

**NOTICE**

Notice is hereby given that 22<sup>nd</sup> Annual General Meeting of **M. K. Exim (India) Limited** will be held on (Monday) 29<sup>th</sup> September, 2014 at 10.00 a.m. at the Registered Office of the Company to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive and adopt the balance sheet as at 31<sup>st</sup> March, 2014 and the Statement profit & loss for the year ended on that date and the report of the directors and auditors thereon.
2. To appoint a director in place of Shri Murli Dhar Menghani, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint a director in place of Shri Ashok Kumar Patni, who retires by rotation and being eligible, offers himself for reappointment.
4. To reappoint auditors and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Vimal Agrawal & Associates, Chartered Accountants (Firm Registration No. 004187C) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this 22<sup>nd</sup> Annual General Meeting until the conclusion of the 23<sup>rd</sup> Annual General Meeting, subject to ratification of their appointment by the shareholders at every Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors in mutual agreement with the Auditors.”

5. To appoint a Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT whereas pursuant to the provisions of Section 160 and other applicable provisions of the Companies Act, 2013 and the provisions of Companies (Appointment and Qualification of Directors) Rules, 2014, a notice has been received from a member signifying the intention to proposed Mr. Manish Murlidhar Dialani (DIN: 05201121) for the appointment as Director of the company at the ensuing annual general meeting, with the deposit of Rs. One lac, be and is hereby appointed as the director of the company liable to retire by rotation.

FURTHER RESOLVED that Shri Dayaram Khanchandani, Whole-Time Director be and is hereby authorized to file the necessary paper with the office of ROC etc.”

**SPECIAL BUSINESS:**

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

“RESOLVED THAT:

in terms of Section 180(1)(a) of the Companies Act, 2013, the consent of the company be and is hereby accorded to sale the land of the company situated at Pali and to sale the plant and machineries lying at the Registered Office of the company, which the company is not using from a long time.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to finalise the documents to be executed to implement the above decision of selling the land and plant & machinery and to do all acts and things as may be necessary or incidental thereto to give effect to this resolution.”

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

(Prakriti Sethi)  
Company Secretary

Place : Jaipur  
Date : 01.09.2014

**NOTES:**

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 ("the Act") in respect of the business under Item 6 of the Notice, is annexed hereto.

2. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.

3. The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the Company, duly completed and signed, not less than 48 HOURS before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and/or holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by shareholder(s) holding more than 7-10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that a prior notice of not less than three days is given in writing to the Company for such inspection.

5. Pursuant to Section 91 of the Companies Act, 2013, Register of shareholders and Share Transfer Books of the Company will remain closed from closed from 19th September, 2014 to 29<sup>th</sup> September, 2014 (both days inclusive), for the purpose of the Annual General Meeting.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.

7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.

8. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.

9. Shareholders who hold shares in demat form are requested to direct any change of address, updates of savings bank account details to their respective Depository Participant(s). Shareholders are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends. Shareholders holding shares in physical form are requested to notify/send any change in their address/mandate/bank account details to the Company's Registrar and Transfer Agent at:

**Beetal Financial and Computer Services Private Limited**, Beetal House, 99, Madangir, 3<sup>rd</sup> Floor, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.

10. Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.

11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in demat form are,

therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

12. Shareholders desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the Nomination Form annexed to the Notice and send the same to the Company.

13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address either with the Company or with the Depository. Accordingly, the Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those shareholders whose e-mail addresses are registered with the Company/Depositories, unless any shareholder has requested for a physical copy of the same. For shareholders who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

14. Voting through electronic means:

In terms of section 108 of the Companies Act 2013 read with rule 20 of the companies (Management and Administration) Rules 2014 and clause 35B of the listing agreement, the company is providing facility to exercise vote on the item of business given in the notice through electronic voting systems, to shareholders holding shares as on 29<sup>th</sup> August, 2014 being the cut of date ("record date" for the purpose of rule 20(3)(vii) of the said rules) fixed for determining voting right of shareholder and entitled to participate in the e-voting process through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The e-voting rights of the shareholders / beneficiary owners shall be reckoned on the equity shares held by them as on 29<sup>th</sup> August, 2014.

The instructions for E-voting are as under

- A. For shareholders who receive notice of annual general meeting through e-mail:
- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - ii. Click on "Shareholders" tab.
  - iii. Now, select the "COMPANY NAME" from the drop down menu click on "SUBMIT"
  - iv. Now enter your user ID
    - a. For CDSL: 16 digit beneficiary ID,
    - b. For NSDL: 8 digit DP ID followed by 8 digits client ID,
    - c. Shareholders holding shares in physical form should enter Folio Number registered with the company.
  - v. Next enter the image Verification as displayed and click on Login.
  - vi. 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 voting of any other company, then your existing password is to be used.
  - vii. If you are a first time user follow the steps given below:

For shareholders holding shares in demat form and physical form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by income tax department (applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the company /depository participants are requested to use the first two letters of their name and the last 8 digit of the demat account / folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field
DOB*	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank Details field.

- i. After entering these details appropriately, click on "SUBMIT" tab.
- ii. Shareholders holding shares in physical form will then reach directly 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 voting for resolution 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 you password with any other person and take utmost care to keep your password confidential.
- iii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolution contained in this notice.
- iv. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- v. 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.
- vi. Click on the "RESOLUTION FILE LINK" if you wish to view the entire resolution details.
  - vii. 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.
  - viii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - ix. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - x. If demat account holder has forgotten the changed password then enter the user ID and the image verification code and click on forgot password & enter the details as prompted by the systems.
  - xi. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as corporate. They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). And on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and power of Attorney (POA) which they have issued in Favour of the Custodian, if any, in PDF format in system for the scrutinizer to verify the same.
- A. For shareholders who receive the notice of annual general meeting in physical form:
- i. Please follow all steps from sl. No. (i) to sl. No. (xviii) above to cast vote.
  - ii. In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Question ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) in under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- B. For shareholders who wish to vote using ballot form:
- i. Shareholders may fill in the ballot form annexed to the Notice and submit the same in a sealed envelope addressed to the Scrutinizer Mr. S C Sharma, Practising Company Secretary, Unit: M. K. Exim (India) Limited Beetal Financial & Computer Services (P) Limited, Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062, so as to reach by 06.00 p.m. on 20<sup>th</sup> September, 2014 (Saturday). Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
  - ii. Ballot form received after (06.00 p.m. IST) will be treated as invalid
  - iii. Shareholders have the option to request for physical copy of the ballot form by sending an e-mail to [info@mkexim.com](mailto:info@mkexim.com) by mentioning their folio/ DP ID & Client ID.
  - iv. A shareholder can opt for only one mode of voting i.e. either through e-voting or by ballot. If a shareholder casts voted by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
15. General Instructions
- The e-voting period commences on 18<sup>th</sup> September, 2014 to 20<sup>th</sup> September, 2014. During this period, shareholders of the company, holding shares either in physical form or in dematerialized form, as on 29<sup>th</sup> August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on 29<sup>th</sup> August, 2014.
  - The company has appointed, Mr. S C Sharma, PCS, as the scrutinizer to scrutinize the e-voting proves (including the ballot form received from the shareholders who do not have access to the e-voting process) in a fair and transparent manner.
  - The scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in Favour or Against, if any, forthwith to the Chairman of the Company.

The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.mkexim.com](http://www.mkexim.com) on the website of CDSL [www.evoting.csd.com](http://www.evoting.csd.com) within two days of the passing of the resolutions at the 22<sup>nd</sup> AGM of the Company on Monday 29<sup>th</sup> September, 2014 and will be communicated to Jaipur Stock Exchange, Delhi Stock Exchange and Ahmedabad Stock Exchange, where the shares of the Company are listed.

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

Place : Jaipur  
Date : 01.09.2014

**(Prakriti Sethi)**  
Company Secretary

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 6:- Powers to board:-**

The board wants to sale the land of the company situated at Village -Khinwal Teh Raipur Distt. Pali and the Garment Plant, which is old of the year 1998.

Both of the above investments are not used by the company from a long time. The amount which will generate from the sale of the above investments will be used by the company in the expansion of the existing working of the company.

The shareholders approval is being sought pursuant to Section 180(1)(a) of the Act by way of a Special Resolution. The above proposal as set out in Item No. 6 of the Notice is in the interest of the Company and your Directors recommend the same for your approval.

Shareholders are requested to approve the above decision by passing a Special Resolution in the general meeting.

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

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

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 01.09.2014

## ANNEXURE TO THE AGM NOTICE

## ANNEXURE -A

Details of Director seeking appointment/reappointment in Annual General Meeting pursuant to Clause 49 of Listing Agreement

<b>Name of Director</b>	<b>Smt. Murli Dhar Menghani</b>	<b>Shri Ashok Kumar Patni</b>
Date of Birth	13.04.1947	17.02.1957
Date of Appointment	21.12.2005	30.09.2003
Designation	Independent Director	Independent Director
Expertise in specific Functional areas	Business	Business
Qualifications	Graduate	Graduate
Name of Companies in which Directorship held as on 31.03.2014	NIL	NIL
Member of the Committees of the Board of other Companies as on 31.03.2014	NIL	NIL

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

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 01.09.2014

**DIRECTORS' REPORT**

Yours Directors have great pleasure in presenting the 22<sup>nd</sup> Annual Report on the performance of your Company for the financial year ended on 31<sup>st</sup> March, 2014 along with Audited Statement of Accounts.

The highlights of the financial results of the Company for the Financial Year ended on 31<sup>st</sup> March, 2014 are as under:-

**FINANCIAL HIGHLIGHTS**

Particulars	Rs. In Lacs	
	Financial Year ended on	
	2013-14	2012-13
Sales and other Income	2808.90	1394.45
Profit before interest & depreciation	44.80	61.43
Interest	14.76	37.23
Profit after interest but before Depreciation	30.04	24.20
Depreciation	15.74	16.82
Profit/ (Loss) before tax	14.30	7.38
Provision for taxation	6.83	(1.59)
Deferred Tax Liability (Created)/ Reversed	3.62	2.10
Net Profit/ (Loss) after tax	11.09	7.89

**FINANCIAL PERFORMANCE**

The turnover during the financial year 2013-14 was Rs. 2808.90 lacs in comparison of previous year Rs. 1394.45 lacs. The turnover has increased by approx. 101 percentage. The board is making their all possible efforts to improve the performance of the Company.

**DIVIDEND**

Your Board of Directors has not propose any dividend for the year.

**DIRECTORS:**

The company has received confirmation from Directors u/s 164 of Companies Act, 2013 in respect of director's qualification.

The board wants to appoint a new Director Mr. MANISH MURLIDHAR DIALANI DIN NO. 05201121 as director of the company whose nomination with deposit and consent to act as director of the company has been received by the company. Shareholders are requested to approve his appointment as director of the company.

**SALE OF LAND AND PLANT:**

The board wants to sale a land situated at Village -Khinwal Teh Raipur Distt. Pali and Plant of the year 1998. The plant is not in a useable condition. Shareholders are requested to approve the proposal of selling these so the company can use the amount in the expansion of the existing working of the company.

**FIXED DEPOSITS**

The Company has not received/accepted any deposit with in the Section 58A of the Companies Act, 1956 and the rules made there under.

**RESPONSIBILITY STATEMENT****The Directors confirm:**

- that in the preparation of the Annual Accounts, the applicable Accounting Standard has been followed and that no material departures have been made from the same;
- that they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- that they have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- that they have prepared the Annual Accounts on a Going Concern Basis.

**CORPORATE GOVERNANCE**

The Company has implemented all the Provisions of the Corporate Governance as stipulated by Clause 49 of the Listing Agreement with all the Stock Exchanges where the Company's securities are listed. It has always been a constant endeavour of the Company to adopt Good Corporate Governance code through independent board, transparent disclosures, and Shareholders empowerment for creating and sustaining shareholders value. A separate section on Corporate Governance along with a Certificate from the Auditors of the Company certifying compliance of stipulations of Clause 49 of Listing Agreement with the Stock Exchanges with regard to the Corporate Governance code is annexed with this report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The report on Management Discussion and Analysis as required under the Listing Agreement with the Stock Exchanges is annexed and forms part of the Directors' Report.

**AUDITORS**

M/S Vimal Agrawal & Associates, Chartered Accountants, Jaipur, the Statutory Auditors of the Company retire and are being eligible for re-appointment. The board recommends for the approval of their re-appointment.

The replies on the observation made by the auditors are as follows:-

*I. AS 28 regarding 'Impairment of Assets', in respect of impairment loss of garment Manufacturing unit, impairment loss, remains unascertained.*

The board has decided to dispose of these assets relevant with garment manufacturing unit after completing the necessary compliances.

*II. AS-15: 'provisions for Gratuity', for employees benefits (Revised 2005), in respect of*

*provision for gratuity provided by the company is inadequate and its effect on liabilities and profit of the company is unascertainable. Further, requisite disclosures are not made in respect of retirement benefits.*

The board is planning to take some policy decision regarding this to overcome this non-compliance.

**PERSONNEL**

There have been cordial personnel relations in the Company. There was no employee drawing salary of Rs.5,00,000/- per month or more and Rs. 60,00,000/- yearly basis or more in the year ended March, 31,2014. Therefore, the provisions of Section 217 (2A) of the Companies Act, 1956, read with the, "The Companies (Particulars of Employees) Rules, 1975" are not applicable.

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

As required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed.

**APPRECIATION**

The Directors of your Company sincerely appreciate the help and co-operation rendered by banks, Government and non-governments departments, employees and others who have contributed for the interest of the Company.

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

**Dayaram Khanchandani Pushpa Khanchandani**  
Whole-Time Director Whole-Time Director  
DIN : 00161546 DIN : 00174337

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 01.09.2014



**ANNEXURE TO THE DIRECTORS' REPORT**

Information as per Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2014.

**ENERGY CONSERVATION**

The Company has made all round efforts for the conservation of energy. To reduce the energy cost, energy efficient equipments were used.

Total energy consumption per unit of production as prescribed in Form "A":

**I. Power Consumption:**

	Year Ended 31.03.2014	Year Ended 31.03.2013
1. Electricity		
Purchased units	15510	67940
Total Amount (in Rs.)	119033	443081
Rate per unit (in Rs.)	7.67	6.52
2. Diesel Purchased (in liters)	NIL	NIL
Total Amount(in Rs.)	NIL	NIL
Rate per liter (in Rs.)	NIL	NIL
3. Coal	NIL	NIL
4. Furnance Oil	NIL	NIL
5. Other Internal Generation	NIL	NIL

**II. Consumption per unit of Production**

	Year Ended 31.03.2014	Year Ended 31.03.2013
1. Electricity units per mtr. fabrics	NIL	NIL

**TECHNOLOGY ABSORPTION**

Indigenous technology alone is used and Research and Development are carried out continuously.

**FOREIGN EXCHANGE EARNING AND OUTGO**

	Year Ended 31.03.2014 Rs. in Lacs	Year Ended 31.03.2013 Rs.in Lacs
Total Foreign Exchange earned	2466.54	259.29
Total Foreign Exchange used	NIL	NIL

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

**Dayaram Khanchandani**  
Whole-Time Direcot  
DIN : 00161546

**Pushpa Khanchandani**  
Whole-Time Direcot  
DIN : 00174337

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 01.09.2014

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**INDUSTRY OUTLOOK**

Indian textile and clothing Industry is one of the largest in the world. India is one of the few countries that has a presence across the entire value chain of the textiles and apparel business starting from fibre production, spinning, weaving/ knitting, processing to garment manufacturing.

The Company has diversified its operations in relief supply & textiles shirting fabrics business etc., keeping in view of overall recession in the garment business.

**OPPORTUNITIES AND THREATS**

The opening of the international markets has thrown a host of opportunities with unique set of challenges. The dismantling of quota system has given an added advantage and a huge opportunity to India as compared to other countries including China in the polyester-viscose fabrics, the very product in which the Company specializes. This is especially because viscose fibre is available in abundant quantity in India as compared to China. As such, India is stronger in polyester/ viscose fibre suiting as compared to China and other countries. Thus, in India new designs can be injected faster allowing the Indian manufacturers to cater to the larger

section of the people with a variety of colour choices and designs which is not feasible for the Chinese manufacturers. This is one of the reasons that the Indian fabrics, particularly viscose suiting dominates the market as compared to the Chinese fabrics. India, therefore, has a massive edge compared to China in viscose polyester fabrics and China is in effect not a competition considering the target market and business model.

The management of the company is implementing the diversification plan of entering in jewellery and hotel/resorts activities for improving the overall performance of the company.

**INTERNAL CONTROL SYSTEM**

The Company is in the process of establishing a strong and adequate internal audit and control system to ensure that all transactions are authorized, recorded and reported correctly. The internal control system consists of comprehensive internal and external audits. The Company has an Audit Committee of three independent non-executive directors of the Company. The Audit Committee reviews the adequacy of internal control systems and findings of internal audit. Moreover, the annual financial results of the Company were reviewed and recommended by the Audit Committee for consideration and

approval of the Board of Directors. The Audit Committee met four times during the year ended on 31<sup>st</sup> March 2014.

### **FINANCIAL REVIEW AND ANALYSIS**

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

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

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

During the year the Secured Loan of the Company was increased by 22.5% , i.e. from Rs.1,73,92,787/- to Rs 2,13,11,221/-, the board is making their possible efforts to improve the performance of the company.

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

During the year the turnover of the Company has increased by 101.4 % ,i.e. from Rs. 13,94,45,428/- to Rs. 28,08,90,560/- which is better for the company.

### **HUMAN RESOURCE MANAGEMENT**

Human Resources are a valuable asset for any organization. The Company is giving emphasis to upgrade the skills of its human resources. This is in keeping with its policy of enhancing the individual's growth potential within the

framework of corporate goals.

### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

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

**Dayaram Khanchandani** **Pushpa Khanchandani**  
Whole-Time Director Whole-Time Director  
DIN : 00161546 DIN : 00174337

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 01.09.2014

**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

The Board has adopted and is committed to adopting its obligations under relevant regulations and laws, as well as any relevant best practices relating to Corporate Governance. The Board believes that good governance is voluntary and self-discipline with the strongest impetus coming from directors and management itself, and ultimately leads to enhancement of value for all stakeholders. The management and organization as M.K. Exim (India) Limited aims to be progressive, competent and trustworthy creating and enhancing value for stakeholders and customers, while relating and respecting the best of Indian values in conduct. The Board lays significant emphasis on integrity, transparency and accountability.

**1. BOARD OF DIRECTORS**

At present, the Board consists of five Directors, of whom three are Non-executive and Independent Directors.

Details of all Directors are given below by category, attendance, total directorship and memberships and chairmanships of Board Committees:

Name of Director	Category	Meeting held during his/her tenure	Meetings Attended *	Attended Last AGM **	No. of Other Directorship	No. of Other Committee Membership/ Chairmanship
Mr. Dayaram Khanchandani	Whole-Time Director	9	9	Y	1	*
Mrs. Pushpa Khanchandani	Director	9	9	Y	*	*
Mr. Ashok Kumar Patni	Independent	9	9	Y	*	*
Mr. Murlidhar Meghnani	Independent	9	9	Y	*	*
Mr. Kishore Motiyani	Independent	9	9	Y	*	*

\* There were Nine meetings held during the year on 08.07.2013, 31.07.2013, 31.10.2013, 31.01.2014, 15.05.2014, 26.05.2014, 21.06.2014, 30.06.2014 & 31.07.2014.

\*\* Last Annual General Meeting (AGM) was held on 30<sup>th</sup> September, 2013 (Monday) at Registered Office: G-1/150, Garment Zone, E.P.I.P. RIICO Industrial area, Sitapura, Sanganaer, Jaipur.

**2. AUDIT COMMITTEE**

The Audit Committee of the Company comprises of three directors, all being non-executive. The Audit Committee performs the following functions: -

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that financial statements are correct, sufficient and credible.
- Reviewing the efficiency of the internal control mechanism and monitors the risk management policies adopted by the Company.
- Reviewing the report furnished by the internal and statutory auditors and ensure that suitable follow up actions are taken.

- (d) Examining accounting, taxation and disclosure aspects of all significant transactions.
- (e) Discussing with the internal auditors regarding any significant finding and follow-up on such issues.
- (f) Reviewing the findings of any internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control system of a material nature, and then reporting such matters to the Board.
- (g) Discussing with external auditors before the audit commences on the nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.
- (h) To approve unaudited quarterly financial results and publish the same as required in the Listing Agreement.

The information regarding the composition of Audit Committee, numbers of meetings attended by the members of the Audit Committee are as under: -

S.No.	Name of Member	Position in Committee	Meeting held during his/her tenure	Meetings Attended *
1.	Mr. Murlidhar Menghani	Chairman	4	4
2.	Mr. Ashok Kumar Patni	Member	4	4
3.	Mr. Kishore Motiyani	Member	4	4

\* There were four meetings held during the year on 31.07.2013, 31.10.2013, 31.01.2014 & 15.05.2014.

### 3. SHAREHOLDER'S GRIEVANCE COMMITTEE

The Committee reviewed the Shareholders grievances, their redressal and the Share transfers for the year and expressed satisfaction with the same that there is no pending grievance of any investor against the Company. The company has received NIL complaint during the year. The company secretary acts as the secretary to the committee.

The information regarding the composition of Shareholders Grievance Committee, numbers of meetings attended by the members of the Shareholders Grievance Committee are as under :-

\* There was no meeting held during this year.

### 4. REMUNERATION COMMITTEE

The Company had constituted a Remuneration Committee. The remuneration of Managing/ Executive director is decided by remuneration committee based on criteria such as industry Bench marks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance track record of Managing/Executive directors, macro-economic review on remuneration packages of heads of other organization and is reported to the Board.

In the last few years efforts have been made to link the annual variable pay of senior personnel's with the performance of the company in general and their individual performance for the relevant

year measured against specific major performance areas which are closely aligned to Company's objectives.

\* No Meeting was held during the year of Remuneration Committee.

**Remuneration paid to Directors: -**

Remuneration paid to non-executive Directors: NIL

Remuneration paid to Executive Directors during the Financial Year ended on 31.03.2013:

Name of Executive Director	Salary (Rs.)	Contribution to P/F (Rs.)	Total (Rs.)
Mr. Dayaram Khanchandani	1,86,000	NIL	1,86,000
Mrs. Pushpa Khanchandani	2,40,000	NIL	2,40,000

**Notes:**

- (1) No commission has been paid to any Directors.
- (2) The service contract with Managing/Whole time Directors are normally for a period of five years.
- (3) Presently, the Company does not have any stock option scheme.

**5. GENERAL BODY MEETINGS**

The details of Annual General Meetings held in the last three years are given below:

Annual General Meeting	Day & Date	Time	Venue
19th Meeting	Friday 30th Sept., 2011	10.00 a.m.	G-1/150, Garment Zone, EPIP, RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022
20th Meeting	Saturday 29th Sept., 2012	10.00 a.m.	G-1/150, Garment Zone, EPIP, RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022
21st Meeting	Monday 30th Sept., 2013	10.00 a.m.	G-1/150, Garment Zone, EPIP, RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022

**6. DISCLOSURES**

- a. Materially related transactions with related parties, i.e., Promoters, Directors or Management, their subsidiaries or relatives conflicting with the Company's interest: Details of related party transactions during the year have been set out **under Note 26 of Schedule 18 of the Annual Accounts.**

- b. During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other Statutory Authorities on matters related to Capital Market.
- c. A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

**7. MEANS OF COMMUNICATION**

- a. In compliance with the requirements of Listing Agreement, the Company regularly intimates Unaudited as well as Audited Financial results to the Stock Exchanges immediately after they are taken on record by the Board of Directors. The Annual, Half-yearly and Quarterly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and published in newspaper(s) in compliance of the provisions of the Listing Agreement.
- b. Management Discussion & Analysis Report forms part of the Report of Directors.

**8. GENERAL SHAREHOLDER'S INFORMATION:**

(a) **Date of Book Closure** : 19.09.2014 to 29.09.2014

(b) **Date and Venue of AGM** :

**Date** : 29.09.2014

**Day** : Monday

**Time** : 10.00 A.M.

**Venue of AGM** : G-1/150, Garment Zone, EPIP,  
RIICO Industrial Area, Sitapura,  
Sanganer, Jaipur-302022

(c) **Financial Calendar (tentative and subject to change)** :

Financial reporting for the first quarter ending	June 30, 2014	: July 2014
Financial reporting for the second quarter ending.	Sept.30, 2014	: Oct 2014
Financial reporting for the third quarter ending	Dec.31, 2014	: Jan, 2015
Financial reporting for the year ending	March 31,2015	: May 2015
Annual General Meeting for the year ending	March 31,2015	: Sept. 2015

(d) **Dividend** : No dividend being recommended by the Board of Directors during the year.

(e) **Listing of Equity Shares in Stock Exchanges:**

Jaipur, Ahemdabad and Delhi

(Trading permitted at BSE INDONEXT w.e.f. 17<sup>th</sup> January 2007.)

(f) **Demat ISIN Exchange Number in NSDL & CDSL for Equity Shares:**

ISIN No. INE227F01010.

**(g) Stock Exchange Code:**

Jaipur Stock Exchange	.787
Ahemdabad Stock Exchange	.37621
Delhi Stock Exchange	.9458

**(h) Registrar and Share Transfer Agent:**

Beetal Financial & Computer Services (P) Ltd.  
 Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
 Behind Local Shopping Center,  
 Near Dada Harsukhdas Mandir,  
 New Delhi – 110 062  
 Tel : (011) 2996 1281/82  
 Fax : (011) 2996 1284

**(i) Shareholding Pattern as on 31<sup>st</sup> March 2014.**

S.No.	Category	No. of Share holders	No. of Shares	% to Total
1.	Promoter and Promoter Group	3	1861900	25.93
2.	NRI	12	72670	1.01
3.	Resident Individuals	1093	4029416	56.12
4.	Bodies Corporate	61	1126538	15.69
5.	Clearing Member	2	1024	0.01
6.	HUF	32	88952	1.24
	<b>TOTAL</b>	<b>1203</b>	<b>7180500</b>	<b>100</b>

**(k) Distribution of Shareholding as on 31<sup>st</sup> March, 2014**

SHARE HOLDING OF NOMINAL VALUE OF RS.	NO. OF SHARE-HOLDERS	% TO TOTAL	NO. OF SHARES	AMOUNT IN RS.	% TO TOTAL
UP TO 5000	633	52.62	141176	1411760	1.9661
5001 TO 10000	355	29.51	323972	3239720	4.5118
10001 TO 20000	65	5.40	110457	1104570	1.5383
20001 TO 30000	25	2.08	65482	654820	0.9119
30001 TO 40000	7	0.58	23647	236470	0.3293
40001 TO 50000	6	0.50	27214	272140	0.3790
50001 TO 100000	40	3.33	329023	3290230	4.5822
100001 AND ABOVE	72	5.98	6159529	61595290	85.7814
<b>TOTAL</b>	<b>1203</b>	<b>100.00</b>	<b>7180500</b>	<b>71805000</b>	<b>100.0000</b>



**(l) Dematerialisation of Shares as on 31.03.2014**

Number of Shares dematerialized : 6686875.  
% of shares dematerialized : 93.12 %

The Company has entered into agreements with both NSDL and CDSL whereby shareholders have an option to dematerialize their shares with either of the depositories.

**(m) Registered Office:**

M.K. Exim (India) Limited  
G-1/150, Garment Zone, EPIP,  
RIICO Industrial Area,  
Sitapura, Sanganer, Jaipur-302022  
Phone : 91-141-3937501  
Fax : 91-141-3937502  
E-mail : mkexim@hotmail.com  
Website : www.mkexim.com

**9. CODE OF CONDUCT:**

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and members of the Senior Management. The Code has also been posted on the Company's website – [www.mkexim.com](http://www.mkexim.com).

**10. COMPLIANCE CERTIFICATE OF THE AUDITORS:**

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to the Directors' Report.

The Certificate from the Statutory Auditors will be sent to the Listed Stock Exchanges along with the Annual Report of the Company.

**11. NON-MANDATORY REQUIREMENTS:**

Presently the Company is not complying the Non-Mandatory Requirement of the Listing Agreement.

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**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with M.K.- Code of Conduct for the year ended March 31, 2014.

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

Place : Jaipur  
Date : 01.09.2014

**Dayaram Khanchandani**  
Whole-Time Director  
DIN : 00161546

**Pushpa Khanchandani**  
Whole-Time Director  
DIN : 00174337

**(Prakriti Sethi)**  
Company Secretary

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**AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE**

To  
The Members of  
M. K. Exim (India) Limited  
Jaipur

We have examined the compliance of the conditions of Corporate Governance by M.K. Exim ( India) Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

For **Vimal Agrawal & Associates,**  
Chartered Accountants

**(V. K. Agrawal)**  
Partner

Place : JAIPUR

Date : 21<sup>st</sup> June, 2014

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of **M.K. EXIM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2014;

- (b) in the case of Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 except:
    - I. *AS-28, for "Impairment of Assets", in respect of impairment loss of Garment manufacturing unit, impairment loss, remains unascertained.*
    - II. *AS-15, for Employees Benefits (Revised 2005), in respect of Provision for Gratuity. The Provision for Gratuity provided by the Company is inadequate and its effect on liabilities and profit of the Company is unascertainable. Further, requisite disclosures are not made in respect of retirement benefits.*
  - (e) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March 2014 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, 2014 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For **VIMAL AGRAWAL & ASSOCIATES**  
Chartered Accountants  
(FRN: 004187C)

**(V. K. Agrawal)**  
Partner  
M. No. 71627

Place: Jaipur

Date : 21<sup>st</sup> June, 2014

**ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE ON THE ACCOUNT OF  
M.K. EXIM (INDIA) LIMITED FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management at the end of the year, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) In our opinion, Company has not disposed off substantial part of Fixed Assets during the year and the going concern status of the Company is not affected.
2. (a) The inventory has been physically verified during the year by the management.  
(b) 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.  
(c) The Company is maintaining proper records of inventory.
3. (a) The Company has granted interest free unsecured loan to three parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 88,50,000/- and the year end balance of loan given to such parties was 88,50,000/.  
(b) No terms and conditions have been stipulated for loans granted to the party listed in the register maintained under section 301 of the Companies Act, 1956.  
(c) According to the information and explanations given to us, no stipulation has been made for the repayment of principal amount in respect of loans given to the parties listed in the register maintained under section 301 of the Companies Act, 1956.  
(d) The Company has taken interest free unsecured loans from five parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 81692/- and the year-end balance of loans taken from such parties was Rs. Nil.  
(e) In our opinion, other terms and conditions on which loans have been taken from the parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.  
(f) According to the information and explanations given to us, no stipulation has been made for the repayment of principal amount in respect of loans taken from the parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard of purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.

5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act 1956, have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. Five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the provisions of section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion and according to the information and explanations given to us the internal audit system needs augmentation.
8. We have been explained that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 for the period under review for the products of the Company.
9. (a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty and Excise Duty were in arrears as at the end of the financial year for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and records of Company, there are no disputed statutory dues.
10. The Company does not have accumulated losses as at the end of the year. The Company has not incurred any cash losses during the current financial year. The Company has not incurred cash losses during the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions.
12. According to the information and explanations given to us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures & other securities.
13. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others.
14. Clause (xiii) is not applicable as this clause is applicable to nidhi/mutual benefit fund/ societies.

15. Clause (xiv) is not applicable as this clause is applicable to Company dealing/trading in shares, securities and other investments.
16. The company has not raised any term loan during the year.
17. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short term basis have been used for long term investment.
18. According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. According to the information and explanation given to us, the Company has not issued debentures; hence this clause is not applicable.
20. According to the information and explanation given to us, the Company has not raised any money by public issue during the year; hence this clause is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **VIMAL AGRAWAL & ASSOCIATES**  
Chartered Accountants  
(FRN: 004187C)

**(V. K. Agrawal)**  
Partner  
M. No. 71627

Place : Jaipur

Dated: 21<sup>st</sup> June, 2014

**BALANCE SHEET AS AT 31st MARCH, 2014**

PARTICULARS	NOTE No.	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	1	71,805,000	71,805,000
(b) Reserves and Surplus	2	148,358,817	147,249,724
		220,163,817	219,054,724
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	3	-	81,692
(b) Deferred tax liabilities (Net)	4	(94,764)	70,150
		(94,764)	151,842
<b>Current Liabilities</b>			
(a) Short-term borrowings	5	21,311,221	17,392,787
(b) Trade payables	6	79,356,955	27,673,807
(c) Other current liabilities	7	2,988,184	2,342,925
		103,656,360	47,409,519
<b>Total</b>		<b>323,725,413</b>	<b>266,616,085</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets Tangible assets	9	14,465,491	16,106,019
(b) Non-current investments	8	1,000	1,000
(c) Long term loans and advances	10	52,498,405	104,791,295
(d) Other non-current assets	11	5,024,753	5,104,753
		71,989,649	126,003,067
<b>(2) Current assets</b>			
(a) Inventories	12	5,526,085	21,401,227
(b) Trade receivables	13	243,186,486	112,553,908
(c) Cash and cash equivalents	14	2,024,280	5,722,501
(d) Short-term loans and advances	15	998,912	935,382
		251,735,763	140,613,018
<b>Total</b>		<b>323,725,413</b>	<b>266,616,085</b>

Significant Accounting Policies &  
Notes on Financial Statements

1 to 29

As per our report of even date annexed

**For Vimal Agrawal & Associates**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Vimal Kumar Agrawal**  
Partner

Sd/-  
**Dayaram Khanchandani**  
Whole-Time Direct  
DIN : 00161546

Sd/-  
**Pushpa Khanchandani**  
Whole-Time Direct  
DIN : 00174337

(**Prakriti Sethi**)  
Company Secretary

Place : Jaipur  
Date : 21st June, 2014



**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

	NOTE No.	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
Revenue from operations	16	276,579,821	129,694,898
Other Income	17	4,310,739	9,750,530
<b>Total Revenue</b>		<b>280,890,560</b>	<b>139,445,428</b>
<b>Expenses:</b>			
Cost of materials consumed	18	12,405,804	15,104,197
Purchase of Trading Goods	19	243,104,834	104,224,222
Changes in inventories of finished goods and work-in-progress	20	18,818,315	2,835,521
Employee benefit expenses	21	1,607,769	2,445,690
Financial costs	22	1,763,270	4,146,536
Depreciation and amortization expenses	9	1,573,824	1,682,117
Other expenses	23	10,186,045	8,268,726
<b>Total Expenses</b>		<b>279,459,860</b>	<b>138,707,009</b>
Profit before tax		1,430,700	738,419
<b>Tax expense:</b>			
(1) Current tax		682,840	(159,337)
(2) Deferred tax		164,914	209,922
(3) Matt Credit intitalment		196,319	---
Profit for the year		<b>1,109,093</b>	<b>789,004</b>
Earning per equity share:	24		
(1) Basic		0.1545	0.1099
(2) Diluted		0.1545	0.1099
Significant Accounting Policies & Notes on Financial Statements	1 to 29		

As per our report of even date Annexed

For Vimal Agrawal & Associates  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Sd/-  
Vimal Kumar Agrawal  
PartnerSd/-  
Dayaram Khanchandani  
Whole-Time Direcot  
DIN : 00161546Sd/-  
Pushpa Khanchandani  
Whole-Time Direcot  
DIN : 00174337(Prakriti Sethi)  
Company SecretaryPlace : Jaipur  
Date : 21st June, 2014

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH, 2014**

<b>CASH FLOW FROM OPERATING ACTIVITES (A)</b>	<b>Year Ended 31.3.14</b>	<b>Year ended 31.3.13</b>
<b>Net Profit After tax</b>	11.09	7.89
<b>Adjustments for:</b>		
Deferred Tax Liability	(1.65)	(2.10)
Depreciation	15.62	16.82
Interest Expenses	14.76	37.23
Interest Income	0.00	0.00
Loss on Sale of Fixed Assets	0.47	0.00
Preliminary Exp. w/off	0.80	0.80
	<b>41.09</b>	<b>60.64</b>
Operating Profit before working capital changes		
<b>Adjustment for:</b>		
Increase/Decrease in Inventories	158.75	79.31
Increase/Decrease Sundry Debtors & Other receivable	(1306.33)	698.99
Increase/Decrease in Current liabilities	562.47	(962.06)
Increase/Decrease in Loans & Advances	522.29	(11.90)
<b>Cash Generated From Operating activites</b>	<b>(21.72)</b>	<b>(135.02)</b>
Interest paid	(14.76)	(37.23)
Tax Paid	0.00	0.00
<b>Net Cash Flow from Operating Activities</b>	<b>(36.48)</b>	<b>(172.25)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		
Purchases of Fixed Assets	0.00	(1.19)
Profit/Loss of Fixed Assets	0.47	0.00
Sale of Fixed Assets	0.78	0.03
Interest Income	0.00	0.00
Decrease/Increase in Investment	0.00	105.66
<b>Net Cash used In Investing Activities</b>	<b>0.31</b>	<b>104.60</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES ( C)</b>		
Increase/Decrease in Secured Loans	0.00	0.00
Decrease in Unsecured Loan	(0.82)	(5.00)
Share application Money	0.00	0.00
Preliminary Exp.	0.00	0.00
<b>Net Cash From Financing Activities</b>	<b>(0.82)</b>	<b>(5.00)</b>

<b>Net Increase ( Decrease ) In cash &amp; cash equivalents ( A+B+C )</b>	(36.99)	(72.65)
Opening cash and cash equivalents	57.22	129.87
Closing cash and cash equivalents	20.24	57.22

As per our separate report of even date

**For Vimal Agrawal & Associates**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**Vimal Kumar Agrawal**  
Partner

**Sd/-**  
**Dayaram Khanchandani**  
Whole-Time Direcot  
DIN : 00161546

**Sd/-**  
**Pushpa Khanchandani**  
Whole-Time Direcot  
DIN : 00174337

**(Prakriti Sethi)**  
Company Secretary

Place : Jaipur  
Date : 21st June, 2014

**SIGNIFICANT ACCOUNTING POLICIES :-**

**(i) Basis of Accounting**

The accounts of the Company are prepared under the historical cost convention on accrual basis and in conformity with accounting standards issued by the Institute of Chartered Accountants of India referred to in section 211(3C) of the Companies Act, 1956. For recognition of Income & Expenses, accrual basis of accounting is followed.

**(ii) Fixed Assets and Depreciation**

Fixed Assets are stated at cost, including attributable cost of bringing the assets to its working condition for the intended use. Depreciation is provided from the date, the assets are installed and put to use on straight line method at the rates and in accordance with schedule XIV of the Companies Act, 1956.

**(iii) Foreign Currency Transaction**

- (a) All Foreign currency transaction are recorded at the rates prevailing on the date of the transaction.
- (b) Foreign Currency transaction remaining unsettled at the Balance Sheet date are translated at the exchange rate prevailing at the Balance Sheet date or at the rate which is likely to be realised in certain specific cases.
- (c) The exchange difference on settlements/conversion are credited/charged to profit and Loss Account.
- (d) The Company has not entered into any forward exchange contract during the period.

**(iv) Investments**

Investments are stated at cost.

**(v) Inventories :**

- (a) Raw Materials, Packing Materials and Consumables are valued at the lower of Cost, computed on FIFO basis and estimated net realisable value.
- (b) Finished goods and Work in Process are valued at the lower of cost, computed on a FIFO basis and estimated net realisable value. Finished goods and work in progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**(vi) Revenue Recognition**

- (a) The company follows mercantile system of accounting and recognizes significant items of income & expenditure on accrual basis.
- (b) DEPB is recognised when there is significant certainty regarding the ultimate collection of the relevant export proceeds.

**(vii) Retirement Benefits:**

- (a) Contribution to Provident Fund and Employees State Insurance is accounted for on accrual basis.
- (b) Gratuity liability is provided for on estimated basis for all employees under the "Payment of Gratuity Act, 1972"

**(viii) Borrowing Cost**

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**(ix) Income Tax**

- (a) Income Tax comprises Current Tax and Deferred Tax. Current Tax is the amount of tax payable as determined in accordance with provision of Income Tax Act, 1961
  - (b) Deferred Income Tax is provided on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial purpose.
  - (c) Deferred Tax Assets are recognised on unabsorbed depreciation only to the extent that there is virtual certainty supported by convincing evidence and to the extent that there is reasonable certainty of their realisation.
  - (d) Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date.
- (x) Preliminary expenses are amortised over a period of five years.

**(XI) Impairment of Assets**

The Company have discontinued the operation of its Garment Manufacturing Plant. In accordance with the Accounting Standard - 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the Company has not calculated the Impairment loss, if any, on account of unavailability of information of recoverable amount of Garment Manufacturing Plant.

(XII) Figures for the previous year have been regrouped/ rearranged to make them comparable with the current year.

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.				
<b>1. SHARE CAPITAL</b>						
Authorised Capital						
10000000 Equity Shares of Rs 10/- each	100,000,000	100,000,000.00				
Issued ,Subscribed & Paid up Capital						
7180500 Equity Shares of Rs 10/- each fully paid up	71,805,000	71,805,000.00				
	<b>71,805,000</b>	<b>71,805,000.00</b>				
<b>1.1 Detail of shareholders holding more than 5% shares</b>						
<b>Name of shareholder</b>	<b>No. of shares</b>				<b>%</b>	
	<b>13-14</b>	<b>12-13</b>	<b>13-14</b>	<b>12-13</b>		
Dayaram Khanchandani	1434590	1434590	19.98	19.98		
Nitin Khanchandani	815000	815000	11.35	11.35		
Sunny Khanchandani	435000	435000	6.06	6.06		
Rakhi Khanchandani	390000	390000	5.43	5.43		
Jainum Share Pvt. Ltd.	394279	413662	5.49	5.76		
<b>1.2</b>	The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.					
<b>2. RESERVES AND SURPLUS</b>						
Statement of Profit and Loss						
Opening balance	92,208,711	91,419,707				
(+) Net Profit For the current year	1,109,093	789,004				
	<b>93,317,804</b>	<b>92,208,711</b>				
Securities Premium Reserve	53,482,300	53,482,300				
State Investment Subsidy	1,558,713	1,558,713				
	<b>148,358,817</b>	<b>147,249,724</b>				
<b>3. LONG TERM BORROWINGS</b>						
<b>Unsecured Loans</b>						
From Directors	-	81,692				
From Corporates	-	-				
	-	<b>81,692</b>				
<b>4. DEFERRED TAX LIABILITY (Net)</b>						
In accordance with AS-22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, the company has created deferred tax assets during the year. The breakup of Net Deferred Assets/ (Liabilities) are @30.90% as under:						

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
Timing Difference between Book & Tax Value of Fixed Assets	(5.67)	(7.41)
Gratuity Provision	6.62	6.71
	<u>(0.95)</u>	<u>(0.70)</u>
<b>5. SHORT TERM BORROWINGS</b>		
Secured loan (inclusive of interest thereon)		
WORKING CAPITAL LIMIT		
From State Bank of Bikaner & Jaipur	21,311,221	17,392,787
(Working Capital limit from State Bank of Bikaner & Jaipur is secured by way of first charge over all the fixed & current assets.)	<u>21,311,221</u>	<u>17,392,787</u>
<b>6. TRADE PAYABLES</b>		
Micro, Small & Medium Enterprises	-	-
Others	79,356,955	27,673,807
	<u>79,356,955</u>	<u>27,763,807</u>
6.1: Details of dues to Micro, Small and Medium Enterprises under MSMED Act, 2006 :- In view of non availability of relevant information with the company, the total outstanding due to Micro, Small and Medium Enterprises covered under MSMED Act,2006 cannot be ascertained, therefore the same are not disclosed.		
<b>7. OTHER CURRENT LIABILITIES</b>		
PF & ESI Payable	12,487	17,541
Credit Balance of Schedule Bank	76,035	76,035
Gratuity Provision	2,140,890	2,170,355
TDS Payable	44,320	9,148
Provision for Income Tax	682,840	-
Electricity Exps. Payable	8,826	52,134
Telephone Exps Payable	22,768	17,712
	<u>2,988,184</u>	<u>2,342,925</u>
<b>8. NON CURRENT INVESTMENTS</b>		
Other Investments (unquoted) (Non Trade)		
N S C	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

<b>M. K. Exim (India) Limited</b>											
<b>9. FIXED ASSETS</b>											
S. No.	PARTICULARS	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK		
			AS AT 01.04.2013	ADDITION/ (DELETION)	AS ON 31.03.14	UPTO 31.03.2013	ADJUSTMENT ON SALE OF ASSETS	FOR THE YEAR	UPTO 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
1.	LAND		3,987,680		3,987,680	0	0	0	0	3,987,680	3,987,680
2.	SITE DEVELOPMENT	3.34%	265,586		265,586	76,291		8,871	85,162	180,424	189,295
3.	BUILDING	3.34%	8,540,594		8,540,594	3,764,869		285,256	4,050,125	4,490,469	4,775,725
4.	PLANT & MACHINERY	4.75%	19,224,942		19,224,942	13,119,166		913,185	14,032,351	5,192,591	6,105,776
5.	FURNITURE & FIXTURES	6.33%	338,392		338,392	266,748		21,420	288,168	50,224	71,664
6.	VEHICLES	9.50%	3,370,550		3,370,550	3,080,491		290,059	3,370,550	0	290,059
7.	MISC. FIXED ASSETS	4.75%	1,052,842	-78,396	974,446	464,004		-9,927	502,128	472,318	588,838
8.	COMPUTER	16.21%	539,061		539,061	539,061		0	539,061	0	0
9.	OFFICE EQUIPMENT	4.75%	109,822		109,822	12,821		5,217	18,038	91,784	97,002
	<b>TOTAL</b>		<b>37,429,469</b>	<b>-78,396</b>	<b>37,351,073</b>	<b>21,323,450</b>		<b>-9,927</b>	<b>22,885,582</b>	<b>14,465,491</b>	<b>16,106,019</b>
	Previous Year		<b>37,323,269</b>	<b>106,200</b>	<b>37,429,469</b>	<b>19,641,334</b>		<b>1,682,117</b>	<b>21,323,450</b>	<b>16,106,019</b>	



**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>10. LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured & Considered good)		
Advances to Related Parties	8,850,000	7,750,000
Other Advances	42,213,000	96,405,788
TDS Receivable	372,642	372,642
Income Tax Demand	600,000	-
MAT Credit Entitlement	196,319	-
Security Deposit	266,444	262,865
<b>10.1.</b> Trade Advances amounting to Rs. 422.13 Lacs (Previous Year 958.06 Lacs) which are long overdue were given out of business expediency and the same, in the opinion of the management are good and recoverable. The same are subject to confirmation.	<b>52,498,405</b>	<b>104,791,295</b>
<b>11. OTHER NON CURRENT ASSETS</b>		
Preliminary Exp.	80,000	160,000
Claim receivable for Loss by fire	8,689,857	4,689,857
VAT Receivable	254,896	254,898
	<b>5,024,753</b>	<b>5,104,753</b>
<b>12. INVENTORIES</b>		
Raw Material	-	7,037,827
Finished Goods	5,516,203	14,018,124
Work In Progress	-	316,394
Packing Material & Consumables	9,882	28,882
	<b>5,526,085</b>	<b>21,401,227</b>
<b>13. TRADE RECEIVABLES</b>		
(Unsecured & Considered Good)		
Debts (Outstanding for a period exceeding Six months)	49,835,199	62,447,455
Others	193,351,287	50,106,453
	<b>243,186,486</b>	<b>112, 553, 908</b>
<b>14. CASH &amp; CASH EQUIVALENTS</b>		
Cash in Hand	1,971,493	1,265,045
Balance with Banks	52,787	4,457,456
	<b>2,024,280</b>	<b>5,722,501</b>

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>15. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured & considered good)		
Prepaid Insurance	37,603	39,180
Advances to Employees	961,309	896,202
	<b>998,912</b>	<b>935,382</b>
<b>16. REVENUE FROM OPERATIONS</b>		
Domestic Sales	26,008,596	93,920,341
Export Sales	247,795,266	26,213,351
Job Work Charges	-	659,634
Exchange Rate Difference	2,775,959	8,901,572
	<b>276,579,821</b>	<b>129,694,898</b>
<b>17. OTHER INCOME</b>		
Duty Drawback	4,310,610	1,671,030
Other Income	129	-
Rent	-	3,267,000
Claim Received from Insurance Co. (under Keyman Insurance Policy)	-	4,812,500
	<b>4,310,739</b>	<b>9,750,530</b>
<b>18. COST OF MATERIALS CONSUMED</b>		
Opening Stock	7,037,827	12,032,203
Add : Purchases	5,367,977	10,109,821
Less: Closing Stock	-	7,037,827
	<b>12,405,804</b>	<b>15,104,197</b>
<b>19. PURCHASE OF TRADING GOODS</b>		
Purchase of Fabric	91,707,331	88,931,512
Purchase of Goods(For NGO)	77,238,095	15,292,710
Purchase of Garments	74,159,408	-
	<b>243,104,834</b>	<b>104,224,222</b>
<b>20. CHANGES IN INVENTORIES OF FINISHED GOODS AND WIP</b>		
Closing Stock of Finished Goods	5,516,203	14,018,124
Less:Opening Stock of Finished Goods	14,018,124	437,244
(Increase)/Decrease in Finished Goods	8,501,921	(13,580,880)
Closing Stock of Work-in-Progress	-	316,394
Less:Opening Stock of Work-in-Progress	316,394	16,732,795
(Increase)/Decrease in Work-in-Progress	316,394	16,416,401
	<b>8,818,315</b>	<b>2,835,521</b>

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>21. EMPLOYEE BENEFITS EXPENSES</b>		
Salary Expenses	1,417,846	1,905,965
Wages Expenses	-	311,954
Staff Welfare Expenses	7,000	16,853
Provident Fund & ESI Contribution	89,938	113,343
Gratuity	80,535	97,575
Festival Expenses	12,450	-
	<b>1,607,769</b>	<b>2,445,690</b>
<b>22. FINANCE COST</b>		
Interest	1,475,881	3,722,746
Other Expenses	287,389	423,790
	<b>1,763,270</b>	<b>4,146,536</b>
<b>23. OTHER EXPENSES</b>		
Manufacturing Expenses:-		
Diesel & Oil expenses	-	3,492
Carriages & Cartages	50,300	2,730
Grading Charges	71,721	107,276
Processing Charges	758,321	1,568,818
Kundan & Stone Making Charges	-	3,212
Touch Charges	-	534
Refining Charges	-	83
Job Charges	-	161,565
Power & fuel	119,033	117,968
<b>Total (A)</b>	<b>9,99,375</b>	<b>1,965,678</b>
<b>Other Expenses :-</b>		
Conveyance Charges	105,391	60,168
Electric & Water Expenses	14,263	16,419
Freight Charges	6,101,730	1,898,099
Office Expenses	46,650	35,128
Printing & Stationery	79,793	59,152
Repairs to Building	102,548	509,937
Repairs to Machinery	42,078	50,200
Sales Promotion Expenses	4,445	-
Advertisement Expenses	135,623	260,623

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
Director Remuneration	426,000	426,000
Auditors Remuneration	100,000	100,000
Vehicle Expenses	249,064	255,919
Council Charges	12,428	2,297
Exhibition Charges	139,940	-
Demand & Penalties	-	657,781
Insurance Charges	102,364	168,171
Legal & Professional Charges	320,190	480,920
Packing material & consumables Consumed	124,267	320,241
Postage Expenses	186,417	161,964
Misc. Exp. W\Off	80,000	80,000
Registration & Annual Charges	143,488	128,406
Rent	70,500	70,000
Sample expenses	127,533	(2,905)
Sundry Balances W\Off	-	(47,350)
Telephone Charges	367,025	365,742
Travelling Expenses	51,629	103,345
Website & Internet Expenses	6,600	7,495
Loss on Sale of Fixed Assets	46,704	-
ECGC Premium	-	135,296
<b>Total (B)</b>	<b>9,186,670</b>	<b>6,303,048</b>
<b>Total (A)+(B)</b>	<b>10,186,045</b>	<b>8,268,726</b>

**23.1 VALUE OF PACKING MATERIAL CONSUMED**

	Rs. In Lacs	%	Rs. In Lacs	%
Imported	0	0	0	0
Indigenous	1.24	100	3.20	100

**23.2 PAYMENTS TO AUDITORS**

(a) As Auditors:		
Statutory Audit Fees	100,000	100,000
(b) As Advisers, in respect of		
- Other Services	26,100	82,000
	<b>126,100</b>	<b>182,000</b>

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>24. EARNINGS PER SHARE(EPS)</b>		
Net Profit after tax available for Equity Share holders	1,109,093	789,004
Weighted average of number of equity share outstanding during the year	7,180,500	7,180,500
Basic & Diluted Earnings per share( in Rs.)	0.1545	0.1099
Face value per equity share( in Rs.)	10	10
<b>25. EARNING IN FOREIGN EXCHANGE &amp; EXPENDITURE</b>		
Foreign Exchange Earning(FOB Value)		
Export	246,654,497	25,929,822
<b>Foreign Exchange Expenditure</b>	<u>0</u>	<u>0</u>
	<u>246,654,497</u>	<u>25,929,822</u>

**26. RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

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

S.NO.	NAME OF RELATED PARTY	RELATIONSHIP
1.	Mr. Dayaram Khanchandani :	Key Management Personnel
2.	Mrs. Pushpa Khanchandani:	Key Management Personnel
3.	Mr. Ashok Patni	Key Management Personnel
4.	M.K.Products	Partnership firm of key
5.	Rakhi Khanchandani	Relative of Director
6.	M/s Square Gem General Trading L.L.C.	Related concern of key Management personnel
7.	M/s Square Textile L.L.C.	Related concern of key Management personnel
8.	M/s Symphony Jewels Pvt. Ltd.	Related Concern of key Management Personnel

**NOTES FORMING PART OF FINANCIAL STATEMENT**

	AS AT 31.03.2014 Rs.	AS AT 31.03.2013 Rs.
<b>Details of transactions with related parties and the status of outstanding balances at the year end.</b>		
<b>1. Key Management Personnel</b>		
Remuneration	426,000	426,000
Outstanding Payable at the end	226,500	248,500
<b>Unsecured Loans</b>		
Balance at the beginning	81,692	81,692
Taken during the year	0	25,000,000
Paid during the year	81,692	25,000,000
Balance Payable at the end	0	81,691
<b>2. Relative of Key Management Personnel</b>		
Sale of Finished Goods	28,721,183	12,730,749
Debit Balance Outstanding at the end of the year	27,079,636	1,266,800
<b>3. Associate Company</b>		
Loans & Advances		
Balance at the beginning	0	8,892,800
Given during the year	0	8,892,800
Received during the year	0	0
Balance at the end	0	0
Investment	0	0
<b>27 REMUNERATION PAID TO DIRECTORS</b>		
Salary	426,000	426,000
<b>28. CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>Year Ended 31.03.2014</b>	<b>Year Ended 31.03.2013</b>
Claims against the Company not acknowledge as debts	NIL	NIL
Disputed Income Tax Liability		
Pending in Appeals	2,90,380/-	NIL
Corporate Gurantee given by Company to Bank	NIL	NIL

**NOTES FORMING PART OF FINANCIAL STATEMENT****29. SEGMENT REPORTING**

- (i) Segments have been identified in line with the Accounting Standard-17- "Segment Reporting " issued by the Institute of Chartered Accountants of India.
- (ii) The Business Segment has been considered as the primary segment for disclosure. The segments have been identified taking into account the nature of products, the different risks and returns and internal reporting system. The Geographical Segment based on location of its customers have been considered as secondary segment for disclosure.
- (iii) The segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.
- (iv) **Information about primary business segments :-**

	Jewellery		Finish fabric & Dress material		Blankets & Sleeping Mats		Unallocable		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13	31.03.14	31.03.13
Revenue	<b>10.20</b>	162.23	<b>1949.63</b>	984.52	<b>904.34</b>	164.67	<b>0.00</b>	83.04	<b>2864.17</b>	1394.45
Results Less :	<b>(0.50)</b>	(32.74)	<b>50.48</b>	(43.96)	<b>(35.67)</b>	2.35	<b>0.00</b>	81.73	<b>14.31</b>	7.38
MAT Credit	<b>0.01</b>	0.00	<b>1.34</b>	0.00	<b>0.62</b>	(0.05)	<b>0.00</b>	(1.54)	<b>1.96</b>	(1.59)
Deferred tax liability Created/(Reverse)	<b>0.01</b>	0.26	<b>1.12</b>	1.58	<b>0.52</b>	0.26	<b>0.00</b>	0.00	<b>1.65</b>	2.10
Income Tax	0.03	0.00	4.65	0.00	2.16	0.00	0.00	0.00	6.83	0.00
Profit After Tax	<b>(0.51)</b>	(32.48)	<b>48.29</b>	42.38	<b>36.69</b>	2.57	<b>0.00</b>	80.19	<b>11.09</b>	0.00
Segment Assets	<b>17.16</b>	301.28	<b>2216.67</b>	1985.19	<b>1002.58</b>	317.82	<b>0.00</b>	61.87	<b>3236.41</b>	2666.16
Segment Liabilities	<b>3.87</b>	36.15	<b>706.38</b>	228.68	<b>327.66</b>	38.25	<b>0.00</b>	173.93	<b>1037.90</b>	477.01
Capital Expenditure	<b>0.00</b>	0.13	<b>0.00</b>	0.82	<b>0.00</b>	0.14	<b>0.00</b>	0.00	<b>0.00</b>	1.09
Non Cash Expenses other than Depreciation	<b>0.47</b>	0.12	<b>1.09</b>	0.74	<b>0.51</b>	0.12	<b>0.00</b>	0.00	<b>2.07</b>	0.98
Depreciation	<b>0.08</b>	2.01	<b>10.77</b>	12.69	<b>4.87</b>	2.12	<b>0.00</b>	0.00	<b>15.72</b>	16.82

(v) Information about secondary business segment :-

	<u>Current Year</u>	<u>Previous Year</u>
Export	260.09	939.20
Domestic	2477.95	262.13
	<u>2738.04</u>	<u>1201.34</u>



## M. K. Exim (India) Limited

CIN: L63040RJ1992PLC007111

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

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

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

Web-Site: www.mkexim.com

### BALLOT PAPER

(in lieu of E-voting)

Name of the shareholder(s) : .....

Folio No. /DP ID & Client ID\* : .....

No. of shares held :

\* Applicable in case shares are held in electronic form.

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s)/ Special Resolution(s) as stated in the Notice convening the 22nd Annual General Meeting of the Company scheduled on Monday, September 29, 2014, by conveying my/our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the appropriate box below.

S.No.	Particulars	Type of resolution (Ordinary/Special)	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	<b>Ordinary Business:</b> Audited Balance Sheet as at 31 <sup>st</sup> March, 2014 and Statement of Profit & Loss for the year ended at that date and the report of Directors and Auditors thereon.			
2.	Appointment of Shri Murlidhar Menghani By rotation			
3.	Appointment of Shri Ashok Patni By rotation			
4.	Appointment of auditor			
5.	Appointment of Mr. Manish Murlidhar Dialani under Section 160			
1.	<b>Special Business:</b> Power to board to sell the old plant And land			

Place: \_\_\_\_\_

Date:

Signature of shareholder

NOTE: Kindly read the instructions printed overleaf before filling the form. Only valid ballot forms received by the scrutinizer by 6.00 p.m. on September 20, 2014 shall be considered.

## INSTRUCTIONS

1. Shareholders may fill up the ballot form printed overleaf and submit the same in a sealed envelope to the scrutinizer, Mr. Suresh Sharma, Practising Company Secretary, Unit: M. K. Exim (India) Limited, so as to reach by 6.00 p.m. on 20, September , 2014. Ballot form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the ballot form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
4. A shareholder can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a shareholder casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
5. The right of voting by ballot form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the shareholders holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of shareholders holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Beetal Financial & Computer Services (P) Ltd.). Shareholders are requested to keep the same updated.
7. There will be only one ballot form for every Folio/DP ID Client ID irrespective of the number of joint holders.
8. In case of joint holders, the ballot form should be signed by the first named shareholder and in his/her absence by the next named shareholder. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such ballot form from other joint holders.
9. Where the ballot form has been signed by an authorized representative of the body corporate/ trust/ society, etc. a certified copy of the relevant authorization/ board resolution to vote should accompany the ballot form.

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

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

Name of the shareholder(s) :

Registered address :.....

E-mail ID :.....

Folio No. /DP ID & Client ID\* :.....

No. of shares held :.....

\* Applicable in case shares are held in electronic form.

I/We, being the holder(s) of \_\_\_\_\_ shares of M. K. Exim India Limited, hereby appoint:

Name :.....

Address :.....

E-mail ID : or failing him :.....

Name :.....

Address :.....

E-mail ID : or failing him :.....

Name :.....

Address :.....

E-mail ID :.....

and whose signature(s) are appended below as my / our proxy to attend and vote (on Poll) for me/us and on my/ our behalf at the TWENTY SECOND ANNUAL GENERAL MEETING of the Company to be held on MONDAY, 29 September, 2014 at 10.00 a.m. at G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

S.No.	Particulars	For	Against
	<b>Ordinary Business :</b>		
1.	Audited Balance Sheet as at 31 <sup>st</sup> March, 2014 and Statement of Profit & Loss for the year ended at that date and the report of Directors and Auditors thereon.		
2.	Appointment of Shri Murlidhar Menghani By rotation		
3.	Appointment of Shri Ashok Patni By rotation		
4.	Appointment of auditor		
5.	Appointment of Mr. Manish Murlidhar Dialani under Section 160		
	<b>Special Business :</b>		
1.	Power to board to sell the old plant And land		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014 Signature of Shareholder \_\_\_\_\_

Revenue Stamp Rs. 1/-

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder.

Note:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.

2. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

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

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**ATTENDANCE SLIP TWENTY SECOND ANNUAL GENERAL MEETING  
ON Monday September 29, 2014 AT 10.00 A.M.**

Folio No. / DP ID & Client ID\* .....

No. of shares held .....

\* Applicable in case shares are held in electronic form.

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

I/We hereby record my presence at the TWENTY SECOND ANNUAL GENERAL MEETING of the Company to be held at G1/150, Garment Zone, E.P.I.P. RIICO Industrial Area, Sitapura, Sanganer, Jaipur-302022 10.00 a.m. on Monday, September 29, 2014.

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

Note: Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.



# M. K. Exim (India) Limited

Regd. Office : G1/150, Garment Zone, E.P.I.P. Sitapura, Tonk Road, JAIPUR-302022  
 Tel : +91-141-3937500/501 Fax : +91-141-3937502 Website : www.mkexim.com  
 E-mail : mkexim@gmail.com, mkexim@hotmail.com, info@mkexim.com

To,  
 Rakesh Parekh  
 Sp.Assistant  
 Listing Compliance  
 BSE Ltd.  
 P J Towers, Dalal Street, Mumbai - 400001, India  
 Tel.no 22728307  
[www.bseindia.com](http://www.bseindia.com)

Dear Sir

## Form-B

Format of covering letter of the annual report to be filed with the Stock Exchange

1	Name of the Company	M.K.EXIM (INDIA) LIMITED
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2014
3	Type of Audit Qualification	Except for....
4	Frequency of qualification	Appeared in the last 3 years
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	AS 28 page 20 As 15 page 20 As-28 – The assets would be be disposed off after ascertaining the value during the current financial year. As-15 – The company would take appropriate Gratuity Policy through LIC in the current year
	Additional comments from the board/audit committee chair:	N.A.
5	To be signed by – <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the company</li> <li>• Audit Committee Chairman</li> </ul>	Whole-Time Director

Thanking You

For M.K.Exim (India) Limited

  
 Daya Ram Khanchandani  
 Whole Time Director  
 DIN : 00161546

