

28th August, 2021

To,
BSE Limited,
Phirozen Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001, Maharashtra

Scrip ID / Code: KDML / 539788

Subject: 10th Annual Report for the Financial Year ended 2020-21

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure General Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report for the Financial Year 2020-21 of the 10th Annual General Meeting of Members of the Company.

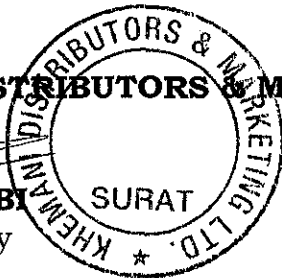
The Annual Report is also available on the website of the Company at www.khemanigroup.net.

Kindly take the same on your record and oblige.

Thanking you,

For KHEMANI DISTRIBUTORS & MARKETING LIMITED

Vaishali
VAISHALI PUNJABI
Company Secretary
ACS: 48695



Encl.: As above

Khemani Distributors & Marketing Limited

Registered Office : Plot No. D/91-92, Laxmi Narayan Industrial Estate, Nr. Baroda Rayon Corporation (BRC), Udhana, Bhestan, SURAT - 394210.
Telephone & Fax : 0261-2905031, E-mail : investors@khemanigroup.net Website : www.khemanigroup.net CIN : L74300GJ2011PLC063520



**KHEMANI DISTRIBUTORS
AND
MARKETING LIMITED**

10TH ANNUAL REPORT

2020-21

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MESSAGE FROM CHAIRMAN'S DESK

Dear Shareholders,

It is my privilege to write to you and present the 10th Annual Report for the Financial Year 2020-21.

I hope this message finds you safe and in good health. The Covid-19 pandemic continues and its been a challenge for everyone. This tough time has definitely underlined the importance of the things that matter. People have understood What the Family is, your Parents, Wife, Kids and much more. Most Importantly, they have actually came to know What Life is.!

The year 2020-21 has been challenging for each one of us. This pandemic has had a significant impact on lives, livelihoods and the business. Operational challenges mounted due to restricted movement and disrupted supply lines during the first few months of the pandemic. As the second wave of the pandemic unfolds with predictions of a third wave, our focus continues to be on our people's health & safety, ensuring uninterrupted supplies, meeting the demand arising out of evolving consumer needs, caring for the communities in which we operate and finally, protecting our business model.

Your Company being involved in the FMCG Industry, dealing with various kinds of essential services, had provided all the essential items like sanitizers, soaps, food items throughout the crisis. Our employees did take risk to keep our operations going and supplied essential goods to consumers so that the impact of the crisis can be reduced. While every business has its own highs and lows, the success of the Company in longer run depends on its ability to innovate to meet the evolving needs of customers and remain competitive.

Our foundation, Khemani Welfare Foundation also did a fabulous job in terms meeting our social obligation. We were active throughout the year in creating awareness and healing people.

Despite of losses incurred during the Financial Year 2019-20, your Company has declared Bonus with the approval of its Shareholders in the previous Annual General Meeting. During the Financial Year 2020-21, your Board has allotted 1,14,87,000 Bonus Equity Shares of Rs. 5/- fully paid Bonus Shares to the Equity Shareholders in the ratio of 1 (One) equity share of Rs. 5/- each fully paid-up for every 1 (One) equity share of Rs. 5/- each fully paid-up of the Company.

The worst is definitely behind us. With the rollout of Vaccine, there is a sense of positivity amongst people globally. I am very proud to say that our Employees serving on the frontline, have kept our operations running. Every safety precaution has been taken along with complete adherence to all the requisite restrictions and protocols. In the coming year, we will continue our journey to growth and progress and by conducting business in a fair and transparent manner.

I would like to take this opportunity to thank all my Stakeholders i.e. Government of India, Banker, Customers, Vendors, Employees, Shareholders and all the people who have been a part of this journey for your overwhelming trust, support, and confidence in Khemani Distributors and Marketing Limited.

Warm Regards,

Vijaykumar Khemani
Chairman and Managing Director

BOARD OF DIRECTORS AND KMP



Vijaykumar Khemani
Chairman & Managing Director



Amitkumar Khemani
Whole Time Director & CFO



Amit Jain
Independent Director



Balkishan Agarwal
Independent Director



Mukeshkumar Kabra
Independent Director



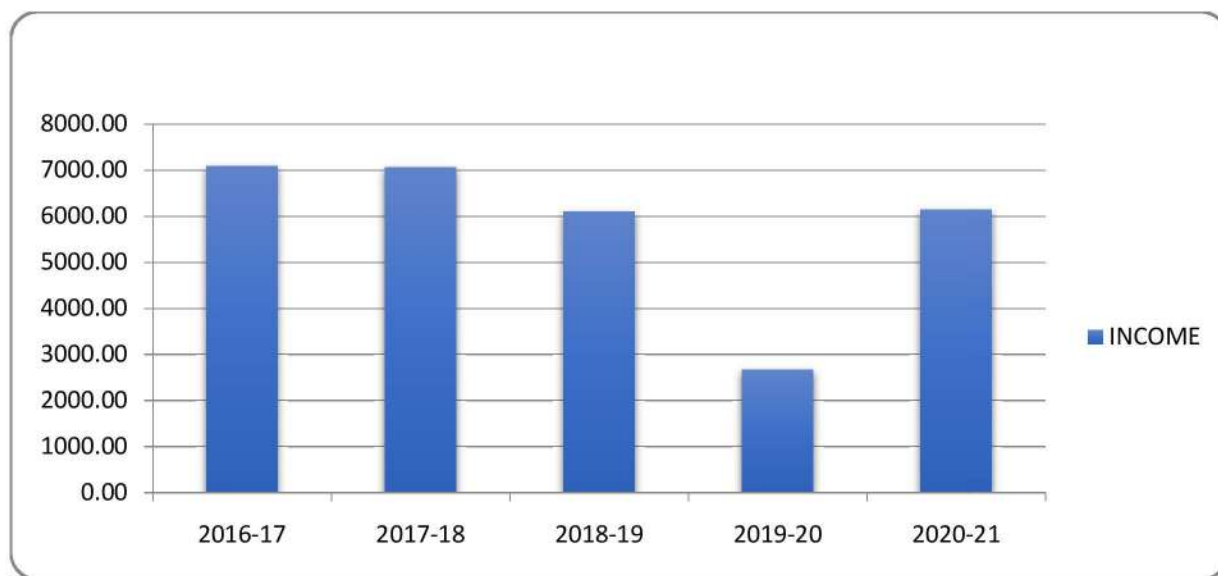
Anupa Khemani
Non-Executive Director



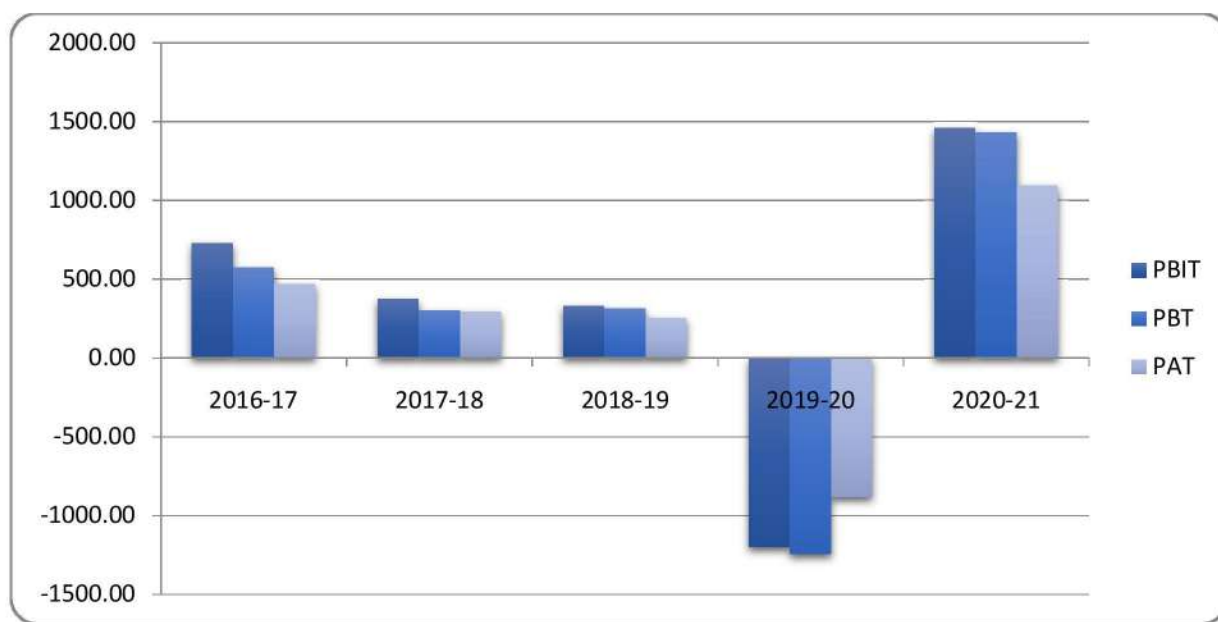
Vaishali Punjabi
Company Secretary

FINANCIAL HIGHLIGHTS

Income (In Lakh)



PBIT, PBT & PAT (In Lakh)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Vijaykumar Khemani	Chairman and Managing Director
Mr. Amitkumar Khemani	Whole Time Director and CFO
Mrs. Anupa Khemani	Non-Executive Director
Mr. Amit Jain	Non-Executive Independent Director
Mr. Balkishan Agarwal	Non-Executive Independent Director
Mr. Mukeshkumar Kabra	Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Amitkumar Khemani

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Rekha Rani Naraniwal	Resigned w.e.f. 24-09-2020
Ms. Vaishali Punjabi	Appointed w.e.f. 25-09-2020

STATUTORY AUDITORS

C.P. Jaria & Co.
Chartered Accountants

INTERNAL AUDITORS

Ravindra Dhakar & Associates
Chartered Accountants

SECRETARIAL AUDITORS

Mr. Bhaveshkumar Rawal
Company Secretary

BANKERS

Kotak Mahindra Bank
ICICI Bank
Axis Bank
HDFC Bank

REGISTERED OFFICE

Plot No. D/91-92, Laxminarayan Industrial Park,
BRC Compound, Udhna, Bhestan Road,
Surat-394210, Gujarat
Contact: +91-9737747888 / +91-7818081234
Email: investors@khemanigroup.net
Website: www.khemanigroup.net

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai-400059, Maharashtra
Contact: 022-62638200
Fax: 022-62638299
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

NOTICE OF 10th ANNUAL GENERAL MEETING

NOTICE is hereby given that **10th Annual General Meeting** of the Members of **KHEMANI DISTRIBUTORS AND MARKETING LIMITED** will be held at **Registered Office** of the Company situated at Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhna, Bhestan Road, Surat-394210, Gujarat on **Wednesday, the 22nd September, 2021 at 3:00 p.m.** to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Financial Statements and Report of Board of Directors:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and the Auditors thereon and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and the Auditors thereon be and are hereby adopted”.

2. Appointment of Mr. Vijaykumar Khemani as a Director liable to retire by rotation:

To appoint a Director in place of Mr. Vijaykumar Khemani, Chairman and Managing Director (DIN: 02227389), who retires by rotation pursuant to the Section 152(6) of Companies Act, 2013 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(6) and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Vijaykumar Khemani, Chairman and Managing Director (DIN: 02227389), who retires by rotation at this Annual General Meeting, be and is hereby re-appointed as Director of the Company.”

3. Appointment of B Chordia & Co., Chartered Accountants, as the Statutory Auditors of the Company:

To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), B Chordia & Co., Chartered Accountants (Firm Registration No. 121083W) be and are hereby appointed as Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held in the year 2026-27, on such remuneration as shall be fixed by the Board of Directors of the Company.

RESOLVED FURTHER THAT any Director or KMP of the Company be and are severally authorized to settle any question, difficulty or doubt that may arise in this regard and to file, sign, verify and execute all such e-forms, papers or documents as may be required and to do all such acts, deeds, matters and things as may be necessary for giving effect to this Resolution.”

By Order of the Board of Directors
KHEMANI DISTRIBUTORS AND MARKETING LIMITED

Place: Surat
Date: 25-08-2021

VAISHALI PUNJABI
Company Secretary & Compliance Officer
ACS: 48695

NOTES:

1. The Company is listed with BSE on SME platform.
2. The relevant details as required under Regulation 36(3) and 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment / re-appointment as Director as mentioned under Item No. 2 of the Notice is annexed thereto.
3. A Member entitled to attend and vote at an Annual General Meeting (AGM) is entitled to appoint proxy/proxies to attend and vote instead of himself/herself. Such proxy/proxies need not be a Member of the Company.

A person can act as proxy on behalf of not more than fifty (50) Members and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy for his entire shareholding and such person shall not act as a proxy for another person or shareholder. If a proxy is appointed for more than fifty members, he/she shall choose any fifty Members and confirm the same to the Company before the commencement of the specified period for Inspection. In case the proxy fails to do so, the Company shall consider only the first fifty proxies received as valid. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/authority letter as applicable, on behalf of the nominating organization.

The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the Meeting. A proxy form is annexed herewith.

4. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
5. Only Bonafide Members of the Company whose names appear on the Register of Members / Proxy holders, in possession of valid attendance slip duly filled and signed will be permitted to attend the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Register of Members and the Share Transfer books of the Company will remain closed from **Saturday, 11th September, 2021 to Wednesday, 22nd September, 2021 (both days inclusive)** for AGM.
8. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by Institute of Company Secretaries of India.
9. The Members, holding shares in dematerialized form may intimate any change in their addresses or bank details / mandates to their Depository Participants (DP) immediately.

10. 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 not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. In light of the MCA and BSE Circulars with respect to the COVID-19 Outbreak for Annual Report for this AGM, the Shareholders who have not submitted their email addresses and in consequence to whom the Annual Report could not be serviced, may temporarily get their e-mail addresses registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by clicking the link: <https://www.bigshareonline.com/InvestorRegistration.aspx>
12. Non-resident Indian Shareholders are requested to inform to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately about the following: -
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the NRE account with a Bank in India, with complete name of the Bank, branch address, account type and account number with MICR code, if not furnished earlier.
13. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her queries to the Company on registered email id.: investors@khemanigroup.net at least seven days prior to the meeting so that the required information can be made available at the Meeting.
14. Electronic copy of the Annual Report 2020-21 is being sent to those Members whose email address is registered with the Company / Depositories for communication purpose, unless any Member has requested for a physical copy of the same. Members may note that this Notice of AGM and Annual Report is being made available on the Company's website www.khemanigroup.net.
15. Voting through Ballot Paper:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, as amended, the Company is not mandatorily required to provide e-voting facility to its Members, as per the Exemptions available to SME Listed Companies.
 - II. The facility for voting through polling paper (ballot paper) shall be made available at AGM and the Members attending the meeting will be able to exercise their right at the meeting through ballot paper.
 - III. **The cut-off date for the purpose of voting at the AGM shall be Wednesday, 15th September, 2021.** The voting right of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on Cut-off date.
 - IV. Poll is conducted under the supervision of the Scrutinizer appointed for voting. The decision of Scrutinizer on validity of vote will be final.
 - V. The Chairman shall, at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Polling Paper for all those Members who are present at the meeting.

- VI. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently.
16. The Board of Directors of the Company has appointed Mr. Bhaveshkumar Rawal, Company Secretary in Practice, Surat as the Scrutinizer to conduct and provide voting and poll facility to the members at an AGM.
 17. The Scrutinizer, after scrutinizing the votes cast at the meeting (through Poll), will, not later than forty-eight (48) hours of conclusion of the Meeting, make a Consolidated Scrutinizer's Report and submit the same to the Chairman or any other person authorized by him in writing who shall declare the result of the voting forthwith. The Results declared alongwith the Consolidated Scrutinizer's Report shall be placed on the website of the Company www.khemanigroup.net. The results shall also be immediately forwarded to the Stock Exchange where the shares of the Company are listed.
 18. Queries proposed to be raised at the AGM may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information for replying in the meeting.
 19. All documents referred to in the accompanying notice shall be open for inspection at the Registered Office of the Company situated at Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhna, Bhestan Road, Surat-394210, Gujarat between 10:00 a.m. to 5:00 p.m. on all working days, except on holidays, up to and including the date of the Annual General Meeting of the Company.
 20. The route map showing directions to reach the venue of the meeting is annexed.

ANNEXURE TO NOTICE

Details of Directors seeking Appointment / Re-Appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on “General Meeting”:

Item No. 2:

To appoint a Director in place of Mr. Vijaykumar Khemani, Chairman and Managing Director (DIN: 02227389), who retires by rotation pursuant to the Section 152(6) of Companies Act, 2013 and being eligible, offers himself for re-appointment.

Name of the Director	Mr. Vijaykumar Khemani
Director Identification Number (DIN)	02227389
Designation / Category	Chairman and Managing Director (Executive)
Age	74 Years
Date of Appointment on the Board	06-01-2011
Nationality	Indian
No. of Board Meetings attended during the year 2020-21	7 of 7
Qualifications	Higher Secondary

Experience (including Expertise in specific functional area)	<ul style="list-style-type: none"> • He is the Pioneer of the Company and has been on Board since Inception. • He has been appointed as Managing Director of the Company w.e.f. 02-01-2016. • He has over 5 Decades of rich experience across various Business. Under his Leadership, the entire Khemani Group has grown from Scratch to what it is Today. • He is the Guiding Force behind the Strategic Decisions of our Company and has been instrumental in Planning and Formulating the Overall Business Strategy and Developing Business Relations for our Company. • He plays an instrumental role in taking major policy decisions of our Company. • He handles daily Business Issues, manage Company Associations and recognizes Business Opportunities.
Terms and conditions of appointment or re-appointment	<ul style="list-style-type: none"> • He is the Chairman and Managing Director of the Company. • He will be liable to retire by rotation. • Remuneration terms will be applicable as per Section 197 of Companies Act, 2013.
Remuneration	Rs. 1,80,000/-
Shareholding in the Company	47,94,000 Equity Shares (20.87%)
Directorship in the other Entities	<ul style="list-style-type: none"> • BSAS Infotech Limited • Tibbs Foods Private Limited • StepUp Arogyam India Private Limited
Membership / Chairmanship in Committees of the Company	Membership in: <ul style="list-style-type: none"> • Stakeholder Grievances Committee • Corporate Social Responsibility Committee
Membership / Chairmanship in Committees (Other than Khemani Distributors and Marketing Limited)	Nil
Relationship with other Director(s), Manager and KMP	Mr. Vijaykumar Khemani is the <ul style="list-style-type: none"> • Father of Mr. Amitkumar Khemani, Whole Time Director & CFO of the Company; and • Father-in-Law of Mrs. Anupa Khemani, Non-Executive Director of the Company.

EXPLANATORY STATEMENT

In terms of Regulation 36(5) of the Listing Regulations

Item No. 3:

At the 5th Annual General Meeting (AGM) of the Company held on 28th September, 2016, the Shareholders had approved the appointment of C.P. Jaria & Co., Chartered Accountants, Surat (FRN: 104058W) as Statutory Auditors of the Company, to hold office till the conclusion of the 10th AGM.

As the term of C.P. Jaria & Co., Chartered Accountants, Surat is getting expire at this 10th AGM, the Board of Directors at their meeting held on 25th August, 2021, based on recommendations of the Nomination and Remuneration Committee and approval of Audit Committee, have approved the Appointment of B Chordia & Co., Chartered Accountants, Surat (Firm Registration Number 121083W), as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this AGM till the conclusion of 15th AGM. The re-appointment is subject to approval of the shareholders of the Company.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, B Chordia & Co., Chartered Accountants, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws.

The remuneration to be paid to Statutory Auditors during their term shall be mutually agreed between the Board of Directors and Statutory Auditors, from time to time.

By Order of the Board of Directors
KHEMANI DISTRIBUTORS AND MARKETING LIMITED

Place: Surat
Date: 25-08-2021

VAISHALI PUNJABI
Company Secretary & Compliance Officer
ACS: 48695

BOARD REPORT

Dear Members,

The Board of Directors are pleased to present the 10th Annual Report of the Company along with the Audited Financial statements and Auditors' Report for the financial year 2020-21.

1. FINANCIAL PERFORMANCE:-

The financial performance of the Company is summarized below:

(Amount in Rs.)		
Particulars	F.Y. 2020-21	F.Y. 2019-20
Revenue from Operations	61,42,40,155	26,72,17,218
Other Income	(11,82,469)	3,71,26,321
Total Income	61,30,57,686	30,43,43,539
Total Expenses	46,96,13,313	42,88,47,496
Profit / (Loss) Before Tax & Exceptional / Extraordinary Items	14,34,44,373	(12,45,03,957)
Less: Exceptional / Extraordinary items	-	-
Profit / (Loss) Before Tax	14,34,44,373	(12,45,03,957)
Less: Tax Expense :		
- Current Tax	1,02,067	-
- Deferred Tax	3,35,87,878	(3,60,69,314)
Net Profit / (Loss) After Tax	10,97,54,428	(8,84,34,643)

2. REVIEW OF OPERATIONS:-

The Total Income of your Company for the current year has been increased to Rs. 61,30,57,686/- as against the Total Income of Rs. 30,43,43,539/- of the previous year. Accordingly, the Company has earned a Net Profit of Rs. 10,97,54,428/- for the current year as against the Net Loss of Rs. 8,84,34,643/- of the previous year.

3. TRANSFER TO RESERVES:-

The Board of Directors has decided to retain the entire amount of Profit for the financial year 2020-21 in the statement of Profit and Loss.

4. DIVIDEND:-

During the year under review, your Directors have not recommended any Dividend on Equity Shares of the Company.

5. DEPOSITS:-

During the year under review, your Company has neither invited nor accepted any Public Deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:-

The Board comprises of the following Directors at the beginning of financial year:

- | | | |
|--------------------------|---|------------------------------|
| • Mr. Vijaykumar Khemani | - | Chairman & Managing Director |
| • Mr. Amitkumar Khemani | - | Whole Time Director |
| • Mrs. Anupa Khemani | - | Non-Executive Director |
| • Mr. Amit Jain | - | Independent Director |
| • Mr. Balkishan Agarwal | - | Independent Director |
| • Mr. Mukeshkumar Kabra | - | Independent Director |

There was no change in the Board during the year.

As per the provisions of the Companies act, 2013, Mr. Vijaykumar Khemani, Chairman and Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. Relevant resolution (Ordinary) seeking Shareholders approval forms part of the Notice.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2021 are:

- | | | |
|--------------------------|---|--|
| • Mr. Vijaykumar Khemani | - | Managing Director |
| • Mr. Amitkumar Khemani | - | Chief Financial Officer |
| • Ms. Vaishali Punjabi | - | Company Secretary and Compliance Officer |

Following changes were occurred in the structure of KMP during the year:

- Ms. Rekha Rani Naraniwal has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 24th September, 2020.
- Ms. Vaishali Punjabi has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 25th September, 2020.

7. DECLARATION FROM INDEPENDENT DIRECTORS:-

The Company has received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Companies Act, read with the Schedule and Rules issued thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company; and
- They have registered themselves with the Independent Director's Database maintained by the IICA.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

8. DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm that-

- (i) in the preparation of the Annual Accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed and no material departures have been made for the same;
- (ii) appropriate accounting policies have been selected and applied them consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2021 and of the profit of the Company for that period;
- (iii) proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a “going concern” basis;
- (v) the internal financial controls laid down are properly followed and are adequate and operating effectively;
- (vi) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

9. EXTRACT OF ANNUAL RETURN:-

The Annual Return of the Company as on 31st March, 2021 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the Company's website www.khemanigroup.net.

10. SHARE CAPITAL:-

During the year under review, the Board with the approval of Members at the 9th AGM held on 16th September, 2020 has increased the Authorised Share Capital of the Company from Rs. 6,20,00,000/- divided into 1,24,00,000 equity shares of Rs. 5/- each to Rs. 11,50,00,000/- divided into 2,30,00,000 equity shares of Rs. 5/- each.

Your Company has also increased Issued, Subscribed & Paid Up Equity Share Capital from Rs. 5,74,35,000/- (Rupees Five Crore Seventy Four Lakh Thirty Five Thousand) consisting of 1,14,87,000 (One Crore Fourteen Lakh Eighty Seven Thousand) equity shares of Rs. 5/- each to Rs. 11,48,70,000/- (Rupees Eleven Crore Forty Eight Lakh Seventy Thousand) consisting of 2,29,74,000 (Two Crore Twenty Nine Lakh Seventy Four Thousand) equity shares of Rs. 5/- each by way of issue of Bonus equity shares in the proportion of 1:1 in the Board Meeting held on 9th October, 2020.

11. BONUS ISSUE OF SHARES:-

Pursuant to the In-Principle approval granted by BSE Limited, vide its letter dated 1st October, 2020, the Board of Directors of your Company in their Meeting held on 9th October, 2020 has allotted 1,14,87,000 equity Shares of Rs. 5/- fully paid Bonus Shares to the Equity Shareholders of the Company whose names appear in the Register of Members maintained by the Company's Registrar and Transfer Agent held by them on the Record date 8th October, 2020, in the proportion of 1 (One) equity share of Rs. 5/- each fully paid-up for every 1 (One) equity share of Rs. 5/- each fully paid-up of the Company.

After due formalities for Listing and Trading of said shares, the Company has availed Listing Approval on 13th October, 2020 and Trading Approval on 14th October, 2020. The Trading of Bonus Equity Shares had been effective from 15th October, 2020.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:-

Details of Loans, Guarantees and Investments made by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 during the year under review are provided in the notes to the Financial Statements.

13. RELATED PARTY TRANSACTIONS:-

During the year under review, all the transactions with related parties were reviewed and approved by the Audit Committee of the Company.

Accordingly, details of the same that are required to be reported in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is attached herewith as **Annexure-1**. Also as per Indian Accounting Standards, the same has been provided in the notes to the Financial Statements.

14. MEETINGS OF BOARD OF DIRECTORS & COMMITTEE:-

During the year under review, 7 (seven) meetings of the Board of Directors were held. The intervening gap between the Meetings did not exceed the period as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of which are provided in **Annexure-2**.

The details pertaining to the constitution and composition of Committees of the Board and their meetings held during the year are provided in **Annexure-2**.

15. MEETINGS OF MEMBERS:-

During the year under review, 9th Annual General Meeting of the Company was held on 16th September, 2020. No Extra-Ordinary General Meeting was held during the year.

16. AUDITORS:-

(A) STATUTORY AUDITORS:-

C. P. Jaria & Co., Chartered Accountants (Firm registration No.104058W) were appointed as Statutory Auditors of the Company at the 5th Annual General Meeting to hold office for the period of five years from the conclusion of that Annual General Meeting till the conclusion of the 10th Annual General Meeting.

As the term of C.P. Jaria & Co., Chartered Accountants, Surat is getting expire at this 10th AGM, the Board of Directors at their meeting held on 25th August, 2021, based on recommendations of the Nomination and Remuneration Committee and approval of Audit Committee, have approved the Appointment of B. Chordia & Co., Chartered Accountants, Surat (Firm registration No. 121083W), as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this AGM till the conclusion of 15th AGM. The re-appointment is subject to approval of the Shareholders of the Company.

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, B. Chordia & Co., Chartered Accountants, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations.

The Auditors C.P. Jaria & Co., Chartered Accountants, Surat have issued an unmodified opinion on the Financial Statements for the financial year ended 31st March, 2021. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments. The Auditors has not reported any matter of an offence of fraud to the Company required to be disclosed under Section 143(12) of the Companies Act, 2013. The said Auditors' Report for the financial year ended 31st March, 2021 on the financial statements of the Company forms part of this Annual Report.

The Auditors' Report does not contain any reservations, qualifications or adverse remarks. However, there is an observation in the Statutory Audit Report stating that *"Company has filed appeal against Income Tax Department against pending litigation."* In this regard, Management is of the view that Income Tax Department has raised Demand, against which Company has filed appeal before Appellant Authorities against the pending litigation.

(B) INTERNAL AUDITORS:-

The Board of the Company has appointed Ravindra Dhakar & Associates, Chartered Accountants, Surat as Internal Auditors of the Company for the Financial Year 2021-22 in their Board Meeting held on 22nd June, 2021.

(C) COST AUDITORS:-

Provisions related to Cost Auditor are not applicable to the Company.

17. CREDIT RATING:-

No Credit Rating has been done by the Company during the year.

18. BOARD EVALUATION:-

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The Company has a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman.

The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole, Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, the Board in consultation with the Nomination and Remuneration Committee had conducted a review of the engagement and performance of the Board, its Committees and Directors for FY 2020-21. The outcome of the engagement review process focused on Board dynamics and softer aspects. The process involved a questionnaire-based approach followed by independent one on one discussions with all Board members. The Board evaluation process was completed for FY 2020-21. The outcome of the engagement review was presented to the Nomination and Remuneration Committee and the Board of Directors of the Company.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:-

The particulars required to be included in terms of Section 134(3)(m) of the Companies Act, 2013 with regard to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo are given below:

a. Conservation of Energy:

The Company is engaged in Trading Sector. The Company is using electricity and generators in office and Regular steps have been taken to improve energy consumption by using LED lights in office premises. Your Company is using Electricity as source of energy only.

b. Technology Absorption:

The project of your Company has no technology absorption, hence no particulars are offered.

c. Foreign Exchange Earning and Outgo:

The Company is not in the activity of import and export of goods, therefore it does not have any foreign earning and outgo as on 31st March, 2021.

20. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:-

The Company has adequate system of internal controls commensuration with the size of its operation and business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all the business transactions are authorized, recorded and reported correctly and adequately.

The Company has appointed Internal Auditors and the scope and authority of the Internal Audit function is defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit and process the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board.

The Company works in a dynamic business environment and adopts the appropriate internal financial controls, to establish reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with the generally accepted accounting principles. It includes inducting and maintaining such business policies and procedures as may be required to successfully conduct the business of the Company and maintain such records as to correctly record the business transaction, assets and liabilities of the Company in such a way that they help in prevention & detection of frauds & errors and timely completion of the financial statements.

21. CORPORATE GOVERNANCE:-

The Company being listed on the SME Platform of BSE Limited. Therefore, the Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part C of Schedule V relating to compliance of Corporate Governance shall not applicable to the Company.

Further, the Company need not require complying with requirements as specified in Part E of Schedule II pursuant to Regulation 27(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and submitting Compliance Report on Corporate Governance on quarterly basis pursuant to

Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

22. VIGIL MECHANISM (WHISTLE BLOWER POLICY):-

The Company has adopted Vigil Mechanism / Whistle Blower Policy in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Under this policy, your Company encourages its employees to report any reporting of fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. The Vigil Mechanism / Whistle Blower Policy is available on the Company's website www.khemanigroup.net.

23. JOINT VENTURES, SUBSIDIARIES AND ASSOCIATES:-

As on 31st March, 2021, your Company does not have any Joint Ventures, Subsidiaries and Associates Company.

24. CORPORATE SOCIAL RESPONSIBILITY [CSR]:-

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder, your Company has adopted CSR Policy to ensure Social Responsibilities. The CSR Policy is available on the Company's website www.khemanigroup.net.

In view of losses incurred during the financial year 2019-20, your Company was not required to undertake CSR projects during the financial year 2020-21 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under.

25. MANAGERIAL REMUNERATION:-

The Company has paid Rs. 7,80,000/- as Remuneration to the Directors during the year:

Sr. No.	Name of Directors	Designation	Remuneration (in Rs.)
1	Mr. Amitkumar Khemani	Whole Time Director & CFO	6,00,000/-
2	Mr. Vijaykumar Khemani	Chairman & Managing Director	1,80,000/-

26. RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURES:-

Pursuant to provisions of Section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees given in the **Annexure-3**.

During the year, none of the employees received remuneration in excess of the prescribed limit in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:-

During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. Further, the Company ensures that there is a healthy and safe atmosphere for every women employees at the workplace.

28. MAINTENANCE OF COST RECORDS:-

The company is not required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are not made and maintained.

29. SECRETARIAL AUDIT:-

The Board of the Company has appointed Mr. Bhaveshkumar Rawal, Company Secretary in Practice, Surat as the Secretarial Auditor to conduct an Audit of the secretarial records for the financial year 2021-22 in their Board Meeting held on 25th August, 2021.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any adverse remarks and qualifications, hence do not call for any further explanation/s by the Company. The Secretarial Audit Report in form MR-3 is attached to this report as **Annexure-4**.

30. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:-

The Management Discussion and Analysis Report provides a perspective of economic and social aspects material to your Company's strategy and its ability to create and sustain value to your Company's key stakeholders. Pursuant to the provisions of Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis Report capturing your Company's performance, industry trends and other material changes with respect to your Company is attached to this report as **Annexure-5**.

31. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:-

The Company being listed on the SME Platform of BSE Limited. Hence, as per the exemptions available to SME Listed Companies, Auditors' Certificate on Corporate Governance is not provided.

32. CODE OF CONDUCT:-

The Board has laid down a specific code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis. In this regard certificate from Managing Directors as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached to this report as **Annexure-6**.

33. MD / CFO CERTIFICATION:-

In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Managing Director and CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the

financial year 2020-21. The certificate received from Managing Director and CFO is attached herewith as per **Annexure-7**.

34. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT: -

During the year under review, there have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

35. RISK MANAGEMENT:-

Risk management is integral to your Company's strategy and for the achievement of our long-term goals. Our success as an organization depends on our ability to identify and leverage the opportunities while managing the risks.

The COVID-19 pandemic has posed several unprecedented challenges in the form of uncertain lockdowns, unlock phases, health hazards and supply chain disruptions across the globe.

These changes and challenges have brought a mix of opportunities and uncertainties impacting the Company's objectives. Risk Management, which aims at managing the impact of these uncertainties, is an integral part of the Company's strategy setting process. The Company regularly identifies uncertainties and after assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact your Company's long-term goals. This process of identifying and assessing the risks is a two-way process. Inputs are taken while finalizing the risk treatment plans.

Our approach to risk management is designed to provide reasonable assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

The Company has been exempt under Regulation 21 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 from reporting of risk management.

36. CHANGE IN THE NATURE OF BUSINESS:-

For sustained growth in the future, Company wants to rely on its main business only. Hence, there is no change in the nature of the business of the Company during the year.

37. INSURANCE:-

Your Company has taken appropriate insurance for all assets against foreseeable perils.

38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:-

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its operations in future.

39. DRUG LICENSE:

Due to Merger of GlaxoSmithKline Consumer Healthcare Limited (GSKCH) with Hindustan Unilever Limited (HUL), varieties of new range of products will come under the Umbrella of HUL. GSKCH's brands such as Horlicks, Boost, and Maltova will now be part of the company's food and refreshments business falling under the nutrition category. Under the deal, HUL will distribute GSK's brands like Eno, Crocin, Sensodyne etc. in the Country.

As per the the mandatory compliances and licenses governed by HUL, for the Distribution of various Medical Products such as medicines and Oral hygiene products of HUL, every Redistributor Stockists is required to avail the Drug License.

Your Company has succesfully availed Drug License to sell, stock or exhibit or offer for sale, or distribute the Medical Products during the Year.

40. SECRETARIAL STANDARDS COMPLIANCE:-

During the year under review, your Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

41. GREEN INITIATIVES:-

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the 10th Annual Report of the Company will be sent to all Members via e-mail whose mail addresses are registered with the Company / Depository Participant(s). For members who have not registered their e-mail addresses, physical copies will be sent through the permitted mode.

42. ACKNOWLEDGEMENT:-

Your Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. They would like to acknowledge and appreciate the contribution of all employees towards the performance of the Company.

The Board take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, auditors, consultants, financial institutions, regulatory and government authorities for their consistent support. The Directors appreciate and value the contribution made by every Members of the Company.

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

ANNEXURE – 1 - TO THE BOARD REPORT**Form AOC - 2**

Pursuant to Section 134(3)(h) 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 Section 188(1) of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

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

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

Note: There were no transactions or arrangements which were not at arm's length and which were not in the ordinary course of business during financial year 2020-21.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship	N.A.
b.	Nature of contracts / arrangements / transactions	N.A.
c.	Duration of the contracts / arrangements / transactions	N.A.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
e.	Date of approval by the Board	N.A.
f.	Amount paid as advances, if any	N.A.

Note: There were no material contracts or arrangements with related parties during financial year 2020-21.

3. Details of other contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details		
a.	Name(s) of the related party and nature of relationship	Sushila Devi Khemani [Wife of Shri Vijaykumar Khemani]	Sanju Khemani [Daughter in Law of Shri Vijaykumar Khemani]	Khemani Enterprises [Group Entity]
b.	Nature of contracts / arrangements / transactions	Written Agreement	Written Agreement	Sale of Goods

c.	Duration of the contracts / arrangements / transactions	Rent Agreement for the period of 10 Years	Rent Agreement for the period of 10 Years	N.A.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 1,68,000/- p.a.	Rs. 1,44,000/- p.a.	Rs. 3,33,64,935/-
e.	Date of approval by the Board	06-09-2017	28-07-2016	22-08-2020
f.	Amount paid as advances, if any	Nil	Nil	Nil

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

ANNEXURE – 2 - TO THE BOARD REPORT

DETAILS PERTAINING TO THE CONSTITUTION & COMPOSITION OF THE BOARD AND BOARD COMMITTEES

1. Board Composition and Meetings:-

The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors, including Independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

As on 31st March, 2021, Board comprises 6 (Six) Directors out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director, and remaining 3 (Three) are Independent Directors. Independent Directors are Non- Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Director is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the Companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) Public Limited Companies as on 31st March, 2021.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

During the year, 7 (Seven) Board Meetings were held. The intervening gap between the Meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of which are as follow:

Sr. No.	Date of Meetings	Board Strength	Director's Present
1	29-06-2020	6	6
2	29-07-2020	6	5
3	22-08-2020	6	5
4	25-09-2020	6	6
5	09-10-2020	6	5
6	09-11-2020	6	6
7	02-02-2021	6	5

The Attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Name of Director(s)	Number of Board Meetings held and attended during F.Y. 2020-21		Attended Last AGM
	Held	Attended	
Mr. Vijaykumar Khemani	7	7	Yes
Mr. Amitkumar Khemani	7	7	Yes
Mrs. Anupa Khemani	7	7	Yes

Mr. Amit Jain	7	5	Yes
Mr. Balkishan Agarwal	7	6	Yes
Mr. Mukeshkumar Kabra	7	6	No

2. Committees of the Board:-

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on date, the Board has established the following Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Independent Director Committee

A. Audit Committee: -

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

During the Financial year 2020-21, the Audit Committee met 5 (Five) times on 29-06-2020, 29-07-2020, 22-08-2020, 09-11-2020 and 02-02-2021 and the gap between two meetings did not exceed one hundred and twenty days. Necessary quorum was present for all the meetings.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended	
			Held	Attended
Mr. Mukeshkumar Kabra	Chairman	Non-Executive Independent Director	5	4
Mr. Balkishan Agarwal	Member	Non-Executive Independent Director	5	5
Mr. Amitkumar Khemani	Member	Executive Director	5	5

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

B. Nomination and Remuneration Committee:-

The Nomination and Remuneration Committee (NRC) of the Company is constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

During the Financial year 2020-21, the Nomination and Remuneration Committee met 2 (Two) times on 29-06-2020 and 25-09-2020. Necessary quorum was present for all the meetings.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended	
			Held	Attended
Mr. Amit Jain	Chairman	Non-Executive Independent Director	2	2
Mr. Balkishan Agarwal	Member	Non-Executive Independent Director	2	2
Mrs. Anupa Khemani	Member	Non-Executive Director	2	2

All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board of Directors.

C. Stakeholders' Relationship Committee:-

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

- Consider and resolve the grievances of security holders of the Company including Redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other security holders' related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

During the Financial year 2020-21, the Stakeholders' Relationship Committee met 4 (Four) times on 29-06-2020, 29-07-2020, 09-10-2020 and 02-02-2021. Necessary quorum was present for all the meetings.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended	
			Held	Attended
Mr. Mukeshkumar Kabra	Chairman	Non-Executive Independent Director	4	3
Mr. Amit Jain	Member	Non-Executive Independent Director	4	4
Mr. Vijaykumar Khemani	Member	Executive Director	4	4

During the year, the Company has not received any complaints from the Shareholders of the Company. There were no outstanding complaints as on 31st March, 2021.

D. Corporate Social Responsibility Committee [CSR]:-

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 and rules framed there under.

The broad terms of reference of the CSR Committee, inter alia, includes the following:

- 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 Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.

During the Financial year 2020-21, the Committee met 1 (One) time on 22-08-2020. Necessary quorum was present for the meeting.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended	
			Held	Attended
Mr. Mukeshkumar Kabra	Chairman	Non-Executive Independent Director	1	1
Mr. Vijaykumar Khemani	Member	Executive Director	1	1
Mr. Amitkumar Khemani	Member	Executive Director	1	1

During the year, the Company has not undertaken any CSR activity due to losses incurred in the preceeding financial year 2019-20.

E. Independent Director Committee:-

During the Financial year 2020-21, the Committee met 1 (One) time on 25-09-2020. Necessary quorum was present for the meeting.

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended	
			Held	Attended
Mr. Amit Jain	Chairman	Non-Executive Independent Director	1	1
Mr. Mukeshkumar Kabra	Member	Non-Executive Independent Director	1	1
Mr. Balkishan Agarwal	Member	Non-Executive Independent Director	1	1

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

ANNEXURE – 3 - TO THE BOARD REPORT**RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURE**

[Pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2020-21:-

Sr. No.	Name of Directors / KMP	Designation	Ratio of remuneration to median remuneration of Employees*	% increase in remuneration in the financial year
1.	Vijaykumar Khemani	Chairman & Managing Director	1.00	0.00
2.	Amitkumar Khemani	Whole-time Director & CFO	3.33	0.00
3.	Anupa Khemani	Director	0.00	0.00
4.	Amit Jain	Independent Director	0.00	0.00
5.	Balkishan Agarwal	Independent Director	0.00	0.00
6.	Mukeshkumar Kabra	Independent Director	0.00	0.00
7.	Rekha Rani Naraniwal @	Company Secretary	2.07	0.00
8.	Vaishali Punjabi #	Company Secretary	2.00	N.A. \$

*Note: The median is calculated on gross annual salary on the basis of salary of March-2021 of the employee.

@ Resigned w.e.f. 24th September, 2020

Appointed w.e.f. 25th September, 2020

\$ Ms. Vaishali Punjabi has been appointed in the financial year 2020-21; hence there is no previous financial year amount to compare the % increase in remuneration.

- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year is Nil.
- (iii) the percentage increase in the median remuneration of employees in the financial year is 12.78.
- (iv) the number of permanent employees on the rolls of Company is 27.
- (v) 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 the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-
- Average increase in remuneration of Employees excluding KMPs: 10%
 - Average increase in remuneration of KMPs: Nil

- (vi) affirmation that the remuneration is as per the remuneration policy of the Company:- The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

ANNEXURE – 4 - TO THE BOARD REPORT

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31st March, 2021

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

To,

The Members

KHEMANI DISTRIBUTORS & MARKETING LIMITED,

Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound,

Udhna, Bhestan, Surat-394210, Gujarat

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KHEMANI DISTRIBUTORS & MARKETING LIMITED** (CIN:-L74300GJ2011PLC063520)(hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Khemani Distributors & Marketing Limited 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 authorised representatives during the conduct of Secretarial Audit and the representations made by the Company, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the Financial Year ended on 31st March, 2021 according to the applicable 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;
- 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
 - 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; **The regulation is not applicable during the Financial Year 2020-21.**
 - e. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; **The regulation is not applicable during the Financial Year 2020-21.**

- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 & (Amendment) Regulations, 2016; **The regulation is not applicable during the Financial Year 2020-21.** and
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **The regulation is not applicable during the Financial Year 2020-21.**

VI. **I further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company (i.e Other laws specifically applicable to the Company, as listed below, as per the representations made by representative of the Company):-

- a. Income Tax Act, 1961
REPORTING COMMENT:- As reported by Statutory Auditor in its Audit Report *"Company has filed appeal against Income Tax Department against which Pending Litigation"*.
- b. Goods & Services Tax and Indirect Taxes
- c. The Trade Mark Act, 1999
- d. The Employee State Insurance Act, 1948
- e. The Employee Provident Fund and Miscellaneous Act, 1952
- f. Food Safety and Standards Act, 2006
- g. The Drugs and Cosmetics Act, 1940

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings (SS-1) and General Meetings (SS-2).
- ii. The Listing Agreements entered into by the Company with BSE-SME Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

I further report that based on the information provided by the company, its officers and authorised representative during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

I further report that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that, during the financial year 2020-21, the Company has issued and allotted 1,14,87,000 Bonus Equity Shares of Rs. 5/- each fully paid-up to the Equity Shareholders in the proportion of 1 (One) Bonus Equity Share for every 1 (One) equity share held.

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. 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, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. My examination was limited to the verification of procedures on test basis and the report provides not absolute but, reasonable assurance.

I further report that during the audit period, the Board of Directors has not recommended/declared any dividend, hence there has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection fund by the Company.

I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.

Date: 25/08/2021
Place: Surat

BHAVESHKUMAR RAWAL
COMPANY SECRETARY
M. No.:- F-8812, CP No.:- 10257
UDIN:- F008812C000805377
Peer Review Certificate No.: 1041/2020

"This report is to be read with my letter which is annexed as "Annexure A" and forms an integral part of this report."

“Annexure – A”

To,
The Members
KHEMANI DISTRIBUTORS & MARKETING LIMITED,
Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound,
Udhna, Bhestan, Surat-394210, Gujarat

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
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.

Date: 25/08/2021
Place: Surat

BHAVESHKUMAR RAWAL
COMPANY SECRETARY
M. No.:- F-8812, CP No.:- 10257
UDIN:- F008812C000805377
Peer Review Certificate No.: 1041/2020

ANNEXURE – 5 - TO THE BOARD REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The year 2020-21 will forever be known as the year of Covid-19 pandemic, a health crisis which impacted the global economy heavily. The pandemic led to severe loss of lives and livelihood resulting in decline in incomes, increase in rate of unemployment, financial distress in industries which are more contact led and outdoors and increase in poverty levels across the world.

The pandemic continues to impact the world and the second wave of Covid-19 has hit some of the countries like India very hard. At the same time, there is a ray of light as multiple vaccines have become available which can reduce the severity and frequency of infections. In addition, central governments have responded by providing strong fiscal stimuli and investment in healthcare infrastructure which will lead to a rebound in economic activity across regions.

Like most countries in the world, India also faced strict lockdowns imposed by the government to curb the spread of the virus. There were mobility restrictions, disruption in sales and distribution and supply chain, reverse migration of labour force, shifts in consumer behaviour towards essential categories. Our focus was on our people's health & safety, meeting the demand of consumers arising out of changed behaviour and needs, caring for the communities in which we operate, preserving cash and protecting our business model.

With gradual unlocking and resumption of mobility from Quarter 2 onwards, Consumers started to step out to shop which led to the growth rate coming into the positive. While demand for health and hygiene products continued to be on the higher side, the discretionary categories also saw sequential recovery. Rural areas continued to be the drivers of growth, outpacing growth in urban areas.

While there has been recovery in FMCG industry towards pre-Covid levels, there is still uncertainty with the new wave of Covid cases and lockdowns/curfews returning in many parts of the country. The rollout of the vaccination drive across the major economies, including India, in the last quarter of FY 2020-21 has accorded a much-needed boost to sentiments around a sustained recovery of economic activity across the globe.

KDML OVERVIEW

The Company was growing at a steady pace when the COVID pandemic brought business to a standstill at the start of financial year 2020-21. During the year, your Company successfully gained new Dealership to carry on the Business of Modern Trade Division of Hindustan Unilever Limited (HUL). Due to this enlargement of new division, the Turnover of your Company for the FMCG Segment has been increased as compared to previous year.

RISKS AND THREATS

Any slowdown in the rate of growth of the FMCG industry would seriously impact our own growth prospects and may result in decline in profit.

Global economic and political factors that are beyond control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism.

Risk management is integral to your Company's strategy and to the achievement of long-term goals. Our success as an organisation depends on our ability to identify and exploit 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.

KDML's risk management is driven by the following:

- Our growth should be consistent, competitive, profitable, and responsible.
- Our behaviours must be in line with our Code of Business Principles 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 the Company's senior management including, where appropriate, the Managing Director, Chief Financial Officer, the Audit Committee and the Board.

OPPORTUNITIES

Due to Merger of **GlaxoSmithKline** Consumer Healthcare Limited (GSKCH) with Hindustan Unilever Limited (HUL), varieties of new range of products will come under the Umbrella of HUL. GSKCH's brands such as Horlicks, Boost, and Maltova will now be part of the company's food and refreshments business falling under the nutrition category. Under the deal, HUL will distribute GSK's brands like Eno, Crocin, Sensodyne etc. in the country. This will ultimately benefit all the Redistribution Stockists including KDML.

Apart from this, Our Company has expressed its Interest for participating in CIRP of Zicom SaaS Private Limited [Zicom] under NCLT proceedings. Zicom is a Private Limited Company incorporated in the year 2011, having its place of Business in Mumbai. It is a subsidiary of Zicom Electronic Security Systems. The Company is engaged in the Business of providing all kinds and types of Security Services Systems. The Company offers access control, CCTV, Finger Print Lock, Fire Alarm, Video Door Phones and Intrusion Detection Systems and has the Command Room located in the Registered Office.

Our Company had already submitted the Resolution plan to the Insolvency Professionals. Pursuant to the update received from the COC meeting, our Company has submitted Bank Guarantee for further NCLT Proceedings. On the successful selection, our Company will acquire Zicom and plans to strengthen the existing Management of Zicom to revive and turn around the Operations. This will also leads to appoint and engage new technical as well as administrative staff alongwith the retention of existing employees of Zicom through its best possible efforts. The Company has wide opportunity to generate direct and indirect jobs additionally over upcoming years through its revival and growth plans, which will results into increase in overall Growth of Company.

HEALTH AND SAFETY

We are committed towards safety of our people and assets and towards the protection of the environment through a variety of initiatives. The Company follows good business practices in health, safety, and environment related aspects to constantly set higher benchmarks and strives to exceed the same. Your Company being involved in the FMCG Industry, dealing with various kinds of essential services, had provided all the essential items like sanitizers, soaps, food items throughout the crisis. Our employees did take risk to keep our operations going and supplied essential goods to consumers so that the impact of the crisis can be reduced. While every business has its own highs and lows, the success of the Company in longer run depends on its ability to innovate to meet the evolving needs of customers and remain competitive.

SEGMENT WISE PERFORMANCE

Segment wise performance of the Company is as under:

Particulars	(In Lakh)	
	F.Y. 2020-21	F.Y. 2019-20
Segment Revenue		
[A] FMCG	4706.52	4245.50
[B] Securities	1435.88	(1573.32)
Total	6142.40	2672.17
Less: Net of Inter Segment Revenue	0.00	0.00
Net Sales from Operations	6142.40	2672.17

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

There is an adequate internal control procedure commensurate with the size of the company and nature of the business for the purchase of inventory, fixed assets and for the sale of goods or services.

Company has constituted audit committee to overlook internal control system and their adequacy. Audit committee regularly review and give it recommendation on proper internal control system.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Our employees look after administrative, secretarial, legal, marketing and accounting functions. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled / semi-skilled / unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

ANNEXURE – 6 - TO THE BOARD REPORT

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I, Vijaykumar Khemani, Chairman and Managing Director of Khemani Distributors & Marketing Limited hereby declares that all the Board Members and Senior Management Personnel have affirmed for the year ended 31st March, 2021 compliance with the respective Codes of Conduct laid down for them.

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

Place: Surat
Date: 25-08-2021

ANNEXURE – 7 - TO THE BOARD REPORT

MANAGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors of
Khemani Distributors & Marketing Limited

We hereby certify that on the basis of the review of the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into during the financial year ended 31st March, 2021 are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
 - a) there have been no significant changes in internal control system during the year;
 - b) there are no significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - c) there are no instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of the Board

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

VIJAYKUMAR KHEMANI
Chairman & Managing Director
DIN: 02227389

AMITKUMAR KHEMANI
Whole Time Director & CFO
DIN: 02227413

Place: Surat
Date: 25-08-2021

INDEPENDENT AUDITORS REPORT

To the Members of Khemani Distributors & Marketing Limited

Opinion

We have audited the standalone financial statements of **Khemani Distributors & Marketing Limited** (“the Company”), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows 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 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 March 31, 2021, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 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.

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.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 implementation and maintenance of accounting policies; making judgments 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or 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. Those 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 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 financial statements.

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 judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial Statements.

Report on Other Legal and regulatory Requirements

1. As required by required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraph 3 & 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 purpose 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, Statement of Profit and Loss Account, Cash Flow Statement dealt with this report are in agreement with the books of Accounts;
 - (d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder as amended;
 - (e) On the basis of written representation received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as the directors in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”;
- (g) According to information and explanations given to us and based on our examination of the records of the Company, the Company had provided managerial remuneration with requisite approvals mandated by the provisions of Sec 197 of the Act;
- (h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014:
 - 1. The Company have pending litigation which is pending before Appellant Authorities.
 - 2. The company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - 3. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education & Protection Fund. The question of delay in transferring such sums does not arise.

IMPACT OF COVID-19 ON FINANCIAL STATEMENTS

Due to outbreak of Covid-19 globally and in India, the operations of the Company were impacted. Company is dealing in FMCG consumer goods, hence due Covid-19, consumer’s demand was expected to be lower in the short term, though we are unable to ascertain the overall impact of it on a long term. Further, the Management believes that there may be negative impact of Covid-19 pandemic on the financial position and performance of the Company, in the short term.

FOR C.P. Jaria & Co
Chartered Accountants

(P. K. Jain)
M. No.: 112020
F. No.: 104058W

PLACE: Surat
DATE: 22.06.2021

UDIN: 21112020AAAAEI5443

ANNEXURE “A” TO THE AUDITOR’S REPORT

Annexure referred to in paragraph 1 of our report of even date to the members of Khemani Distributors & Marketing Limited on the accounts of the company for the year ended 31.03.2021.

On the basis of such checks as we considered appropriate and accordingly to the information and explanations given to us during the course of our audit, we report that:

Sr. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes No
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	N.A.
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	Yes No
(iii)	whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	Yes
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company’s interest;	No
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	Yes
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	Yes
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No

(vi)	whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	N.A.
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	Yes
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	Company has filed appeal against Income Tax Department against pending litigation
(viii)	whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	No
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	N.A.
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	No
(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	Yes
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	N.A.
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes

(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	N.A.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	No
(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	N.A.

FOR C.P. Jaria & Co
Chartered Accountants

(P. K. Jain)
M. No.: 112020
F. No.: 104058W

PLACE: Surat
DATE: 22.06.2021

ANNEXURE “B” TO THE AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Khemani Distributors & Marketing Limited** (“the Company”) as on 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the Audit to obtain responsible assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company. (2) 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 authorizations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion ,the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR C.P. Jaria & Co
Chartered Accountants

(P. K. Jain)
M. No.: 112020
F. No.: 104058W

PLACE: Surat
DATE: 22.06.2021

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note No.	As at 31/03/2021	As at 31/03/2020
I. EQUITY AND LIABILITIES			
(1) Shareholder's Fund			
(a) Share Capital	1	11,48,70,000	5,74,35,000
(b) Reserves and Surplus	2	27,43,62,638	22,83,90,267
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-current Liabilities			
(a) Long-Term Borrowings	3	3,24,62,099	3,23,39,831
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short Term borrowings		-	-
(b) Trade Payables	4		
(i) Total outstanding dues of micro enterprises and small enterprises		1,14,223	21,586
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		35,89,112	2,97,34,933
(c) Other current Liabilities		-	52,27,561
(d) Short-term Provisions	5	10,54,222	6,31,741
Total		42,64,52,294	35,37,80,919
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(iii) Property, Plant and Equipment	6	1,15,67,519	1,08,13,790
(iv) Intangible Assets		-	-
(v) Capital work-in-progress		-	-
(vi) Intangible assets under development		-	-
(b) Non-Current Investments	7	10,55,99,109	16,22,25,413
(c) Deferred tax Assets (Net)		34,62,989	3,70,50,867
(d) Long Term loans and advances	8	1,49,91,026	1,60,21,854
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	9	13,59,14,927	8,31,19,466
(c) Trade receivables	10	1,49,61,614	2,21,00,173
(d) Cash & Cash equivalents	11	1,12,68,677	35,88,112
(e) Short term loans & advances		-	-
(f) Other Current Assets	12	12,86,86,433	1,88,61,244
Total		42,64,52,294	35,37,80,919

The accompanying notes are an Integral part of the Financial Statements.

As per our Report of even date annexed

For C.P. Jaria & Co.
Chartered Accountants

For Khemani Distributors and Marketing Limited

(P.K. Jain)
Partner
M. No. 112020
FRN: 104058W
Place: SURAT
Date: 22/06/2021

Vijaykumar Khemani
Chairman & Managing
Director
DIN: 02227389

Amitkumar Khemani
Whole Time Director &
CFO
DIN: 02227413

Vaishali Punjabi
Company Secretary
ACS: 48695

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

Particulars	Note No.	As at 31/03/2021	As at 31/03/2020
I. Revenue from operations	13	61,42,40,155	26,72,17,218
II. Other Income	14	(11,82,469)	3,71,26,321
III. Total Income (I + II)		61,30,57,686	30,43,43,539
IV. Expenses			
Cost of Material Consumed		-	-
Purchase of Stock-in-trade	15	45,38,91,018	39,96,96,449
Changes in inventories of finished goods, work-in progress and stock-in trade	16	(87,01,781)	29,77,885
Employee benefit Expenses	17	69,26,905	76,45,162
Finance costs	18	25,78,635	43,95,722
Depreciation & Amortisation Expenses	6	17,89,794	13,30,081
Other expenses	19	1,31,28,742	1,28,02,197
IV. Total Expenses		46,96,13,313	42,88,47,496
V. Profit before exceptional and extraordinary items & Tax	(III-IV)	14,34,44,373	(12,45,03,957)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items & Tax	(V-VI)	14,34,44,373	(12,45,03,957)
VIII. Extraordinary items		-	-
IX. Profit before tax	(VII-VIII)	14,34,44,373	(12,45,03,957)
X. Tax Expenses			
(1) Current Tax		1,02,067	-
(2) Deferred Tax		3,35,87,878	(3,60,69,314)
XI. Profit(loss) from the period from continuing operations after tax	(IX-X)	10,97,54,428	(8,84,34,643)
XII. Profit(loss) from discontinuing operations		-	-
XIII. Tax expenses of discontinuing operations		-	-
XIV. Profit(loss) from discontinuing operations after tax	(XII-XIII)	-	-
XV. Profit(loss) for the period	(XI+XIV)	10,97,54,428	(8,84,34,643)
XVI. Earning per equity share			
(1) Basic		4.78	7.70
(2) Diluted		4.78	7.70

The accompanying notes are an Integral part of the Financial Statements.

As per our Report of even date annexed

For C.P. Jaria & Co.

Chartered Accountants

For Khemani Distributors and Marketing Limited

(P.K. Jain)

Partner

M. No. 112020

FRN: 104058W

Place: SURAT

Date: 22/06/2021

Vijaykumar Khemani

**Chairman & Managing
Director**

DIN: 02227389

Amitkumar Khemani

**Whole Time Director &
CFO**

DIN: 02227413

Vaishali Punjabi

Company Secretary

ACS: 48695

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

Particulars		As at 31/03/2021	As at 31/03/2020
A. CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES			
Net Profit Before Tax and Extra-Ordinary Items		14,34,44,373	(12,45,03,957)
Adjustments for:			
Depreciation		17,89,794	13,30,081
Preliminary Expenses Written Off		-	-
Interest & Finance Charges		-	-
Operating Profit before working capital changes		14,52,34,167	(12,31,73,876)
Adjustments for:			
(Increase)/Decrease in Trade Receivables		71,38,559	(34,31,098)
(Increase)/Decrease in Inventories		(5,27,95,461)	(70,30,308)
(Increase)/Decrease in Other Current assets		(10,98,25,189)	9,29,91,664
(Increase)/Decrease in Long Term loans and advances		10,30,828	(1,27,01,646)
(Increase)/Decrease in Short Term loans and advances		-	-
(Increase)/Decrease in Non-current Assets		-	-
Increase/(Decrease) in Trade Payables		(2,60,53,184)	2,37,65,518
Increase/(Decrease) in Other Current Liabilities		(52,27,561)	52,27,561
Increase/(Decrease) in Short term provision		4,22,481	(46,99,024)
Increase/(Decrease) in Other Long-Term Borrowings		-	-
Increase/(Decrease) in Short-Term Borrowings		-	-
		(18,53,09,527)	9,41,22,667
Cash generated from Operations		(4,00,75,360)	(2,90,51,209)
Less: Income Tax paid		1,02,067	0
Add: Earlier provision added back		(63,47,057)	1,41,436
Net Cash generated from operations before extraordinary items		(4,65,24,484)	(2,89,09,773)
Extraordinary items		-	-
Net Cash generated from operating activities	(A)	(4,65,24,484)	(2,89,09,773)
B. CASH FLOW FROM INVESTING ACTIVITIES			
((Purchase)/Sale of Fixed Assets		(25,43,523)	(36,41,610)
Increase/(decrease) in Long term Loans & Advances		-	-
Increase/(decrease) in Short term Loans & Advances		-	-
(Purchase)/Sale of Investments		5,66,26,304	10,39,644
Income from other activities		-	-
Net Cash Inflow/(Outflow) from Investing activities	(B)	5,40,82,781	(26,01,966)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest & Finance Charges		-	-
Proceeds from Shares Issued		-	-
Proceeds / (Repayment) : Short Term Borrowing		-	-
Proceeds / (Repayment) : Long Term Liabilities		-	-
Proceeds / (Repayment) : Long Term Borrowing		1,22,268	2,11,86,711
Net Cash used in Investing activities	(C)	1,22,268	2,11,86,711
Net change in Cash and Cash Equivalents (A) + (B) + (C)		76,80,565	(1,03,25,028)
Cash and Cash Equivalents as at the beginning of the period		35,88,112	1,39,13,140
Cash and Cash Equivalents as at the end of the period		1,12,68,677	35,88,112

Note:- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) - 3 on "Cash Flow Statements".

As per our Report of even date annexed

For C.P. Jaria & Co.
Chartered Accountants

For Khemani Distributors and Marketing Limited

(P.K. Jain)
Partner
M. No. 112020
FRN: 104058W
Place: SURAT
Date: 22/06/2021

Vijaykumar Khemani
Chairman & Managing
Director
DIN: 02227389

Amitkumar Khemani
Whole Time Director &
CFO
DIN: 02227413

Vaishali Punjabi
Company Secretary
ACS: 48695

NOTES TO BALANCE SHEET & PROFIT & LOSS STATEMENT

PARTICULARS	As at 31/03/2021	As at 31/03/2020
NOTE – 1		
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
23000000 EQUITY SHARES OF RS.5/-EACH	11,50,00,000	6,20,00,000
(PREVIOUS YEAR 12400000 EQUITY SHARES OF RS. 5/-EACH)	11,50,00,000	6,20,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP		
22974000 EQUITY SHARES OF RS 5/- EACH	11,48,70,000	5,74,35,000
(PREVIOUS YEAR 11487000 EQUITY SHARES OF RS 5/- EACH)	11,48,70,000	5,74,35,000

NOTE-1A	EQUITY (NUMBER)	EQUITY (NUMBER)
RECONCILAITION OF SHARES OUTSTANDING OF RS.5/-		
SHARES OUTSTANDING	1,14,87,000	1,14,87,000
BONUS SHARES ISSUED DRING THE YEAR	1,14,87,000	-
SHARES BOUGHT BACK DURING THE YEAR	-	-
SHARES OUTSTANDING AT THE END OF YEAR	2,29,74,000	1,14,87,000

NOTE-1B	%	VALUE	%	VALUE
SHAREHOLDER HOLDING FOR THAN 5% SHARES				
VIJAY KUMAR KHEMANI	20.87	47,94,000	27.27	31,32,600
GRYFFIN ADVISORY SERVICES PVT LTD	14.63	33,60,000	17.23	19,78,800
NATURAL SUPPLIERS PVT LTD	19.86	45,62,400	13.44	15,44,400
AZURA PROJECTS PVT LTD	8.35	19,19,200	8.35	9,59,600
ORBIS FINANCIAL CORP LTD	0.00	0	11.60	13,32,400

TERMS / RIGHTS ATTACHED TO EQUITY SHARES

1. AT THE YEAR END COMPANY HAS ONE CLASS OF EQUITY SHARES HAVING A PAR VALUE OF RS.5/- PER SHARE.
2. SHAREHOLDER IS ELIGIBLE FOR ONE VOTE PER SHARE HELD.
3. NO SHARES WERE BOUGHT BACK FOR LAST FIVE YEARS.
4. THE COMPANY HAS ISSUED AND ALLOTTED 1,14,87,000 SHARE ON 09.10.2020 AS FULLY PAID UP BY THE WAY OF BONUS SHARE IN RATIO OF 1 EQUITY SHARE FOR EVERY 1 EQUITY SHARE HELD.
5. THERE IS NO UNPAID CALL ON SHARES FROM DIRECTORS AND OFFICERS.

NOTE – 2	As at 31/03/2021	As at 31/03/2020
RESERVES & SURPLUS		
A. SHARES PREMIUM ACCOUNT		
OPENING BALANCE	16,15,60,000	16,15,60,000
LESS: CAPITALIZED AND BONUS ISSUED	(5,74,35,000)	0
CLOSING BALANCE	10,41,25,000	16,15,60,000
B. PROFIT & LOSS A/C		
OPENING BALANCE	6,68,30,267	15,51,23,474
ADD: CURRENT YEAR PROFIT/(LOSS)	10,97,54,428	(8,84,34,643)
ADD: Net of EXCESS PROVISION OF TAX / TAX PAID OF FIRM	(63,47,057)	1,41,435
CLOSING BALANCE	17,02,37,638	6,68,30,267
TOTAL	27,43,62,638	22,83,90,267

NOTE – 3		
LONG TERM BORROWINGS		
(a) SECURED LOAN		
LOAN AGAINST SHARES & SECURITIES	-	3,20,49,729
(b) UNSECURED LOAN		
UNSECURED LOANS FROM DIRECTORS, RELATIVES, CORPRATE	7,89,039	2,90,102
INTER-CORPORATE LOAN	3,16,73,060	0
TOTAL	3,24,62,099	3,23,39,831

NOTE – 4	As at 31/03/2021	As at 31/03/2020
TRADE PAYABLES		
(i) TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	1,14,223	21,586
(ii) TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES	35,89,112	2,97,34,933
TOTAL	37,03,335	2,97,56,519
NOTE – 5		
SHORT TERM PROVISIONS		
ESIC PF PAYABLE	25,511	30,355
PROFESSIONAL TAX PAYABLE	4200	4339
TDS PAYABLE	1,77,606	1,01,228
PROVISIONS FOR EXPENSES	8,46,905	4,95,819
TOTAL	10,54,222	6,31,741

NOTE – 6									
FIXED ASSETS									
STATEMENT OF DEPRECIATION FOR THE YEAR ENDED ON 31.03.2021 (AS PER THE COMPANIES ACT)									
SR. NO.	PARTICULARS	GROSS BLOCK			DEPRICIATION			NET BLOCK	
		AS ON 01.04.20	ADD / DEL DURING THE YEAR	TOTAL AS ON 31.03.21	AS ON 01.04.20	DURING THE YEAR	TOTAL AS ON 31.03.21	AS ON 01.04.20	AS ON 31.03.21
A. TANGIBLE ASSETS									
1	OFFICE EQUIPMENTS	22,66,866	6,07,425	28,74,291	14,43,773	5,28,059	19,71,832	9,02,459	8,23,093
2	FURNITURE	15,49,926	9,34,061	24,83,987	6,82,661	3,43,093	10,25,754	14,58,232	8,67,264
3	COMPUTER	7,15,277	1,35,429	8,50,706	6,54,105	60,816	7,14,921	1,35,784	61,171
4	COMPUTER SERVER	95,677	-	95,677	90,317	577	90,894	4,783	5,360
5	VEHICLE	34,42,122	-	34,42,122	20,41,944	4,37,383	24,79,327	9,62,795	14,00,178
6	PLANT & MACHINERY	6,60,523	4,45,007	11,05,530	99,258	70,977	1,70,235	9,35,295	5,61,265
7	BUILDING	75,39,013	4,21,601	79,60,614	4,43,555	3,48,889	7,92,444	71,68,170	70,95,458
	TOTAL	1,62,69,404	25,43,523	1,88,12,927	54,55,614	17,89,794	72,45,408	1,15,67,519	1,08,13,790
	PREVIOUS YEAR	1,26,27,794	36,41,610	1,62,69,404	41,25,533	13,30,081	54,55,614	1,08,13,790	85,02,261

NO ASSETS WERE IMPAIRED/REVALUED DURING LAST FIVE YEARS.

NOTE – 7	As at 31/03/2021	As at 31/03/2020
NON-CURRENT INVESTMENTS		
INVESTMENTS IN UNQUOTED BONDS	-	2,14,40,000
INVESTMENTS IN TRADED QUOTED SHARES OTHER THAN SUBSIDIARY / JV	9,80,87,446	12,84,85,032
INVESTMENT IN NON TRADED UNQUOTED SHARES	16,99,824	16,99,824
INTEREST ACCRUED ON BONDS	-	34,67,487
INVESTMENT IN PARTNESHIP FIRM - ONYX PARTNERS	58,11,839	71,33,070
TOTAL	10,55,99,109	16,22,25,413
DETAIL OF PARTNERSHIP FIRM		
ONYX PARTNERS		
PARTNERS	%	CAPITAL BALANCE
VIJAY KHEMANI	50	(8,17,96,244)
AVINASH KHEMANI	35	1,32,27,719
KHEMANI DISTRIBUTORS & MARKETING LTD	15	58,11,839

NOTE – 8	As at 31/03/2021	As at 31/03/2020
<u>LONG TERM LOANS & ADVANCES</u>		
(a) SECURED	-	-
(b) UNSECURED, CONSIDERED GOOD		
OTHER ADVANCES	1,48,70,818	1,59,01,646
SECURITY DEPOSITS	1,20,208	1,20,208
TOTAL	1,49,91,026	1,60,21,854
NOTE – 9		
<u>INVENTORY</u>		
CLOSING STOCK – GOODS	2,09,28,375	1,22,26,594
CLOSING STOCK – BONDS / SHARES	11,49,86,552	7,08,92,872
TOTAL	13,59,14,927	8,31,19,466
NOTE-10		
<u>TRADE RECEIVABLES</u>		
(UNSECURED, CONSIDERED GOOD)		
PERIOD EXCEEDING SIX MONTHS FROM DUE DATES	12,81,893	3,21,301
OTHERS	1,36,79,721	2,17,78,872
TOTAL	1,49,61,614	2,21,00,173
NOTE-11		
<u>CASH & CASH EQUIVALENTS</u>		
CASH IN HAND	45,98,970	29,59,213
CHEQUES IN HAND	30,36,984	13,961
BANK BALANCE IN CURRENT A/C WITH BANKS	36,32,723	6,14,938
TOTAL	1,12,68,677	35,88,112
NOTE-12		
<u>OTHER CURRENT ASSETS</u>		
GST BALANCE	13,55,319	2,19,577
CLAIM RECEIVABLE – NET	51,87,822	62,01,399
CURRENT ACCOUNT WITH ONYX PARTNERS	10,92,97,753	-
INCOME TAX PAID FOR A.Y. 2012-13 (UNDER PROTEST)	22,81,617	86,14,012
INCOME TAX PAID FOR A.Y. 2016-17 (UNDER PROTEST)	4,69,930	4,69,930
INCOME TAX PAID FOR A.Y. 2017-18 (UNDER PROTEST)	10,01,000	10,00,000
REFUND A.Y. 19-20	7,81,620	7,81,620
TDS RECEIVABLE A.Y. 20-21	6,18,756	7,31,205
TDS RECEIVABLE A.Y. 21-22	7,03,474	-
PRE-PAID INSURANCE	21,487	11,144
ADVANCE TO CREDITORS	69,67,655	8,32,357
TOTAL	12,86,86,433	1,88,61,244
NOTE – 13		
<u>REVENUE FROM OPERATIONS</u>		
SALES OF TRADED GOODS	47,06,52,314	42,45,49,629
PROFIT / (LOSS) ON SALE OF BONDS / SHARES IN DERIVATIVES	14,26,55,896	(16,29,96,895)
DIVIDEND	9,31,945	56,64,484
TOTAL	61,42,40,155	26,72,17,218
NOTE – 14		
<u>OTHER INCOME</u>		
CAPITAL GAIN / (LOSS) ON SHARES	(50,51,363)	2,98,55,098
DIVIDEND	19,26,237	-
INTEREST INCOME	32,33,592	53,05,646
MISC. INCOME	15,634	24,58,295
SHARE OF PROFIT FROM ONYX PARTNERS	(13,06,569)	(4,92,718)
TOTAL	(11,82,469)	3,71,26,321
NOTE – 15		
<u>PURCHASE OF STOCK-IN TRADE</u>		
PURCHASES OF TRADED GOODS	45,38,91,018	39,96,96,449
TOTAL	45,38,91,018	39,96,96,449

NOTE – 16	As at 31/03/2021	As at 31/03/2020
<u>CHANGES IN INVENTORY</u>		
OPENING STOCK - GOODS	1,22,26,594	1,52,04,479
LESS: CLOSING STOCK - GOODS	2,09,28,375	1,22,26,594
TOTAL	(87,01,781)	29,77,885
NOTE – 17		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
BONUS	6,07,050	4,71,100
ESI & PF EXPS	1,64,592	2,48,277
SALARY	52,42,349	59,06,312
REMUNERATION - DIRECTOR	7,80,000	7,80,000
STAFF WELFARE	1,32,914	2,39,473
TOTAL	69,26,905	76,45,162
NOTE – 18		
<u>FINANCIAL COST</u>		
BANK CHARGES	24,856	54,291
INTEREST	25,53,779	43,41,431
TOTAL	25,78,635	43,95,722
NOTE – 19		
<u>OTHER EXPENSES</u>		
ADVERTISMENT	1,785	5,525
AUDIT FEES	35,000	35,000
BAD DEBTS	-	81,780
COMPUTER & SOFTWARE EXPS	1,24,881	80,496
CONVEYANCE	2,40,735	1,36,765
CSR EXPS	-	8,05,100
DONATION	1,60,000	-
DELIVERY CHARGES	41,93,071	54,37,752
DISCOUNT	18,26,931	3,74,366
ELECTRICITY EXPS	2,82,665	2,28,457
GODOWN EXPS	1,17,700	1,19,935
INCENTIVE	3,89,944	3,17,100
INSURANCE	1,89,822	1,43,322
LEGAL AND PROFESSIONAL FEES	6,60,525	4,71,505
LOADING / UNLOADING EXPS	25,32,806	20,37,930
OFFICE & MISC EXPS	2,08,197	57,211
PACKING EXPS	2,84,343	2,88,339
PRINTING & STATIONARY	3,48,529	3,34,868
PROFESSIONAL / SMC TAX	1,61,004	1,86,912
REGISTRAR & WEB SERVICE	75,100	42,500
RENT	1,68,000	1,68,000
REPAIRS & MAINTENANCE	1,38,807	4,33,605
SALES PROMOTION EXPS	4,960	6,08,451
DIWALI CHARGES	36,000	21,440
TELEPHONE & INTERNET EXPS	83,315	93,969
TRAVELLING EXPS	19,256	26,918
AUTHORIZED CAPITAL EXPS	5,87,500	-
VAT EXPS	5,838	84,835
VEHICLE EXPS	2,52,028	1,80,116
TOTAL	1,31,28,742	1,28,02,197

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31ST MARCH, 2021**

1. Corporate Information:

Khemani Distributors and Marketing Limited [KDML] is a Public Limited Company, incorporated in 2011. The Company is listed on SME Platform of BSE Limited.

KDML is engaged in the Business Trading in FMCG products of Hindustan Unilever Limited ("HUL") as a 'Redistribution Stockiest' in Surat, Gujarat. The Company is offering a wide range of personal care products, home care products and food and drinks products. The Company is also involved in the business of carrying on trading activities by dealing in stock market in all kinds of securities and other financial products.

2. Basis of Accounting:

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 as amended. The financial statements have been prepared on an accrual basis and under the historical cost convention. All amounts included in the financial statements are reported in absolute figures of Indian Rupees.

3. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, reported amounts of revenues and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revisions are made.

4. Recognition of Income and Expenditure:

Revenue is recognized and expenditure is accounted for on their accrual except insurance claim, claims in respect of material purchased and sold which are accounted for on cash basis.

5. Fixed Assets and Depreciation:

Fixed assets are stated at cost of less accumulated depreciation.

Depreciation is provided on W.D.V. method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013 over their useful life.

Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

6. Foreign Currency Transactions:

There were no Foreign Transactions during the year.

7. Current and Deferred Tax:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

8. Inventories:

Inventories are valued at cost or market value, whichever is lower.

9. Investments:

Investments are classified as Current Investments and Non-Current Investments. The investments that are readily realizable and intended to be held for not more than a year are classified as current investments. Current Investments are stated at cost.

10. Contingent Liabilities:

Contingent liabilities are recognized only when there is a possible obligation arising from past events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources of, or where reliable estimate cannot be made. Obligations are assessed on going concern basis and only those having a largely probable outflow of resources are provided for. Contingent liabilities, if any, are not provided for in the financial statements but are separately shown by way of note. Contingent assets are neither recognized nor disclosed in the financial statements.

11. Trade Receivable and Payable:

Balances of trade payable and receivable are subject to confirmation, reconciliation and consequential adjustments, if any.

12. Earnings per Share:

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

13. Related Party Transactions:

The Disclosure required under Accounting Standard 18 in respect of Related Party transactions and balances is given in the table and explanations given hereunder:

(I) Nature of Relationship:

Description	Name of Related Parties	
Directors / Key Management Personnel	Vijaykumar Khemani	Chairman & Managing Director
	Amitkumar Khemani	Whole Time Director & CFO
	Anupa Khemani	Non Executive Director
	Amit Jain	Independent Director
	Balkishan Agarwal	Independent Director
	Mukeshkumar Kabra	Independent Director
	Rekha Rani Naraniwal	Company Secretary
	Vaishali Punjabi	Company Secretary

Relatives of Key Management Personnel	Sushila Devi Khemani
	Dimple Pradeep Mansinghka
	Avinash Vijaykumar Khemani
	Sanju Avinash Khemani
Related Group Company / Entity	Onyx Partners
	BSAS Infotech Limited
	Khemani Enterprises

Note : The list of Related Parties are as identified by the Management and relied upon by the Auditor.

(II) Details of Related Party Transactions:

a) Key Management Personnel / Directors

Sr. No.	Name	Nature of Transaction	Amount [In Rs.]	
			As at 31/03/2021	As at 31/03/2020
1	Vijaykumar Khemani	Remuneration	1,80,000	1,80,000
2	Amitkumar Khemani	Remuneration	6,00,000	6,00,000
		Interest Paid	47,074	31,420
3	Anupa Khemani	-	-	-
4	Amit Jain	-	-	-
5	Balkishan Agarwal	-	-	-
6	Mukeshkumar Kabra	-	-	-
7	Rekha Rani Naraniwal	Salary	1,66,000	3,94,733
8	Vaishali Punjabi	Salary	1,87,096	-

b) Relatives of Key Management Personnel

Sr. No.	Name	Nature of Transaction	Amount [In Rs.]	
			As at 31/03/2021	As at 31/03/2020
1	Sushila Devi Khemani	Rent	1,68,000	1,68,000
2	Dimple Pradeep Mansinghka	Salary	3,60,000	3,60,000
3	Avinash Khemani	Salary	6,00,000	6,00,000
4	Sanju Avinash Khemani	Rent	1,44,000	1,44,000

c) Related Group Company / Entity

Sr. No.	Name	Nature of Transaction	Amount [In Rs.]	
			As at 31/03/2021	As at 31/03/2020
1	Khemani Enterprises	Sale of Goods	3,33,64,935	-

14. Payment to Auditors:

Particulars	As at 31/03/2021	As at 31/03/2020
Audit Fees	35,000	35,000

15. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31/03/2021	As at 31/03/2020
Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,14,223	21,586
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note: Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

16. Segment Reporting:

(Rs. in lakh)			
Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
1	Segment Revenue		
	(1) FMCG	4706.52	4245.50
	(2) Securities	1435.88	(1573.32)
	(3) Unallocated	0.00	0.00
	Total	6142.40	2672.17
	Less: Inter Segment Revenue	0.00	0.00
	Net Sales from Operations	6142.40	2672.17
2	Segment Results (Profit Before Tax and Interest)		
	(1) FMCG	36.20	25.16
	(2) Securities	1424.03	(1226.25)
	(3) Unallocated	0.00	0.00
	Total	1460.23	(1201.08)
	Less:		
	(a) Financial Cost		
	(1) FMCG	0.71	0.83
	(2) Securities	25.08	43.13
	(3) Unallocated	0.00	0.00
	(b) Other Unallocated Expenditure written off	0.00	0.00
	Add:		
	(c) Un-allocable income	0.00	0.00
	Total Profit Before Tax	1434.44	(1245.04)
3	Capital Employed (Segment assets – Segment Liabilities)		
	Segment Assets		
	(1) FMCG	747.58	1127.06
	(2) Securities	3516.94	2410.75
	(3) Unallocated	0.00	0.00
	Total	4264.52	3537.81
	Segment Liabilities		
	(1) FMCG	54.09	68.49
	(2) Securities	318.10	611.06
	(3) Unallocated	0.00	0.00
	Total	372.19	679.56

17. Previous Year's Figures:

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our Report of even date annexed

For C.P. Jaria & Co.

Chartered Accountants

For Khemani Distributors and Marketing Limited

(P.K. Jain)

Partner

M. No. 112020

FRN: 104058W

Place: SURAT

Date: 22/06/2021

Vijaykumar Khemani

Chairman & Managing

Director

DIN: 02227389

Amitkumar Khemani

Whole Time Director

& CFO

DIN: 02227413

Vaishali Punjabi

Company

Secretary

ACS: 48695

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

CIN: L74300GJ2011PLC063520

Reg. Office: Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhana, Bhestan Road, Surat-394210, Gujarat

Email: investors@khemanigroup.net Website: www.khemanigroup.net

Contact: +91-9737747888 / +91-7818081234

ATTENDANCE SLIP

[Duly filled Attendance Slip to be submitted at the Entrance of the Meeting Hall]

Name of the Registered Shareholder	
DP. Id. / Client Id. / Folio No.	
Name of Proxy [To be filled in if the Proxy attends the AGM instead of Shareholder]	
No. of Shares held	

I certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the Company.

I hereby record my presence at the 10th Annual General Meeting of the Company being held at the Registered Office of the Company on Wednesday, the 22nd September, 2021 at 3:00 p.m.

Name of Shareholder / Proxy: _____

Signature of Shareholder / Proxy: _____

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

CIN: L74300GJ2011PLC063520

Reg. Office: Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhna, Bhestan Road,
Surat-394210, Gujarat

Email: investors@khemanigroup.net Website: www.khemanigroup.net

Contact: +91-9737747888 / +91-7818081234

FORM NO. MGT-11**PROXY FORM**

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

Name of Member(s)	:
Registered Address	:
E-Mail Id	:
DP. Id. / Client Id. / Folio No.	:

I / We, being the Member of _____ Shares of the above named Company, hereby appoint.

1.	Name
	Address
	E-mail Id
	Signature
	or failing him / her

2.	Name
	Address
	E-mail Id
	Signature
	or failing him / her

3.	Name
	Address
	E-mail Id
	Signature
	or failing him / her

as my / our Proxy to attend and vote for me / us and on my / our behalf at the 10th AGM of the Company to be held on Wednesday, the 22nd September, 2021 at 3:00 p.m. at the Registered Office of the Company situated at Plot No. D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhana, Bhestan Road, Surat-394210, Gujarat and at any adjournment thereof in respect of Resolutions indicated below:

Resolution No.	Resolutions
Ordinary Business	
1	Adoption of Financial Statements and Report of Board of Directors.
2	Appointment of Mr. Vijaykumar Khemani as a Director liable to retire by rotation.
3	Appointment of B Chordia & Co., Chartered Accountants, as the Statutory Auditors of the Company

**Affix a Rs.
1/-
Revenue
Stamp**

Signed this _____ day of _____ 2021.

Signature of Shareholder: _____

Signature of Proxy: _____

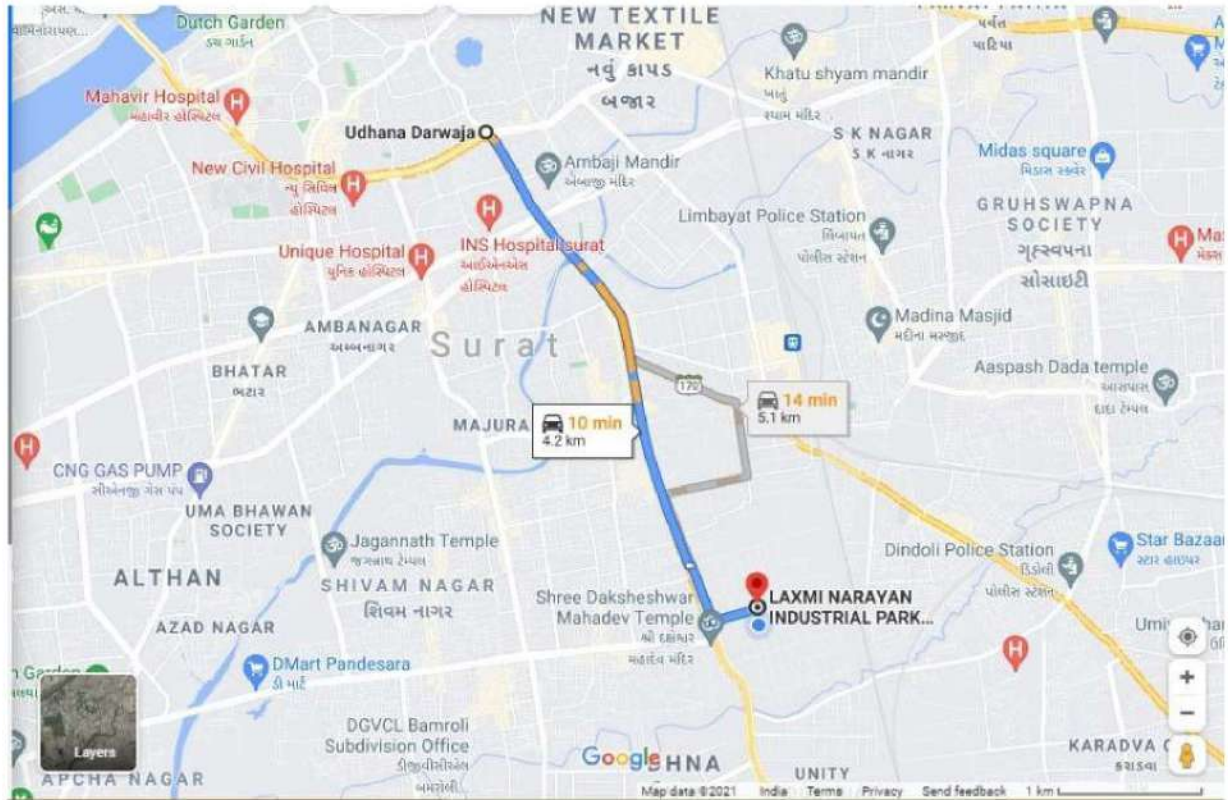
NOTE:

The proxy form duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting. The Proxy need not be a member of the Company.

Write Up:

[illegible]

ROUTE MAP TO THE VENUE OF THE 10TH ANNUAL GENERAL MEETING



IF UNDELIVERED;

Please return to:

KHEMANI DISTRIBUTORS AND MARKETING LIMITED

Plot No. D/91-92, Laxminarayan Industrial Park,
BRC Compound, Udhna, Bhestan Road,
Surat-394210, Gujarat
Contact: +91-9737747888 / +91-7818081234

