |
| <b>Total Creditors</b>   | <b>26165427</b>       | <b>25649</b> | <b>0</b> | <b>26191076</b> |
| Ageing of Trade Payables | As on 31st March 2021 |              |          |                 |
|                          | Less than 1 Year      | 1-2 Year     | 2-3 Year | Total           |
| Undisputed               |                       |              |          |                 |
| MSME                     | 11,88,601             | -            | -        | 11,88,601       |
| Others                   | 63,11,905             | -            | -        | 63,11,905       |
| <b>Total Creditors</b>   | <b>7500506</b>        | <b>0</b>     | <b>0</b> | <b>7500506</b>  |

Note: Ageing has been considered from the date of transaction

**16: OTHER FINANCIAL LIABILITIES**

|                                      |                 |                  |
|--------------------------------------|-----------------|------------------|
| Current Maturities of Long Term Debt | 5,28,512        | 18,10,979        |
| Unpaid Dividend                      | 2,00,215        | 2,00,215         |
| Building rent Security               | 2,10,000        | 2,10,000         |
| <b>Total</b>                         | <b>9,38,727</b> | <b>22,21,194</b> |

**17: PROVISIONS - CURRENT**

|                          |                 |                    |
|--------------------------|-----------------|--------------------|
| Provision for Income tax | 4,58,83,400     | 2,83,43,347        |
| Less :Advance tax & TDS  | (4,56,17,917)   | (1,62,41,259)      |
| <b>Total</b>             | <b>2,65,483</b> | <b>1,21,02,088</b> |

**18: OTHER CURRENT LIABILITIES**

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| <b>18.1 Advance from Customers</b> | 7,07,262         | 3,10,914         |
| <b>18.2 Statutory Dues</b>         |                  |                  |
| PF & ESI Payable                   | 1,34,186         | 1,19,489         |
| Gratuity Provision                 | 19,62,039        | 17,36,885        |
| RCM Payable                        | 1,736            | 15,545           |
| GST Payable                        | -                | 37,62,049        |
| Professional Tax Payable           | 3,800            | 3,975            |
| TCS Payable                        | 28,965           | 36,952           |
| TDS Payable                        | 13,46,234        | 4,69,572         |
| <b>18.3 Other Payables</b>         |                  |                  |
| Credit Card                        | -                | 1,11,438         |
| <b>Total</b>                       | <b>41,84,222</b> | <b>65,66,820</b> |

**19: REVENUE FROM OPERATIONS**

|                                                 |                     |                     |
|-------------------------------------------------|---------------------|---------------------|
| Domestic Sales - Cosmetics & Hair Care Products | 52,15,25,991        | 34,01,23,930        |
| Export Sales - Fabrics                          | 21,03,01,165        | 20,63,55,123        |
| <b>Total</b>                                    | <b>73,18,27,156</b> | <b>54,64,79,052</b> |

**20: INCOME FROM SERVICES**

|                 |          |                    |
|-----------------|----------|--------------------|
| Job Work Income | -        | 2,90,23,622        |
| <b>Total</b>    | <b>-</b> | <b>2,90,23,622</b> |

**21: OTHER INCOME**

|                                   |                    |                  |
|-----------------------------------|--------------------|------------------|
| Exchange Rate Difference          | 39,54,871          | 19,06,630        |
| Bank Charges                      | -                  | 127              |
| Duty Drawback                     | 43,97,074          | 42,82,723        |
| Discount                          | 1,045              | 48,990           |
| Interest On Gratuity Fund         | -                  | 309              |
| IT Interest                       | -                  | 33,814           |
| Income Tax Excess Provision W/Off | 6,701              | 71,530           |
| RoDTEP                            | 20,64,867          | -                |
| Rent                              | 2,40,000           | 2,40,000         |
| Sundry Balances W/Off             | -                  | 1,23,705         |
| FD Interest                       | -                  | 12,67,928        |
| Other Income                      | 509                | -                |
| <b>Total</b>                      | <b>1,06,65,067</b> | <b>79,75,756</b> |

**22: COST OF MATERIALS CONSUMED**

|                     |           |          |
|---------------------|-----------|----------|
| Opening Stock       | -         | -        |
| Add: Purchases      | 33,00,570 | -        |
| Less: Closing Stock | 33,00,570 | -        |
| <b>Total</b>        | <b>-</b>  | <b>-</b> |

**23: PURCHASE OF TRADING GOODS**

|                               |                     |                     |
|-------------------------------|---------------------|---------------------|
| Purchase of Fabric            | 20,81,87,771        | 17,30,82,760        |
| Purchase of Goods(For NGO)    | 9,37,000            | 32,80,000           |
| Purchase of Goods (Cosmetics) | 28,20,00,967        | 18,25,35,567        |
| <b>Total</b>                  | <b>49,11,25,738</b> | <b>35,88,98,327</b> |

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

|                                       |                      |                   |
|---------------------------------------|----------------------|-------------------|
| Closing Stock of Finished Goods       | 12,61,83,885         | 6,97,01,019       |
| Less:Opening Stock of Finished Goods  | 6,97,01,019          | 6,93,79,975       |
| (Increase)/Decrease in Finished Goods | (5,64,82,866)        | (3,21,044)        |
| <b>Total</b>                          | <b>(5,64,82,866)</b> | <b>(3,21,044)</b> |

**25: EMPLOYEE BENEFITS EXPENSES**

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| Salary & Wages Expenses           | 1,84,02,077        | 2,26,67,497        |
| Staff Welfare Expenses            | 5,72,721           | 5,83,754           |
| Bonus                             | 1,96,092           | -                  |
| Provident Fund & ESI Contribution | 7,53,004           | 9,67,290           |
| Gratuity                          | 2,25,154           | (24,811)           |
| Professional Tax                  | -                  | 43,325             |
| Festival Expenses                 | 65,242             | 42,735             |
| <b>Total</b>                      | <b>2,02,14,290</b> | <b>2,42,79,790</b> |

**26: FINANCE COST**

|                |                  |                  |
|----------------|------------------|------------------|
| Interest       | 22,28,730        | 34,22,667        |
| Other Expenses | 11,87,693        | 12,30,979        |
| <b>Total</b>   | <b>34,16,422</b> | <b>46,53,646</b> |

**27: OTHER EXPENSES**

|                                     |             |                  |
|-------------------------------------|-------------|------------------|
| <b>(A) Manufacturing Expenses:-</b> |             |                  |
| Milligine & Oil Expenses            | -           | 16,05,399        |
| Demurrage                           | -           | -                |
| Power & Fuel                        | -           | 44,41,261        |
| <b>Total (A)</b>                    | <b>-</b>    | <b>60,46,660</b> |
| <b>(B) Other Expenses:-</b>         |             |                  |
| Advertisement Expenses              | 59,50,696   | 23,70,086        |
| Auditors' Remuneration              | 2,80,000    | 2,83,882         |
| Brokerage                           | -           | 30,68,504        |
| Commission Expenses                 | 1,89,61,320 | 2,06,71,647      |
| Consultancy Charges                 | -           | 3,25,000         |
| Conveyance Charges                  | 22,85,043   | 16,77,650        |
| Council Charges                     | 23,173      | 21,867           |
| CSR Expenses                        | 10,50,000   | -                |
| Demand & Penalties                  | -           | 4,16,122         |
| Director Remuneration               | 57,00,000   | 63,38,014        |
| Directors Sitting Fee               | 1,09,500    | 67,500           |
| Discount                            | 4,79,349    | 30,998           |
| Donation                            | 25,000      | -                |
| Electric & Water Expenses           | 4,19,371    | 1,92,798         |
| Freight Charges                     | 69,27,856   | 83,06,411        |

|                               |                     |                    |
|-------------------------------|---------------------|--------------------|
| Insurance Charges             | 28,55,194           | 15,64,204          |
| Interest                      | 49,592              | 66,389             |
| Interest & Late Fee Expenses  | 11,605              | -                  |
| Legal & Professional Charges  | 1,66,18,851         | 87,47,058          |
| Maintenance Expenses          | 57,42,032           | -                  |
| MCA Filing Fee                | 19,20,400           | -                  |
| Office Expenses               | 5,26,497            | 8,46,970           |
| Others Expenses               | 55,015              | -                  |
| Packing Exp.                  | 3,54,163            | 5,54,696           |
| Postage Expenses              | 25,04,674           | 2,82,102           |
| Printing & Stationery         | 32,99,683           | 9,65,640           |
| Registration & Annual Charges | 7,79,957            | 7,20,900           |
| Rent                          | 1,20,73,920         | 35,03,920          |
| Repairs to Building           | -                   | 12,59,557          |
| Repairs to Others             | 2,52,880            | 10,71,536          |
| Round off Expenses            | 2,625               | 890                |
| Sales Promotion Expenses      | 61,16,409           | 41,62,073          |
| Software                      | 92,472              | 4,52,309           |
| Sundry Balances W/off         | -                   | 6,128              |
| Telephone Expenses            | 3,53,249            | 1,63,728           |
| Testing Charges               | 3,250               | -                  |
| Training Charges              | -                   | 10,78,945          |
| Travelling Expenses           | 68,57,250           | 22,64,797          |
| Vehicle Expenses              | 2,90,119            | 1,66,920           |
| Website & Internet Expenses   | 20,350              | 4,100              |
| <b>Total (B)</b>              | <b>10,29,91,496</b> | <b>7,16,53,341</b> |
| <b>Total (A+B)</b>            | <b>10,29,91,496</b> | <b>7,77,00,001</b> |

**28: PAYMENTS TO AUDITORS**

|                                       |                 |                 |
|---------------------------------------|-----------------|-----------------|
| <b>(a) To Company Auditors:</b>       |                 |                 |
| Statutory Audit Fees                  | 1,25,000        | 1,25,000        |
| Tax Audit Fees                        | -               | -               |
| <b>(b) As Advisers, in respect of</b> |                 |                 |
| -Other Services                       | 35,000          | 40,000          |
|                                       | <b>1,60,000</b> | <b>1,65,000</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                       | 60,000          | 58,500          |
|                                       | <b>1,60,000</b> | <b>1,58,500</b> |

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

|                                                                        |              |             |
|------------------------------------------------------------------------|--------------|-------------|
| Net Profit after tax available for Equity Share holders                | 13,30,95,479 | 8,03,32,710 |
| Weighted average of number of equity share outstanding during the year | 2,69,11,500  | 2,28,84,000 |
| Basic & Diluted Earnings per share( in Rs.)                            | 4.95         | 3.51        |
| Face value per equity share( in Rs.)                                   | 10           | 10          |

**The Company issued Bonus Equity Shares in F.Y. 2021-22 in the Ratio of 2:1. EPS in previous financial year was stated at Rs. 10.53 which is restated at Rs. 3.51.**

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

| <b>Foreign Exchange Earning(FOB Value)</b> |              |              |
|--------------------------------------------|--------------|--------------|
| Export                                     | 20,97,23,822 | 20,57,48,447 |
| <b>Foreign Exchange Expenditure</b>        |              |              |
|                                            | -            | -            |

**31: RELATED PARTY DISCLOSURES**

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

**(1)List of related parties and relationships :**

| <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                |

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<br/>31.03.2022</b> | <b>Previous year<br/>31.03.2021</b> |
|-------------------------------------|------------------------------------|-------------------------------------|
| Remuneration                        | 62,34,432                          | 47,86,868                           |
| Rent                                | 34,33,920                          | 34,33,920                           |
| Outstanding Payable at the year end | 3,97,901                           | 3,99,726                            |
| <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                                   |

**2. Related concern of Key Management Personnel**

|                                                   |              |              |
|---------------------------------------------------|--------------|--------------|
| Sale of Finished Goods                            | 1,00,75,084  | 23,35,609    |
| Debit Balance Outstanding at the end of the year  | 14,00,00,000 | 13,74,20,177 |
| Purchase of Finished Goods(Fabric)                | 48,64,21,336 | 34,67,80,888 |
| Credit Balance Outstanding at the end of the year | 0            | 0            |

**3. Associate Company**

|                             |          |          |
|-----------------------------|----------|----------|
| <b>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>           | <b>0</b> | <b>0</b> |

**32: REMUNERATION PAID TO DIRECTORS**

|              |           |           |
|--------------|-----------|-----------|
| Remuneration | 57,00,000 | 42,75,000 |
|--------------|-----------|-----------|

**32.1: EXPENSES UNDER CSR**

|                                                     |           |   |
|-----------------------------------------------------|-----------|---|
| Amount payable under companies CSR policy           | 10,46,551 | 0 |
| Actual amount Paid under CSR Policy during the year | 10,50,000 | 0 |

**33: CONTINGENT LIABILITIES AND COMMITMENTS**

|                                                     | Year Ended<br>31.03.2022 | Year Ended<br>31.03.2021 |
|-----------------------------------------------------|--------------------------|--------------------------|
| Claims against the Company not acknowledge as debts | NIL                      | NIL                      |
| Disputed Income Tax Liability Pending in Appeals    | 4329080.00               | 0.00                     |

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

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

**35: 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<br>& Plastic Material |                                | Cosmetics                     |                                | Unallocable                   |                                | Total                         |                                |
|-------------------------------------------------|-----------------------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
|                                                 | Current<br>Year<br>31.03.2022                 | Previous<br>Year<br>31.03.2021 | Current<br>Year<br>31.03.2022 | Previous<br>Year<br>31.03.2021 | Current<br>Year<br>31.03.2022 | Previous<br>Year<br>31.03.2021 | Current<br>Year<br>31.03.2022 | Previous<br>Year<br>31.03.2021 |
| Revenue                                         | 2207.25                                       | 2431.66                        | 5215.27                       | 3400.72                        | 2.40                          | 2.40                           | 7424.92                       | 5834.78                        |
| Profit before tax                               | 24.92                                         | 79.79                          | 1756.26                       | 999.01                         | 8.79                          | 2.40                           | 1789.97                       | 1081.21                        |
| Less :                                          |                                               |                                |                               |                                |                               |                                |                               |                                |
| MAT Credit                                      | 0.00                                          | 0.00                           | 0.00                          | 0.00                           | 0.00                          | 0.00                           | 0.00                          | 0.00                           |
| Deferred tax liability<br>Created/(Reverse)     | 0.18                                          | (3.27)                         | 0.00                          | (2.39)                         | 0.00                          | (0.01)                         | 0.18                          | (5.67)                         |
| Income Tax                                      | 6.41                                          | 24.10                          | 451.81                        | 260.16                         | 0.61                          | 0.62                           | 458.83                        | 284.88                         |
| INCOME TAX FOR<br>EARLIER YEARS                 | 0.00                                          | 0.00                           | 0.00                          | 0.00                           | 0.00                          | 0.00                           | 0.00                          | 0.00                           |
| Profit After<br>Tax                             | 18.33                                         | 58.96                          | 1304.45                       | 741.25                         | 8.18                          | 1.78                           | 1330.96                       | 801.99                         |
| Segment<br>Assets                               | 2148.34                                       | 1861.26                        | 3426.57                       | 2487.21                        | 379.24                        | 111.84                         | 5954.15                       | 4460.31                        |
| Segment<br>Liabilities                          | 449.74                                        | 341.40                         | 256.95                        | 82.73                          | 0.00                          | 119.68                         | 706.69                        | 543.80                         |
| Capital<br>Expenditure                          | 0.00                                          | 0.53                           | 57.49                         | 10.82                          | 0.00                          | 0.00                           | 57.49                         | 11.36                          |
| Non Cash<br>Expenses other than<br>Depreciation | 2.25                                          | 60.34                          | 0.00                          | 0.00                           | 0.00                          | 0.00                           | 2.25                          | 60.34                          |
| Depreciation                                    | 22.81                                         | 99.68                          | 5.88                          | 0.77                           | 0.00                          | 0.00                           | 28.69                         | 100.45                         |

(v) Information about secondary business segment :-

|          | <b>Current Year</b> | <b>Previous Year</b> |
|----------|---------------------|----------------------|
| Domestic | 5215.26             | 3691.48              |
| Export   | 2103.01             | 2063.55              |
|          | <b>7318.27</b>      | <b>5755.03</b>       |

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 May, 2022

UDIN: 22412963AJVRPS8452



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022**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 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared under the historical cost convention on accrual and going concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

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

**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 associate company.

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

**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.

The estimated useful lives for main categories of property, plant and equipment are:

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

**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.

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

| Major Class of Asset | Estimated Useful Life |
|----------------------|-----------------------|
| Computer Software    | 6 years               |

**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 XIV to the Companies Act, 1956 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 valued using FIFO method. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the FIFO method. Cost of stores and spare parts is also determined using FIFO method.

## 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 include excise duty but 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 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.

## 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               |

## 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.           | 31.03.2022                           | 1                                                                          | 48.98%              | Holding Exceeds 20%                                  | NA                                                           | 379.24                                                                       | 6.39                           | 6.65                                |

## INDEPENDENT AUDITORS' REPORT

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

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

#### Opinion

We have audited the standalone financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of Cash Flow for the year then ended, and notes to the financial statements, including 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and profit and other 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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.

#### Key Audit Matters

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

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

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

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

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

consider whether the other information is materially inconsistent with the 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 the Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('The Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud and error.

In preparing the 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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. 2426.57 lacs, total revenue of Rs. 5215.27 lacs and net profit before tax of Rs.1830.55 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, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
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 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, 2022 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, 2022 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- iv. (a). The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c). Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year

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

**Place: Jaipur**  
**Dated: 30<sup>th</sup> May, 2022**

**(Rishabh Agrawal)**  
**Partner**  
**M. No. 412963**  
**UDIN : 22412963AJVRMZ9104**

**Annexure A to the Independent Auditor's Report on the financial statements of M.K. EXIM (INDIA) LIMITED for the year ended on 31<sup>ST</sup> March, 2022**

With reference to Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory requirements of the independent Auditor's Report of even date to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

**1. Property, Plant and Equipments**

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

**2. Inventory**

- The inventory excluding stocks with third parties has been physically verified during the year at reasonable intervals by the management. The procedure of physical verification of inventories followed by the management is adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification. No discrepancy were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not sanctioned working capital limits in excess of Rs. five crores.

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

- According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of clauses ii (a), (b) and (c) of the order are not applicable to the Company.

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

During the year the Company has not provided any loans,

guarantees, advances and securities to the director of the Company and the company is compliant to the provisions of section 185 and 186 of the Companies Act, 2013.

**5. Deposits**

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

**6. Maintenance of Costing Records**

According to the information and explanation given to us by the management, 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. Deposit of Statutory Liabilities:**

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

- 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.
- 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, 2022 which have not been deposited on account of any dispute except as under:-

| S No. | Dues Under           | Nature and amount of Demand                                                        | Authority before whom dispute is pending | Amount deposited against demand |
|-------|----------------------|------------------------------------------------------------------------------------|------------------------------------------|---------------------------------|
| 1     | Income Tax Act, 1961 | Demand of Rs. 43,29,800/- u/s 143(1) of the Income Tax Act, 1961 for A.Y. 2020-21. | CIT (AP-PEALS)                           | 8,66,000/-                      |

The management is of the opinion that case would be decided in favour of the Company hence there is no need to set aside any provision for the above disputed demand.

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

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

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

- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to banks or financial institutions or any



other lender during the year.

- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no terms loans were obtained by the Company during the year. Accordingly, clause 3(ix)(c) is not applicable.
- d. According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures of the Company.
- f. According to the information and explanations given to us and on the basis of procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies (as defined under the act).

#### 10. Funds Raised and Utilisation

- a. The Company has not raised any moneys by way of Initial Public Offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

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

According to the information and explanation given to us, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the course of the audit.

#### 12. Nidhi Company

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

#### 13. Related Party Transactions

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

#### 14. Internal Audit

The Company does have an internal audit system

commensurate with the size and nature of its business. Reports of the internal auditors for the period under audit were considered by us.

#### 15. Non-Cash Transactions

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

#### 16. Registration under RBI Act

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

#### 17. Cash Losses

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

#### 18. Resignation of Statutory Auditors

There has been no instance of any resignation of the statutory auditors during the year.

#### 19. Material Uncertainty on meeting liabilities

On the basis of the financial conditions of the company examined by us, no material uncertainty exists on the date of audit report on the capability of the company in meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

#### 20. Amount unspent under the Scheme of Corporate Social Responsibility

In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

#### 21. Qualifications or adverse auditor remarks in other group companies

As per the audit reports of the associate companies provided to us, there is no qualification or adverse remark in the audit report issued by the auditor of the associate company included in the consolidated financial statements.

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

Place: Jaipur  
Dated: 30<sup>th</sup> May, 2022

(Rishabh Agrawal)  
Partner

M. No. 412963  
UDIN : 22412963AJVRMZ9104

**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, 2022**

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

1. We have audited the internal financial controls over financial reporting of M.K. Exim (India) Limited ("the Company") as of 31<sup>st</sup> March, 2022 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 Companies Act, 2013.

**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 issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
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
- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - 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
  - 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, 2022, 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)**

**Place: Jaipur  
Dated: 30<sup>th</sup> May, 2022**

**(Rishabh Agrawal)  
Partner**

**M. No. 412963  
UDIN : 22412963AJVRMZ9104**

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

| PARTICULARS                                                                               | NOTES   | AS AT 31ST<br>MARCH, 2022 | AS AT 31ST<br>MARCH, 2021 |
|-------------------------------------------------------------------------------------------|---------|---------------------------|---------------------------|
| <b>ASSETS</b>                                                                             |         |                           |                           |
| <b>NON-CURRENT ASSETS</b>                                                                 |         |                           |                           |
| PROPERTY, PLANT AND EQUIPMENTS                                                            | 1       | 5,45,63,111               | 1,68,25,120               |
| INTANGIBLE ASSETS                                                                         | 2       | 1,76,168                  | 1,28,250                  |
| FINANCIAL ASSETS                                                                          |         |                           |                           |
| INVESTMENTS                                                                               | 3       | 1,11,83,847               | 1,11,83,847               |
| DEFERRED TAX ASSETS (NET)                                                                 | 13      | 5,26,063                  | 5,44,546                  |
| OTHER NON-CURRENT ASSETS                                                                  | 4       | 4,44,055                  | 4,42,555                  |
| <b>TOTAL NON-CURRENT ASSETS</b>                                                           |         | <b>6,68,93,244</b>        | <b>2,91,24,318</b>        |
| <b>CURRENT ASSETS</b>                                                                     |         |                           |                           |
| INVENTORIES                                                                               | 5       | 12,94,84,455              | 6,97,01,019               |
| FINANCIAL ASSETS                                                                          |         |                           |                           |
| TRADE RECEIVABLES                                                                         | 6       | 13,72,98,916              | 10,45,97,081              |
| CASH AND CASH EQUIVALENTS                                                                 | 7       | 7,71,11,291               | 6,87,46,400               |
| LOANS AND ADVANCES                                                                        | 8       | 14,13,74,162              | 13,86,01,364              |
| OTHER CURRENT ASSETS                                                                      | 9       | 1,65,12,756               | 97,04,217                 |
| <b>TOTAL CURRENT ASSETS</b>                                                               |         | <b>50,17,81,580</b>       | <b>39,13,50,082</b>       |
| <b>TOTAL ASSETS</b>                                                                       |         | <b>56,86,74,824</b>       | <b>42,04,74,400</b>       |
| <b>EQUITY AND LIABILITIES</b>                                                             |         |                           |                           |
| <b>EQUITY</b>                                                                             |         |                           |                           |
| EQUITY SHARE CAPITAL                                                                      | 10      | 26,91,15,000              | 8,97,05,000               |
| OTHER EQUITY                                                                              | 11      | 22,88,91,063              | 27,58,44,519              |
| <b>TOTAL EQUITY</b>                                                                       |         | <b>49,80,06,063</b>       | <b>36,55,49,519</b>       |
| <b>LIABILITIES</b>                                                                        |         |                           |                           |
| <b>NON-CURRENT LIABILITIES</b>                                                            |         |                           |                           |
| FINANCIAL LIABILITIES                                                                     |         |                           |                           |
| BORROWINGS                                                                                | 12      | 7,07,784                  | -                         |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                                      |         | <b>7,07,784</b>           | <b>-</b>                  |
| <b>CURRENT LIABILITIES</b>                                                                |         |                           |                           |
| FINANCIAL LIABILITIES                                                                     |         |                           |                           |
| BORROWINGS                                                                                | 14      | 3,83,81,470               | 2,65,34,273               |
| TRADE PAYABLES                                                                            | 15      |                           |                           |
| TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES<br>AND SMALL ENTERPRISES                      |         | 30,26,418                 | 16,93,305                 |
| TOTAL OUTSTANDING DUES OF CREDITORS OTHER<br>THAN MICRO ENTERPRISES AND SMALL ENTERPRISES |         | 2,31,64,657               | 58,07,201                 |
| OTHER FINANCIAL LIABILITIES                                                               | 16      | 9,38,727                  | 22,21,194                 |
| PROVISIONS                                                                                | 17      | 2,65,483                  | 1,21,02,088               |
| OTHER CURRENT LIABILITIES                                                                 | 18      | 41,84,222                 | 65,66,820                 |
| <b>TOTAL CURRENT LIABILITIES</b>                                                          |         | <b>6,99,60,977</b>        | <b>5,49,24,881</b>        |
| <b>TOTAL LIABILITIES</b>                                                                  |         | <b>7,06,68,761</b>        | <b>5,49,24,881</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                       |         | <b>56,86,74,824</b>       | <b>42,04,74,400</b>       |
| SIGNIFICANT ACCOUNTING POLICIES                                                           |         |                           |                           |
| SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS                                        | 1 to 34 |                           |                           |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRMZ9104

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

| PARTICULARS                                                                                     | NOTES   | PERIOD ENDED<br>31.03.2022 | PERIOD ENDED<br>31.03.2021 |
|-------------------------------------------------------------------------------------------------|---------|----------------------------|----------------------------|
| REVENUE FROM OPERATIONS                                                                         | 19      | 73,18,27,156               | 54,64,79,052               |
| OTHER INCOME                                                                                    | 20      | 1,06,65,067                | 66,62,817                  |
| <b>TOTAL INCOME</b>                                                                             |         | <b>74,24,92,222</b>        | <b>55,31,41,869</b>        |
| <b>EXPENSES</b>                                                                                 |         |                            |                            |
| COST OF MATERIAL CONSUMED                                                                       | 21      | -                          | -                          |
| PURCHASE OF STOCK IN TRADE                                                                      | 22      | 49,11,25,738               | 35,88,98,327               |
| CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE                   | 23      | (5,64,82,866)              | (3,21,044)                 |
| EMPLOYEE BENEFITS EXPENSES                                                                      | 24      | 2,02,14,290                | 1,42,46,765                |
| FINANCE COST                                                                                    | 25      | 34,16,422                  | 24,62,466                  |
| DEPRECIATION AND AMORTISATION EXPENSES                                                          | 1-2     | 28,68,714                  | 23,63,596                  |
| OTHER EXPENSES                                                                                  | 26      | 10,29,91,496               | 6,66,52,230                |
| <b>TOTAL EXPENSES</b>                                                                           |         | <b>56,41,33,795</b>        | <b>44,43,02,339</b>        |
| <b>PROFIT BEFORE TAX</b>                                                                        |         | <b>17,83,58,427</b>        | <b>10,88,39,530</b>        |
| <b>TAX EXPENSES</b>                                                                             |         |                            |                            |
| CURRENT TAX                                                                                     |         | (4,58,83,400)              | (2,83,43,347)              |
| DEFERRED TAX                                                                                    |         | (18,483)                   | 2,60,778                   |
| <b>PROFIT FOR THE YEAR</b>                                                                      |         | <b>13,24,56,544</b>        | <b>8,07,56,961</b>         |
| <b>OTHER COMPREHENSIVE INCOME:-</b>                                                             |         |                            |                            |
| (i) ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS                         |         | -                          | -                          |
| (ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS |         | -                          | -                          |
| (iii) ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS                           |         | -                          | -                          |
| (iv) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO STATEMENT OF PROFIT AND LOSS     |         | -                          | -                          |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                                                  |         | <b>13,24,56,544</b>        | <b>8,07,56,961</b>         |
| <b>EARNINGS PER EQUITY SHARE OF FACE VALUE OF RS. 10 EACH</b>                                   |         |                            |                            |
| BASIC (RS.)                                                                                     |         | 4.92                       | 3.53                       |
| DILUTED (RS.)                                                                                   |         | 4.92                       | 3.53                       |
| SIGNIFICANT ACCOUNTING POLICIES<br>SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS           | 1 to 34 |                            |                            |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRMZ9104

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| CASH FLOW FROM OPERATIVE ACTIVITES (A)                                    | Year Ended<br>31.03.2022 | Year Ended<br>31.03.2021 |
|---------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Net Profit before tax</b>                                              | 178358427                | 108839530                |
| <b>Adjustments for:</b>                                                   |                          |                          |
| Depreciation                                                              | 2868714                  | 2363596                  |
| Interest Expenses                                                         | 2228730                  | 1266278                  |
| Gratuity                                                                  | 225154                   | (24811)                  |
| Unrealised Exchange Loss                                                  | (226165)                 | 6052730                  |
| <b>Operating Profit before working capital changes</b>                    | <b>183454859</b>         | <b>118497323</b>         |
| <b>Adjustment for:</b>                                                    |                          |                          |
| Increase/Decrease in Inventories                                          | (59783436)               | (321044)                 |
| Increase/Decrease Sundry Debtors                                          | (32475669)               | 80565485                 |
| Increase/Decrease in Loan and Advances                                    | (2772798)                | (98285783)               |
| Increase/Decrease in Other Current Assets                                 | (6808539)                | 2921241                  |
| Increase/Decrease in Current liabilities                                  | 2963746                  | (31231410)               |
| <b>Cash Generated From Operating activites</b>                            | <b>84578163</b>          | <b>72145811</b>          |
| Tax Paid                                                                  | (45883400)               | (28343347)               |
| <b>Net Cash Flow from Operating Activities</b>                            | <b>38694763</b>          | <b>43802464</b>          |
| <b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>                            |                          |                          |
| Purchases of Fixed Assets                                                 | (40654623)               | (1135716)                |
| Decrease/Increase in Investment/Other Non Current Assets                  | (1500)                   | 141000                   |
| <b>Net Cash used In Investing Activities</b>                              | <b>(40656123)</b>        | <b>(994716)</b>          |
| <b>CASH FLOW FROM FINANCING ACTIVITIES ( C )</b>                          |                          |                          |
| Increase/Decrease in Secured Loans                                        | 12554980                 | (5218260)                |
| Issue of Equity Share Capital                                             | 0                        | 35800000                 |
| Interest on Bank Loan                                                     | (2228730)                | (1266278)                |
| <b>Net Cash From Financing Activities</b>                                 | <b>10326251</b>          | <b>29315462</b>          |
| <b>Net Increase ( Decrease ) In cash &amp; Cash equivalents ( A+B+C )</b> | <b>8364890</b>           | <b>72123210</b>          |
| Opening cash and cash equivalents                                         | 68746400                 | (3376810)                |
| <b>Closing cash and cash equivalents</b>                                  | <b>77111291</b>          | <b>68746400</b>          |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRMZ9104

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

## A. EQUITY SHARE CAPITAL

| As at 31st March, 2022                                   |                                                            |                                                                   |                                                         |                                                    |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS | RESTATED BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DURING THE CURRENT YEAR | BALANCE AT THE END OF THE CURRENT REPORTING PERIOD |
| 89705000                                                 | -                                                          | 89705000                                                          | 179410000                                               | 269115000                                          |

| As at 31st March, 2021                                    |                                                            |                                                                    |                                                          |                                                     |
|-----------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------|
| BALANCE AT THE BEGINNING OF THE PREVIOUS REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DUE TO PRIOR PERIOD ERRORS | RESTATED BALANCE AT THE BEGINNING OF THE PREVIOUS REPORTING PERIOD | CHANGES IN EQUITY SHARE CAPITAL DURING THE PREVIOUS YEAR | BALANCE AT THE END OF THE PREVIOUS REPORTING PERIOD |
| 71805000                                                  | -                                                          | 71805000                                                           | 17900000                                                 | 89705000                                            |

## B. OTHER EQUITY

## As at 31st March, 2022

|                                                                               | RESERVE & SURPLUS |                    |                   |                     | TOTAL               |
|-------------------------------------------------------------------------------|-------------------|--------------------|-------------------|---------------------|---------------------|
|                                                                               | CAPITAL RESERVE   | SECURITY PREMIUM   | RETAINED EARNINGS | GENERAL RESERVE     |                     |
| BALANCE AT THE BEGINNING OF THE CURRENT REPORTING PERIOD i.e. 01 APRIL, 2021  | 15,58,713         | 7,13,82,300        | 20,29,03,506      | -                   | 27,58,44,519        |
| TRANSFERRED FROM RETAINED EARNINGS                                            | -                 | -                  | (33,00,00,000)    | 33,00,00,000        | -                   |
| ISSUE OF BONUS EQUITY SHARES                                                  | -                 | -                  | -                 | (17,94,10,000)      | (17,94,10,000)      |
| PROFIT/(LOSS) FOR THE YEAR                                                    | -                 | -                  | 13,24,56,544      | -                   | 13,24,56,544        |
| TRANSFER TO / (FROM) RETAINED EARNINGS                                        | (15,58,713)       | -                  | 15,58,713         | -                   | -                   |
| <b>BALANCE AT THE END OF THE CURRENT REPORTING PERIOD i.e. 31 MARCH, 2022</b> | <b>-</b>          | <b>7,13,82,300</b> | <b>69,18,763</b>  | <b>15,05,90,000</b> | <b>22,88,91,063</b> |

## As at 31st March, 2021

|                                                                                | RESERVE & SURPLUS |                    |                     |                 | TOTAL               |
|--------------------------------------------------------------------------------|-------------------|--------------------|---------------------|-----------------|---------------------|
|                                                                                | CAPITAL RESERVE   | SECURITY PREMIUM   | RETAINED EARNINGS   | GENERAL RESERVE |                     |
| BALANCE AT THE BEGINNING OF THE PREVIOUS 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         |
| PROFIT/(LOSS) FOR THE YEAR                                                     | -                 | -                  | 8,07,56,961         | -               | 8,07,56,961         |
| TRANSFER TO / (FROM) RETAINED EARNINGS                                         | -                 | -                  | -                   | -               | -                   |
| <b>BALANCE AT THE END OF THE PREVIOUS REPORTING PERIOD i.e. 31 MARCH, 2021</b> | <b>15,58,713</b>  | <b>7,13,82,300</b> | <b>20,29,03,506</b> | <b>-</b>        | <b>27,58,44,519</b> |

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 SecretaryPlace : Jaipur  
Date : 30th May, 2022  
UDIN: 22412963AJVRMZ9104

## 1 PROPERTY, PLANT &amp; EQUIPMENT

| SR. NO. | DESCRIPTION               | GROSS BLOCK - AT COST |                      |                    | DEPRECIATION       |            |                  |                    | NET BLOCK          |
|---------|---------------------------|-----------------------|----------------------|--------------------|--------------------|------------|------------------|--------------------|--------------------|
|         |                           | AS AT 01.04.2021      | ADDITION/ (DELETION) | AS ON 31.03.2022   | UP TO 31.03.2021   | ADJUSTMENT | FOR THE YEAR     | UPTO 31.03.2022    | AS ON 31.03.22     |
|         | <b>Tangible Assets</b>    |                       |                      |                    |                    |            |                  |                    |                    |
| 1       | LAND                      | 39,87,680             | 3,49,06,040          | 3,88,93,720        | 0                  | 0          | 0                | 0                  | 3,88,93,720        |
| 2       | BUILDING                  | 88,06,180             | 0                    | 88,06,180          | 70,99,358          | 0          | 1,39,138         | 72,38,496          | 15,67,684          |
| 3       | PLANT & MACHINERY         | 0                     | 0                    | 0                  | 0                  | 0          | 0                | 0                  | 0                  |
| 4       | FURNITURE & FIXTURES      | 18,00,768             | 22,266               | 18,23,034          | 9,89,326           | 0          | 71,695           | 10,61,021          | 7,62,013           |
| 5       | VEHICLES                  | 1,77,86,594           | 55,76,987            | 2,33,63,581        | 76,63,856          | 0          | 25,58,696        | 1,02,22,552        | 1,31,41,029        |
| 6       | COMPUTER                  | 1,68,043              | 42,415               | 2,10,458           | 79,235             | 0          | 61,454           | 1,40,689           | 69,769             |
| 7       | OFFICE EQUIPMENT          | 4,34,637              | 38,551               | 4,73,188           | 4,34,637           | 0          | 6,341            | 4,40,978           | 32,210             |
| 8       | LCD                       | 1,01,953              | 0                    | 1,01,953           | 6,744              | 0          | 9,640            | 16,384             | 85,569             |
| 9       | TIME ATTENDANCE BIOMETRIC | 14,150                | 0                    | 14,150             | 1,729              | 0          | 1,304            | 3,033              | 11,117             |
|         | <b>Total</b>              | <b>3,31,00,005</b>    | <b>4,05,86,259</b>   | <b>7,36,86,264</b> | <b>1,62,74,885</b> | <b>0</b>   | <b>28,48,268</b> | <b>1,91,23,153</b> | <b>5,45,63,111</b> |

| SR. NO. | PARTICULARS               | GROSS BLOCK - AT COST |                      |                    | 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          |
| 2       | BUILDING                  | 88,06,180             | 0                    | 88,06,180          | 69,60,220          | 0          | 1,39,138         | 70,99,358          | 17,06,822          |
| 3       | PLANT & MACHINERY         | 0                     | 0                    | 0                  | 0                  | 0          | 0                | 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          | 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             |
| 7       | OFFICE EQUIPMENT          | 4,34,637              | 0                    | 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 BIOMETRIC | 14,150                | 0                    | 14,150             | 425                | 0          | 1,304            | 1,729              | 12,421             |
|         | <b>TOTAL</b>              | <b>3,21,06,789</b>    | <b>9,93,216</b>      | <b>3,31,00,005</b> | <b>1,39,25,539</b> | <b>0</b>   | <b>23,49,346</b> | <b>1,62,74,885</b> | <b>1,68,25,120</b> |

## 2 INTANGIBLE ASSETS

| SR. NO. | DESCRIPTION       | GROSS BLOCK - AT COST |                      |                  | DEPRECIATION     |            |               |                 | NET BLOCK       |
|---------|-------------------|-----------------------|----------------------|------------------|------------------|------------|---------------|-----------------|-----------------|
|         |                   | AS AT 01.04.2021      | ADDITION/ (DELETION) | AS ON 31.03.2022 | UP TO 31.03.2021 | ADJUSTMENT | FOR THE YEAR  | UPTO 31.03.2022 | AS ON 31.03.22  |
| 1       | COMPUTER SOFTWARE | 1,42,500              | 68,364               | 2,10,864         | 14,250           | 0          | 20,446        | 34,696          | 1,76,168        |
|         | <b>TOTAL</b>      | <b>1,42,500</b>       | <b>68,364</b>        | <b>2,10,864</b>  | <b>14,250</b>    | <b>0</b>   | <b>20,446</b> | <b>34,696</b>   | <b>1,76,168</b> |

| SR. NO. | DESCRIPTION       | GROSS BLOCK - AT COST |                      |                  | 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  |
| 1       | COMPUTER SOFTWARE | 0                     | 1,42,500             | 1,42,500         | 0                | 0          | 14,250        | 14,250          | 1,28,250        |
|         | <b>TOTAL</b>      | <b>0</b>              | <b>1,42,500</b>      | <b>1,42,500</b>  | <b>0</b>         | <b>0</b>   | <b>14,250</b> | <b>14,250</b>   | <b>1,28,250</b> |

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------|------------------------|------------------------|
|-------------|------------------------|------------------------|

**3: NON CURRENT INVESTMENTS**

| <b>Other Investments (unquoted)( Non Trade) (measured at cost)</b> |                    |                    |
|--------------------------------------------------------------------|--------------------|--------------------|
| KOLBA FARM FAB PVT. LTD Associate Company                          | 1,11,83,847        | 1,11,83,847        |
| <b>TOTAL</b>                                                       | <b>1,11,83,847</b> | <b>1,11,83,847</b> |

**4: OTHER NON CURRENT ASSETS**

|                  |                 |                 |
|------------------|-----------------|-----------------|
| Security Deposit | 4,44,055        | 4,42,555        |
| <b>TOTAL</b>     | <b>4,44,055</b> | <b>4,42,555</b> |

**5: INVENTORIES**

|                |                     |                    |
|----------------|---------------------|--------------------|
| Raw Material   | 33,00,570           | -                  |
| Finished Goods | 12,61,83,885        | 6,97,01,019        |
| <b>TOTAL</b>   | <b>12,94,84,455</b> | <b>6,97,01,019</b> |

**6: TRADE RECEIVABLES**

|                             |                     |                     |
|-----------------------------|---------------------|---------------------|
| Considered Good - Unsecured | 13,72,98,916        | 10,45,97,081        |
| Credit Impaired             | 0                   | 0                   |
| <b>TOTAL</b>                | <b>13,72,98,916</b> | <b>10,45,97,081</b> |

**Ageing of Trade Receivables**

As on 31st March 2022

| Particulars                                  | Outstanding for following periods from invoice date |                   |                     |
|----------------------------------------------|-----------------------------------------------------|-------------------|---------------------|
|                                              | Less than 6 Months                                  | 6 Months - 1 year | Total               |
| <b>Unsecured</b>                             |                                                     |                   |                     |
| Undisputed Trade receivables considered good | 124317254                                           | 1,29,81,662       | 13,72,98,916        |
| <b>Total Debtors</b>                         | <b>124317254</b>                                    | <b>12981662</b>   | <b>13,72,98,916</b> |

**Ageing of Trade Receivables**

As on 31st March 2021

| Particulars                                  | Outstanding for following periods from invoice date |                   |                     |
|----------------------------------------------|-----------------------------------------------------|-------------------|---------------------|
|                                              | Less than 6 Months                                  | 6 Months - 1 year | Total               |
| <b>Unsecured</b>                             |                                                     |                   |                     |
| Undisputed Trade receivables considered good | 104597081                                           | -                 | 10,45,97,081        |
| <b>Total Debtors</b>                         | <b>104597081</b>                                    | <b>0</b>          | <b>10,45,97,081</b> |

**7: CASH & CASH EQUIVALENTS**

|                    |                    |                    |
|--------------------|--------------------|--------------------|
| Cash in Hand       | 6,60,650           | 2,95,842           |
| Balance with Banks | 7,64,50,641        | 6,84,50,559        |
| <b>TOTAL</b>       | <b>7,71,11,291</b> | <b>6,87,46,400</b> |

**8: LOANS & ADVANCES**

| <b>(Unsecured &amp; considered good)</b>    |                     |                     |
|---------------------------------------------|---------------------|---------------------|
| Trade Advances to Suppliers - Related party | 14,00,00,000        | 13,69,45,246        |
| Trade Advances to Suppliers - Others        | 8,25,000            | 12,80,658           |
| Advances to Employees                       | 5,49,162            | 3,75,460            |
| <b>TOTAL</b>                                | <b>14,13,74,162</b> | <b>13,86,01,364</b> |



**9: OTHER CURRENT ASSETS**

|                                  |                    |                  |
|----------------------------------|--------------------|------------------|
| Drawback receivable              | 5,74,440           | 6,79,892         |
| GST Refundable                   | 13,71,432          | 28,41,341        |
| Gratuity with LIC of India       | 19,26,067          | 17,37,195        |
| ITC Receivable                   | 76,78,275          | 33,52,828        |
| Income Tax Demand                | 8,66,000           | -                |
| Income Tax Refundable A.Y. 22-23 | 7,210              | -                |
| Other Advances                   | 14,24,334          | 4,04,674         |
| Prepaid Insurance                | 1,00,131           | 1,88,286         |
| Rent Security                    | 5,00,000           | 5,00,000         |
| RoDTEP Receivable                | 20,64,867          | -                |
| <b>TOTAL</b>                     | <b>1,65,12,756</b> | <b>97,04,217</b> |

**10: SHARE CAPITAL**

|                                                                                                                      |                        |                       |
|----------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| <b>Authorised Capital</b>                                                                                            |                        |                       |
| 30000000 (10000000) Equity Shares of Rs 10/- each                                                                    | 30,00,00,000.00        | 10,00,00,000.00       |
| <b>Issued ,Subscribed &amp; Paid up Capital</b>                                                                      |                        |                       |
| 26911500 (8970500) Equity Shares of Rs 10/- each fully paid up                                                       | 26,91,15,000.00        | 8,97,05,000.00        |
| The Company issued 1,79,41,000 Bonus Equity Shares of Rs. 10/- each in the ratio of 2:1 during the year under review |                        |                       |
|                                                                                                                      | <b>26,91,15,000.00</b> | <b>8,97,05,000.00</b> |

**10.1 MOVEMENT IN EQUITY SHARE CAPITAL**

| Particulars                                  | As at 31st March, 2022 |                     | As at 31st March, 2021 |                    |
|----------------------------------------------|------------------------|---------------------|------------------------|--------------------|
|                                              | No. of Shares          | Amount              | No. of Shares          | Amount             |
| Opening Balance                              | 89,70,500              | 8,97,05,000         | 71,80,500              | 7,18,05,000        |
| Issued - Bonus Equity Shares                 | 1,79,41,000            | 17,94,10,000        | -                      | -                  |
| Issued - Equity Shares on Preferential basis | -                      | -                   | 17,90,000              | 1,79,00,000        |
| <b>Closing Balance</b>                       | <b>2,69,11,500</b>     | <b>26,91,15,000</b> | <b>89,70,500</b>       | <b>8,97,05,000</b> |

**Terms and rights attached to equity shares**

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

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

| Particulars                | As at 31st March, 2022 |       | As at 31st March, 2021 |       |
|----------------------------|------------------------|-------|------------------------|-------|
|                            | No. of Shares          | %     | No. of Shares          | %     |
| Manish Dialani             | 7283220                | 27.06 | 24,27,740              | 27.06 |
| Murli Dialani              | 2515929                | 9.35  | 8,36,769               | 9.33  |
| Murlibhai Fatandas Sawlani | 1350000                | 5.02  | 4,50,000               | 5.02  |
| Vasudev Fatandas Sawlani   | 2130000                | 7.91  | 7,10,000               | 7.91  |

## 10.3 Details of shareholdings by the Promoter/Promoter Group

| Promoter/Promoter Group name | As at 31st March, 2022 |              | As at 31st March, 2021 |              | % Change During the Year |
|------------------------------|------------------------|--------------|------------------------|--------------|--------------------------|
|                              | No. of Shares          | %            | No. of Shares          | %            |                          |
| <b>Promoter :-</b>           |                        |              |                        |              |                          |
| Manish Dialani               | 7283220                | 27.06        | 24,27,740              | 27.06        | -                        |
| <b>Promoter Group :-</b>     |                        |              |                        |              |                          |
| Murli Dialani                | 2515929                | 9.35         | 8,36,769               | 9.33         | 0.02                     |
| Lajwanti M Dialani           | 967923                 | 3.60         | 3,22,641               | 3.60         | -                        |
| Reshma Dialani               | 509934                 | 1.89         | 1,69,978               | 1.89         | -                        |
| Pushpa Khanchandani          | 30                     | 0.00         | 10                     | 0.00         | -                        |
| <b>Total</b>                 | <b>11277036</b>        | <b>41.90</b> | <b>3757138</b>         | <b>41.88</b> | <b>0.02</b>              |

## 11: OTHER EQUITY

## 11.1 Statement of Retained Earnings

|                                        |                     |                     |
|----------------------------------------|---------------------|---------------------|
| Opening balance                        | 20,29,03,506        | 12,21,46,545        |
| Add: Net Profit for the year           | 13,24,56,544        | 8,07,56,961         |
| <b>Profit Before Appropriations</b>    | <b>33,53,60,050</b> | <b>20,29,03,506</b> |
| <b>Appropriations:-</b>                |                     |                     |
| Add: State Investment Subsidy          | 15,58,713           | -                   |
| Less: Transferred to General Reserve   | (33,00,00,000)      | -                   |
| <b>Profit after Appropriations</b>     | <b>69,18,763</b>    | <b>20,29,03,506</b> |
| <b>11.2 General Reserve:-</b>          |                     |                     |
| Opening Balance                        | -                   | -                   |
| Add: Transferred from Reserves         | 33,00,00,000        | -                   |
| Less: Issue of Bonus Shares            | (17,94,10,000)      | -                   |
| <b>Closing Balance</b>                 | <b>15,05,90,000</b> | -                   |
| <b>11.3 Securities Premium Reserve</b> | <b>7,13,82,300</b>  | <b>7,13,82,300</b>  |
| <b>11.4 State Investment Subsidy</b>   | <b>-</b>            | <b>15,58,713</b>    |
| <b>TOTAL</b>                           | <b>22,88,91,063</b> | <b>27,58,44,519</b> |

## 12: BORROWINGS (NON CURRENT)

|                                                                      |                 |          |
|----------------------------------------------------------------------|-----------------|----------|
| Secured Term loan from Indian Bank (secured by hypothecation of car) | 7,07,784        | -        |
| <b>TOTAL</b>                                                         | <b>7,07,784</b> | <b>-</b> |

## 13: DEFERRED TAX ASSET (NET)

|                                                 |                 |                 |
|-------------------------------------------------|-----------------|-----------------|
| Timing Difference - Property, Plant & Equipment | 5,17,010        | 5,44,546        |
| Others                                          | 9,053           | -               |
| <b>TOTAL</b>                                    | <b>5,26,063</b> | <b>5,44,546</b> |

## 14: BORROWINGS - CURRENT

|                                                                                                                                                                                                                                      |                    |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Bill Discounting                                                                                                                                                                                                                     | 3,83,81,470        | 2,65,34,273        |
| (From State Bank of India - primary security by hypothecation of stock & receivables and collateral security of immovable property at G-1/150, Garment Zone, Sitapura, Tonk Road, Jaipur being the registered office of the Company. |                    |                    |
| <b>TOTAL</b>                                                                                                                                                                                                                         | <b>3,83,81,470</b> | <b>2,65,34,273</b> |

**15: TRADE PAYABLES**

|                                                                                            |                    |                  |
|--------------------------------------------------------------------------------------------|--------------------|------------------|
| (a) Total outstanding dues of micro enterprises and small enterprises                      | 30,26,418          | 16,93,305        |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,25,82,130        | 58,07,201        |
| (c) Employee benefits payable                                                              | 5,82,527           | -                |
| <b>TOTAL</b>                                                                               | <b>2,61,91,076</b> | <b>75,00,506</b> |

| Ageing of Trade Payables | As on 31st March 2022 |                  |          |          |                    |
|--------------------------|-----------------------|------------------|----------|----------|--------------------|
|                          | Particulars           | Less than 1 Year | 1-2 Year | 2-3 Year | Total              |
| <b>Undisputed</b>        |                       |                  |          |          |                    |
| MSME                     | 30,26,418             | -                | -        | -        | 30,26,418          |
| Others                   | 2,31,39,009           | 25,649           | -        | -        | 2,31,64,657        |
| <b>Total Creditors</b>   | <b>2,61,65,427</b>    | <b>25,649</b>    | <b>-</b> | <b>-</b> | <b>2,61,91,076</b> |
| Ageing of Trade Payables | As on 31st March 2021 |                  |          |          |                    |
|                          | Particulars           | Less than 1 Year | 1-2 Year | 2-3 Year | Total              |
| <b>Undisputed</b>        |                       |                  |          |          |                    |
| MSME                     | 11,88,601             | -                | -        | -        | 11,88,601          |
| Others                   | 63,11,905             | -                | -        | -        | 63,11,905          |
| <b>Total Creditors</b>   | <b>7500506</b>        | <b>0</b>         | <b>0</b> | <b>0</b> | <b>7500506</b>     |

Note: Ageing has been considered from the date of transaction

**16: OTHER FINANCIAL LIABILITIES (CURRENT)**

|                                      |                 |                  |
|--------------------------------------|-----------------|------------------|
| Current Maturities of Long Term Debt | 5,28,512        | 18,10,979        |
| Unpaid Dividend                      | 2,00,215        | 2,00,215         |
| Building Rent Security               | 2,10,000        | 2,10,000         |
| <b>TOTAL</b>                         | <b>9,38,727</b> | <b>22,21,194</b> |

**17: PROVISIONS - CURRENT**

|                          |                 |                    |
|--------------------------|-----------------|--------------------|
| Provision for Income tax | 4,58,83,400     | 2,83,43,347        |
| Less :Advance tax & TDS  | (4,56,17,917)   | (1,62,41,259)      |
| <b>TOTAL</b>             | <b>2,65,483</b> | <b>1,21,02,088</b> |

**18: OTHER CURRENT LIABILITIES**

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| <b>18.1 Advance from Customers</b> | 7,07,262         | 3,10,914         |
| <b>18.2 Statutory Dues</b>         |                  |                  |
| PF & ESI Payable                   | 1,34,186         | 1,19,489         |
| Gratuity Provision                 | 19,62,039        | 17,36,885        |
| RCM Payable                        | 1,736            | 15,545           |
| GST Payable                        | -                | 37,62,049        |
| Professional Tax Payable           | 3,800            | 3,975            |
| TCS Payable                        | 28,965           | 36,952           |
| TDS Payable                        | 13,46,234        | 4,69,572         |
| <b>18.3 Other Payables</b>         |                  |                  |
| Credit Card                        | -                | 1,11,438         |
| <b>TOTAL</b>                       | <b>41,84,222</b> | <b>65,66,820</b> |

**19: REVENUE FROM OPERATIONS**

|                                                 |                     |                     |
|-------------------------------------------------|---------------------|---------------------|
| Domestic Sales - Cosmetics & Hair Care Products | 52,15,25,991        | 34,01,23,930        |
| Export Sales - Fabrics                          | 21,03,01,165        | 20,63,55,123        |
| <b>TOTAL</b>                                    | <b>73,18,27,156</b> | <b>54,64,79,052</b> |

**20: OTHER INCOME**

|                                   |                    |                  |
|-----------------------------------|--------------------|------------------|
| Bank Charges                      | -                  | 127              |
| Discount                          | 1,045              | 37,793           |
| Duty Drawback                     | 43,97,074          | 42,82,723        |
| Exchange Rate Difference          | 39,54,871          | 19,06,630        |
| Other Income                      | 509                | -                |
| Interest on Gratuity Fund         | -                  | 309              |
| Income Tax Excess Provision W/Off | 6,701              | 71,530           |
| Rent                              | 2,40,000           | 2,40,000         |
| RoDTEP                            | 20,64,867          | -                |
| Sundry Balances W/Off             | -                  | 1,23,705         |
| <b>TOTAL</b>                      | <b>1,06,65,067</b> | <b>66,62,817</b> |

**21: COST OF MATERIALS CONSUMED**

|                     |           |          |
|---------------------|-----------|----------|
| Opening Stock       | -         | -        |
| Add: Purchases      | 33,00,570 | -        |
| Less: Closing Stock | 33,00,570 | -        |
| <b>TOTAL</b>        | <b>-</b>  | <b>-</b> |

**22: PURCHASE OF TRADING GOODS**

|                               |                     |                     |
|-------------------------------|---------------------|---------------------|
| Purchase of Fabric            | 20,81,87,771        | 17,30,82,760        |
| Purchase of Goods(For NGO)    | 9,37,000            | 32,80,000           |
| Purchase of Goods (Cosmetics) | 28,20,00,967        | 18,25,35,567        |
| <b>TOTAL</b>                  | <b>49,11,25,738</b> | <b>35,88,98,327</b> |

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

|                                       |                      |                   |
|---------------------------------------|----------------------|-------------------|
| Closing Stock of Finished Goods       | 12,61,83,885         | 6,97,01,019       |
| Less:Opening Stock of Finished Goods  | 6,97,01,019          | 6,93,79,975       |
| (Increase)/Decrease in Finished Goods | (5,64,82,866)        | (3,21,044)        |
| <b>TOTAL</b>                          | <b>(5,64,82,866)</b> | <b>(3,21,044)</b> |

**24: EMPLOYEE BENEFITS EXPENSES**

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| Salary Expenses                   | 1,84,02,077        | 1,27,22,821        |
| Staff Welfare Expenses            | 5,72,721           | 4,95,405           |
| Bonus Expenses                    | 1,96,092           | -                  |
| Provident Fund & ESI Contribution | 7,53,004           | 9,67,290           |
| Gratuity                          | 2,25,154           | (24,811)           |
| Professional Tax                  | -                  | 43,325             |
| Festival Expenses                 | 65,242             | 42,735             |
| <b>TOTAL</b>                      | <b>2,02,14,290</b> | <b>1,42,46,765</b> |

**25: FINANCE COST**

|                   |                  |                  |
|-------------------|------------------|------------------|
| Interest Expenses | 22,28,730        | 12,66,278        |
| Bank Charges      | 11,87,693        | 11,96,188        |
| <b>TOTAL</b>      | <b>34,16,422</b> | <b>24,62,466</b> |

**26: OTHER EXPENSES**

|                               |                     |                    |
|-------------------------------|---------------------|--------------------|
| Advertisement Expenses        | 59,50,696           | 23,70,086          |
| Auditors' Remuneration        | 2,80,000            | 2,55,000           |
| Brokerage                     | -                   | 30,68,504          |
| Commission Exp.               | 1,89,61,320         | 2,06,71,647        |
| Consultancy Charges           | -                   | 3,25,000           |
| Conveyance Charges            | 22,85,043           | 15,96,001          |
| Council Charges               | 23,173              | 21,867             |
| CSR Expenses                  | 10,50,000           | -                  |
| Demand & Penalties            | -                   | 4,13,880           |
| Director Remuneration         | 57,00,000           | 42,75,000          |
| Directors Sitting Fee         | 1,09,500            | 67,500             |
| Discount                      | 4,79,349            | 30,998             |
| Donation                      | 25,000              | -                  |
| Electric & Water Expenses     | 4,19,371            | 1,92,798           |
| Freight Charges               | 69,27,856           | 73,49,621          |
| Insurance Charges             | 28,55,194           | 14,53,095          |
| Interest                      | 49,592              | 66,389             |
| Interest & Late Fee Expenses  | 11,605              | -                  |
| Legal & Professional Charges  | 1,66,18,851         | 81,14,800          |
| Maintenance Expenses          | 57,42,032           | -                  |
| MCA Filing Fee                | 19,20,400           | -                  |
| Office Expenses               | 5,26,497            | 4,32,599           |
| Others Expenses               | 55,015              | -                  |
| Packing Exp.                  | 3,54,163            | 5,54,696           |
| Postage Expenses              | 25,04,674           | 2,78,578           |
| Printing & Stationery         | 32,99,683           | 9,19,080           |
| Registration & Annual Charges | 7,79,957            | 7,20,900           |
| Rent                          | 1,20,73,920         | 35,03,920          |
| Repairs to Others             | 2,52,880            | 4,10,824           |
| Repairs to Building           | -                   | 12,59,557          |
| Round Off Exp.                | 2,625               | 890                |
| Sales Promotion Expenses      | 61,16,409           | 41,62,073          |
| Software                      | 92,472              | 4,52,309           |
| Sundry Balances W/off         | -                   | 6,128              |
| Telephone Expenses            | 3,53,249            | 1,63,728           |
| Testing Charges               | 3,250               | -                  |
| Training Charges              | -                   | 10,78,945          |
| Travelling Expenses           | 68,57,250           | 22,64,797          |
| Vehicle Expenses              | 2,90,119            | 1,66,920           |
| Website & Internet Expenses   | 20,350              | 4,100              |
| <b>TOTAL</b>                  | <b>10,29,91,496</b> | <b>6,66,52,230</b> |

**27: PAYMENTS TO AUDITORS**

|                                    |                 |                 |
|------------------------------------|-----------------|-----------------|
| <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                    | 35,000          | 40,000          |
|                                    | <u>1,60,000</u> | <u>1,65,000</u> |
| <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                    | 60,000          | 58,500          |
|                                    | <u>1,60,000</u> | <u>1,58,500</u> |

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

|                                                                                                                                                                                 |              |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|
| Net Profit after tax available for Equity Share holders                                                                                                                         | 13,24,56,544 | 8,07,56,961 |
| Weighted average of number of equity share outstanding during the year                                                                                                          | 2,69,11,500  | 2,28,84,000 |
| Basic & Diluted Earnings per share( in Rs.)                                                                                                                                     | 4.92         | 3.53        |
| Face value per equity share( in Rs.)                                                                                                                                            | 10           | 10          |
| <b><u>The Company issued Bonus Equity Shares in F.Y. 2021-22 in the Ratio of 2:1. EPS in previous financial year was stated at Rs. 10.59 which is restated at Rs. 3.53.</u></b> |              |             |

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

|                                            |              |              |
|--------------------------------------------|--------------|--------------|
| <b>Foreign Exchange Earning(FOB Value)</b> |              |              |
| Export                                     | 20,97,23,822 | 20,57,48,447 |
| <b>Foreign Exchange Expenditure</b>        |              |              |
|                                            | -            | -            |

**30: RELATED PARTY DISCLOSURES**

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

**(1) List of related parties and relationships :**

| S.NO. | NAME OF RELATED PARTY                   | RELATIONSHIP                   |
|-------|-----------------------------------------|--------------------------------|
| 1.    | Mr. Manish Murlidhar Dialani            | Key Management Personnel (KMP) |
| 2.    | Mr. 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.    | Kolba Farm Fab Pvt. Ltd.                | Associated Company             |
| 7.    | Manish Overseas                         | Related concern of KMP         |
| 8.    | Laaj International                      | Related concern of KMP         |
| 9.    | Reshma Dialani                          | Relative of KMP                |

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

| <b>1.Key Management Personnel</b>   | <b>Current year</b><br>31.03.2022 | <b>Previous year</b><br>31.03.2021 |
|-------------------------------------|-----------------------------------|------------------------------------|
| Remuneration                        | 62,34,432                         | 47,86,868                          |
| Rent                                | 34,33,920                         | 34,33,920                          |
| Outstanding Payable at the year end | 3,97,901                          | 3,99,726                           |
| <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                                | 1,00,75,084  | 23,35,609    |
| Debit Balance Outstanding at the end of the year      | 14,00,00,000 | 13,74,20,177 |
| Purchase of Finished Goods                            | 48,64,21,336 | 34,67,80,888 |
| Credit Balance Outstanding at the end of the year     | 0            | 0            |
| <b>3. Associate Company</b>                           |              |              |
| <b>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>                                     | <b>0</b>     | <b>0</b>     |

### 31: REMUNERATION PAID TO DIRECTORS

|              |           |           |
|--------------|-----------|-----------|
| Remuneration | 57,00,000 | 42,75,000 |
|--------------|-----------|-----------|

### 31.1: EXPENSES UNDER CSR

|                                                     |           |   |
|-----------------------------------------------------|-----------|---|
| Amount payable under companies CSR policy           | 10,46,551 | 0 |
| Actual amount Paid under CSR Policy during the year | 10,50,000 | 0 |

### 32: CONTINGENT LIABILITIES AND COMMITMENTS

|                                                     | <b>Year Ended</b><br>31.03.2022 | <b>Year Ended</b><br>31.03.2021 |
|-----------------------------------------------------|---------------------------------|---------------------------------|
| Claims against the Company not acknowledge as debts | NIL                             | NIL                             |
| Disputed Income Tax Liability Pending in Appeals    | 4329080.00                      | 0.00                            |

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

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

**34: SEGMENT REPORTING**

(i) Segments have been identified in line with the Indian Accounting Standard-108- "Operating Segment" issued by the Institute of Chartered Accountants of India.

(ii) The Business Segment has been considered as the primary segment for disclosure. The segments have been identified taking into account the nature of products, the different risks and returns and internal reporting system. The Geographical Segment based on location of its customers have been considered as secondary segment for disclosure.

(iii) The segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

(iv) Information about primary business segments :-

(Rs. In lakhs)

|                                                 | Finish Fabrics, Garments & Plastic Material |                             | Cosmetics & Hair Care      |                             | Unallocable                |                             | Total                      |                             |
|-------------------------------------------------|---------------------------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|
|                                                 | Current Year<br>31.03.2022                  | Previous Year<br>31.03.2021 | Current Year<br>31.03.2022 | Previous Year<br>31.03.2021 | Current Year<br>31.03.2022 | Previous Year<br>31.03.2021 | Current Year<br>31.03.2022 | Previous Year<br>31.03.2021 |
| Revenue                                         | 2207.25                                     | 2128.30                     | 5215.27                    | 3400.72                     | 2.40                       | 2.40                        | 7424.92                    | 5531.42                     |
| Profit before tax                               | 24.92                                       | 86.98                       | 1756.26                    | 999.01                      | 2.40                       | 2.40                        | 1783.58                    | 1088.40                     |
| Less :                                          |                                             |                             |                            |                             |                            |                             |                            |                             |
| MAT Credit                                      | 0.00                                        | 0.00                        | 0.00                       | 0.00                        | 0.00                       | 0.00                        | 0.00                       | 0.00                        |
| Deferred tax liability<br>Created/(Reverse)     | 0.18                                        | (0.21)                      | 0.00                       | (2.39)                      | 0.00                       | (0.01)                      | 0.18                       | (2.61)                      |
| Income Tax                                      | 6.41                                        | 22.65                       | 451.81                     | 260.16                      | 0.61                       | 0.62                        | 458.83                     | 283.43                      |
| INCOME TAX FOR<br>EARLIER YEARS                 | 0.00                                        | 0.00                        | 0.00                       | 0.00                        | 0.00                       | 0.00                        | 0.00                       | 0.00                        |
| Profit After<br>Tax                             | 18.33                                       | 64.54                       | 1304.45                    | 741.25                      | 1.79                       | 1.78                        | 1324.57                    | 807.57                      |
| Segment<br>Assets                               | 2148.34                                     | 1600.25                     | 3426.57                    | 2487.21                     | 111.84                     | 111.84                      | 5686.75                    | 4199.30                     |
| Segment<br>Liabilities                          | 449.74                                      | 341.40                      | 256.95                     | 82.73                       | 0.00                       | 119.68                      | 706.69                     | 543.80                      |
| Capital<br>Expenditure                          | 0.00                                        | 0.53                        | 57.49                      | 10.82                       | 0.00                       | 0.00                        | 57.49                      | 11.36                       |
| Non Cash<br>Expenses other than<br>Depreciation | 2.25                                        | 60.34                       | 0.00                       | 0.00                        | 0.00                       | 0.00                        | 2.25                       | 60.34                       |
| Depreciation                                    | 22.81                                       | 22.86                       | 5.88                       | 0.77                        | 0.00                       | 0.00                        | 28.69                      | 23.64                       |

(v) Information about secondary business segment :-

|          | Current Year   | Previous Year  |
|----------|----------------|----------------|
| Domestic | 5215.26        | 3401.24        |
| Export   | 2103.01        | 2063.55        |
|          | <b>7318.27</b> | <b>5464.79</b> |

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 May, 2022  
UDIN: 22412963AJVRMZ9104



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022**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 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared under the historical cost convention on accrual and going concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

The Company's 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. Property, plant and equipment:**

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

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

The estimated useful lives for main categories of property, plant and equipment are:

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

**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.

The estimated useful lives for main categories of intangible

assets are:

| Major Class of Asset | Estimated Useful Life |
|----------------------|-----------------------|
| Computer Software    | 6 years               |

**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 XIV to the Companies Act, 1956 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 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.

**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 valued using FIFO method. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the FIFO method. Cost of stores and spare parts is also determined using FIFO method.

#### 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 include excise duty but 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.

#### 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.