



April 8, 2024

First Overseas Capital Limited
1-2 Bhupen Chambers, Dalal Street
Fountain, Mumbai 400 001
Maharashtra, India

Dear Sirs,

Re: Rights Issue (the "Issue") of Equity Shares of ₹1 each (the "Equity Shares") of
Sakuma Exports Limited (the "Company")

We refer to our appointment as legal counsel to the Issue and are providing this letter in connection with the Letter of Offer dated April 8, 2024 ("**Letter of Offer**") adopted by the Board of Directors of the Company and to be filed with the BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", collectively with BSE the "**Stock Exchanges**") and with Securities and Exchange Board of India ("**SEBI**"), wherein First Overseas Capital are acting as Lead Managers to the Issue. The Equity Shares are being offered on the terms set forth in the Letter of Offer.

Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Letter of Offer.

In rendering the opinions expressed herein, we have assumed without any independent investigation: (a) that the signatures on all documents examined by us are genuine and that where any such signature purports to have been made in a legal, corporate, governmental, fiduciary or other capacity, the person who affixed such signature had authority to do so, (b) the authenticity of all documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as certified, conformed, electronic, scanned, facsimile or photostatic copies or as extracts of any such documents, (c) the correctness of any factual information provided to us by the Company and (d) the correctness of public files, records and certificates of, or furnished by, governmental or regulatory agencies or authorities. With your permission, we have relied as to matters of fact upon certificates of the Company, its directors and officers and have not independently verified the accuracy of the statements contained therein. We have also relied on translations of documents and other information that are not in the English language, if any.

We have examined the chapter titled "Outstanding Litigation and Defaults" as enclosed in "Annexure-A" in the Letter of Offer and such other relevant documents, records and matters of law as we have deemed necessary or advisable for the purposes of the chapter and this opinion and, subject to the qualifications, assumptions and limitations set forth herein, we are of the opinion that:

- (a) To the best of our knowledge after due enquiry, but without independent verification, other than the proceedings fairly summarized in all material respects in the Letter of Offer, there are no legal or governmental proceedings to which the Company is, or the Promoters are, a party or to which any of the properties of the Company is subject that, if determined adversely to the Company would, individually or in the aggregate, result in a material adverse effect or adversely affect the ability of the Company to perform its obligations under the transaction documents.

This opinion is also subject to the following qualifications, assumptions and limitations:

1. This opinion is limited to the laws of the Republic of India.
2. We have not undertaken any review or search of any records of any court or governmental agency, authority or body for purposes of rendering this opinion.
3. No resolutions have been adopted by the Board of Directors or the shareholders of the Company relating to the commencement of proceedings regarding its winding-up and that, to our knowledge and other than as disclosed in the Letter of Offer, no petition has been presented and no proceeding is pending before any court for the winding-up of the Company.
4. Insofar as matters herein are stated to be to our knowledge, such knowledge means the actual knowledge of lawyers presently at Rajani Associates who, according to our records, have been engaged in legal services in connection with the Issue.

We assume no responsibility for updating this opinion to take into account any event, action, interpretation or change of law occurring subsequent to the date hereof that may affect the opinions expressed herein.



Our opinion is limited to matters expressly set forth herein, and we express no opinions by implication.

This letter is addressed to you solely in connection with the Issue and filing of the Letter of Offer with Stock Exchanges and SEBI.

Yours faithfully,
For **Rajani Associates**



Sangeeta Lakhi
Partner

Annexure – A

SECTION VI- LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATIONS AND DEFAULTS

Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors, our Promoter, and our Subsidiaries ("Relevant Parties"). Further, there is no pending litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on February 14, 2023 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

- (i) *Outcome of any single litigation/dispute determined by courts of law (not below the High Court) or individual matters with similar case of action (which shall be aggregated) and regulatory action having an impact of not less than Rs. 5 Crores; and*
- (ii) *the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

It is clarified that although our Company has adopted a materiality policy, we have disclosed all the pending litigations involving our Company, our Directors, our Promoter, and our Subsidiaries.

It is also clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors, our Promoter or our Subsidiaries, shall not be considered as litigation until such time that any of our Company, our Directors or our Subsidiaries, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

I. Litigation involving our Company

Litigation filed against our Company

1. Criminal proceedings

- (i) ***Rai Bahadur Narain Singh Sugar Mills Limited vs. Sakuma Exports Limited and another - Complaint no. 1337 of 2020***

Rai Bahadur Narain Singh Sugar Mill Limited ("RBNS") had filed a complaint bearing Complaint no. 1337 of 2020 before the Hon'ble Additional Chief Judicial Magistrate, Haridwar ("ACJM, Haridwar") against our Company under section 138 of the Negotiable Instruments Act, 1881. Our Company entered into an agreement with RBNS to procure 12,500 MT Indian white sugar of certain requisite quality preferable with slight moisture content for the purpose of export. Our Company has paid the entire consideration amount of ₹2,200.39 Lakhs to RBNS in advance for supply of the 12,500 MT Indian white sugar along with a postdated cheque amounting to ₹1,306.00 Lakhs dated March 12, 2020 ("PDC") to RBNS as security. However, as per a surveyor report RBNS has supplied approximately 8,000 MT Indian white sugar with high moisture content which was not in accordance with specification agreed between our Company and RBNS. The Indian white sugar with high moisture content was ultimately rejected by foreign buyer's surveyor while RBNS had assured our Company that

it will provide our Company with monetary compensation. However, once the export was of the Indian white sugar was completed, RBNS backed out on its assurance of monetary compensation. Furthermore, due to ongoing COVID-19 pandemic, the foreign buyer refused to pay the export sales proceeds. This resulted in our Company incurring losses surmounting to the tune of `450 Lakhs. Furthermore, RBNS presented the PDC to the bank where it was returned to them with the reason being 'Funds Insufficient'. Hence, RBNS has filed this complaint which is presently pending. Our Company and Saurabh Malhotra then approached the Hon'ble High Court of Uttarakhand and filed a Criminal Miscellaneous Application bearing number; C482 No. 813 of 2020 under section 482 of the Code of Criminal Procedure, 1973 on the grounds that the PDC was presented to the bank by RBNS after the expiry of 3 months from the date of the PDC and hence was returned to RBNS as a stale cheque. Our Company has prayed for the complaint bearing Complaint no. 1337 of 2020 before the Hon'ble Additional Chief Judicial Magistrate, Haridwar to be set aside pending disposal of this petition filed before the Hon'ble High Court of Uttarakhand which is disposed of as dismissed and withdrawn. Our Company and Saurabh Malhotra also filed a Criminal Revision before the Hon'ble Court of the Ld. District and Sessions Judge, Haridwar bearing number 49 of 2021 assailing the summoning order passed by ACJM, Haridwar in the Complaint no. 1337 of 2020 on the grounds that the ACJM, Haridwar had passed the summoning order without first inquiring into the case itself or directing an investigation for the purpose of deciding whether or not there was enough sufficient ground for proceedings against our Company and Saurabh Malhotra who are situated in Mumbai, Maharashtra. Our Company and Saurabh Malhotra have prayed for the setting aside of the summoning order passed by ACJM, Haridwar. The matter is presently pending.

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

(i) ***S. H. Prakash vs. Sakuma Exports Limited and others - O. S. No. 09 of 2010 and Execution Application no. 115 of 2017 in O. S. No. 09 of 2010***

S. H. Prakash ("SHP"), plaintiff herein, has filed an application for execution under Order XXI Rule 11(2) of the Code of Civil Procedure, 1908 against our Company and its Directors before the Hon'ble City Civil Court of Bombay. SHP had filed a recovery suit of ₹10.22 Lakhs ("**Recovery Suit**") against our Company and its Directors before the Hon'ble Court of Senior Civil Judge, Civil Court, Harihar bearing number O. S. No. 09 of 2010 ("**Harihar Civil Court**") whereby SHP claimed that our Company had purchased 12,584 bags of maize weighing 1228 MTS valued at ₹85.23 Lakhs from SHP against which our Company only made a part payment of ₹75.00 Lakhs while the balance of ₹10.22 Lakhs was never paid to SHP by our Company. Through the Recovery Suit, SHP had sought a payment of ₹17.59 Lakhs (inclusive of interest and court fee). The Harihar Civil Court had passed an exparte decree laying down that our Company and its Directors were duly served upon in connection with the case however, chosen not to file the written statement and directed the Company to pay ₹17.59 Lakhs to SHP. In order to seek execution of the decree passed by the Harihar Civil Court and seeking attachment of properties of our Company and its Directors, SHP has initiated this execution application before the Hon'ble City Civil Court, Mumbai for Order execution amount of ₹36 Lakhs (inclusive of interest). Our Company has filed a miscellaneous petition bearing Miscellaneous Petition number 09/2019 under Order IX Rule 13 of Code of Civil Procedure, 1908 to set aside ex-partite decree of O. S. No. 09 of 2010 passed by the Harihar Civil Court and its restoration on the grounds that our Company and its Directors were never served the notice of summons and the Directors became aware of being placed ex-parte from a third party and did not receive a just and proper opportunity to file the written statement and that the balance amount due to SHP was paid to M/s L.V. Corporation on the instructions of SHP and M/s L.V. Corporation and hence there was no amount due to SHP and the dues were fully settled. The matter is presently pending.

(ii) ***Sakuma Exports Limited and others vs. S. H. Prakash- MFA No. 5732 of 2023***

Our company has filed an appeal before the Hon'ble High Court of Karnataka under order 43 rule 1(d) of Civil Procedure Code, 1908 against order dated April 11, 2023 passed in C. Misc. Petition No. 9/2019 Civil Judge at Harihar Court) praying stay operation and execution of final judgment and decree in the original suit no. 09 of 2010. Accordingly, Hon'ble High Court of Karnataka has admitted our appeal and ordered for stay of operation and execution of final judgment and decree dated February 12, 2016. The matter is presently pending.

For details, see "**Outstanding Litigations and Defaults - Litigation filed against our Company - S. H. Prakash vs. Sakuma Exports Limited and others - O. S. No. 09 of 2010 and Execution Application no. 115 of 2017 in O. S. No. 09 of 2010**" beginning on page 155 of this Letter of Offer.

(iii) ***Dr. Babasaheb Ambedkar Sahakari Sakhar Karkhana Limited vs. Sakuma Exports Limited – Special Suit no. 200036/2015***

Dr. Babasaheb Ambedkar Sahakari Sakhar Karkhana Limited ("**BASSKL**") has instituted a suit for recovery before the Court of the Hon'ble Civil Judge, Senior Division, at Osmanabad ("**Suit**") bearing special suit number 200036/2015 against our Company. BASSKL entered into an agreement with our Company for the sale of raw sugar to our Company to the extent of 10,000 MT at the rate of ₹25,000 per MT. In terms of the agreement, our Company deposited ₹1,000 per MT with BASSKL as advance.

Our Company to the delivery of 5,291.400 MT raw sugar till November 28, 2013. With regards to the delivery for the rest of the quantity of the raw sugar, the parties through their conduct had waived of the conditions pertaining to the time of delivery of goods and BASSKL vide their letter dated February 6, 2014 had allowed our Company 15 days to lift the raw sugar from BASSKL. Our Company then entered into negotiations with BASSKL for the contract price and our Company agreed to take the delivery of the pending 4,708.600 MT of raw sugar at the contracted price of ₹25,000 per MT and our Company assured BASSKL vide a letter dated March 8, 2014 that the remaining 4,708.600 MT raw sugar will be lifted by our Company by March 23, 2014 which was accepted and acknowledged by BASSKL. However, BASSKL repudiated the contract and sold the balance 4,708.600 MT raw sugar at the rate of ₹23,150 per MT to a third party. BASSKL claimed that due to the delay in taking the delivery of the balance 4,708.600 MT raw sugar and having to sell it to a third party at the lower rate compared to what was agreed between our Company and BASSKL, BASSKL has suffered losses and hence filed this recovery suit praying for recovery of ₹51.43 Lakhs along with a future interest of 18% of the decretal amount. Further, our Company has filed a counter claim of ₹49.15 lakhs for recovery of balance security deposit against BASSKL. The matter is currently pending. Our Company subsequently filed a counter claim against BASSKL for arbitrarily repudiating the agreement entered between BASSKL and our Company along with the grounds set out above, for the recovery of an amount of ₹49.15 Lakhs from BASSKL before the Court of the Hon'ble Civil Judge, Senior Division, at Osmanabad. The counter claim is presently pending.

(iv) ***M/s Sharda Roadlines vs. Sakuma Exports Limited - Spl. C.S. No. 200046/2015 and Spl.Dkst/4/2022***

M/s Sharda Roadlines ("**Sharda**") has filed a petition bearing number Spl. C.S. No. 200046/2015 against our Company before the Court of the Hon'ble Civil Judge (Senior Division), Latur ("**Latur Court**") for recovery of ₹19.22 Lakhs from our Company. Our Company had placed a work order of 26,000 Qtl. of sugar transport through railway wagons from Unja to Latur to Ssharda which is a transportation company. Sharda raised bill of ₹16.60 Lakhs for transportation and a debit note of ₹17.53 Lakhs for amount paid by Sharda on behalf of the Company to the railway authorities for transportation, both the amounts aggregating to ₹34.13 Lakhs. Sharda alleged that out of the ₹34.13 Lakhs receivable from our Company, and after deducting an advance of ₹20.00 Lakhs paid by our Company against the above bill, the amount payable to Sharda is ₹14.13 Lakh by the Company, along with interest. However, our Company had paid an excess of ₹1.22 Lakh to Sharda for which our Company had sent a legal notice to Sharda for the recovery of the excess payment. However, Sharda filed this suit against our Company for the recovery of ₹14.13 Lakhs along with interest. In the said suit, Latur Court passed an ex-parte order directing our Company to pay ₹20.30 Lakhs including interest to Sharda. Sharda subsequently filed an order execution petition bearing number

Spl.Dkst/4/2022. Our Company has filed a Miscellaneous Application bearing number Misc. Civil Application no. 17/2019 for setting aside the decree before the Latur Court on the grounds of 'audi alteram partem'. The miscellaneous petition and the execution petition are presently pending.

(v) ***Udagiri Sugar and Power Limited vs. Sakuma Exports Limited - Spl. C.S. 117/2016 and Commercial Suit 02/2020***

Udagiri Sugar and Power Limited ("USPL") had filed a suit bearing number Spl. C.S. 117/2016 before the Court of Hon'ble Civil Judge, Senior Division at Sangli against our Company. Our Company had entered into an agreement with USPL for the purchase of 7,800 MT raw sugar at the rate of ₹22,750 aggregating to a total order value of ₹1,774.50 Lakhs from USPL for export. USPL, in its plaint, alleged that our Company delayed the exporting of the raw sugar and once they had been exported, our Company provide the necessary documents of pertaining to the exports on time to USPL. As a result, USPL were not able to avail export subsidies provided by the Government on the export of raw sugar at the time. USPL alleged that USPL could have availed a subsidy of ₹3,300 per MT of raw sugar if the raw sugar had been exported within the Government stipulated timelines by our Company. USPL further alleged that since our Company was unable to export the sugar within the Government stipulated timelines, USPL was unable to procure the above mentioned subsidy from the Government and were only able to claim a subsidy of ₹2,277 per MT of raw sugar resulting in a loss of ₹1,023 per MT of raw sugar to USPL. Hence, USPL instituted this suit and had prayed for an amount of ₹99.02 lakhs (along with further interest at 12% per cent per annum) for the alleged losses suffered by USPL. The Court of Hon'ble Civil Judge, Senior Division at Sangli passed an ex-parte order for "No Written Statement" against our Company. Our Company then filed an application under Order 9 Rule 7 of the Civil Procedure Code 1872 read with section 151 of the Civil Procedure Code for vacating the ex-parte order. The suit has now been transferred to the Hon'ble Commercial Court Civil Judge Senior Division, Sangli. The matter is presently pending.

(vi) ***Sahyadri Sahakari Sakhar Karkhana Limited vs. Sakuma Exports Limited and others - Spl. C.S. 17/2020***

Sahyadri Sahakari Sakhar Karkhana Limited ("SSSKL") has instituted a suit for recovery before the Court of the Hon'ble District Judge-2, Karad ("**Karad Suit**") bearing Spl. C.S. 17/2020 against our Company and certain of our Directors. SSSKL entered into an agreement with our Company for the sale of Indian white crystal sugar to our Company to the extent of 3,310.5 MT at the rate of ₹3,400 per quintal aggregating to ₹1,125.57 Lakhs and it was agreed between the parties and in terms of the agreement that the 3,310.5 MT Indian white crystal sugar will be lifted by our Company within 30 days of the agreement. However, our Company found out through an independent surveyor report that the specifications of the Indian white crystal sugar did not meet the specifications set out in the agreement between SSSKL and our Company and as such, our Company informed SSSKL that it will be unable to lift the Indian white crystal sugar as SSSKL was in breach of their agreements on the grounds of not meeting the specifications of the Indian white crystal sugar set out in the agreement. Hence, SSSKL has instituted this suit and prayed for recovery of ₹237.41 Lakhs along with an interest of 12% per annum from our Company. Our Company has contended that it was SSSKL, and not our Company, who was in breach of contract by not providing the agreed upon specifications for the Indian white crystal sugar. Furthermore, our Company has also contended that the suit is barred by the Limitation Act, 1963. The matter is presently pending.

(vii) ***M/s Sanghar Exports vs. Sakuma Exports Limited and Saurabh Malhotra - Spl. C.S. 1526/2019***

M/s Sanghar Exports ("Sanghar") has filed a special civil suit bearing number Spl. C.S. 1526/2019 against our Company and its Director Saurabh Malhotra before the Court of the Hon'ble Civil Judge, Senior Division, Pune. Sanghar acted as an intermediary between our Company and certain buyers for the purchase of our Company's goods introducing the buyers Vietnam to our Company. Despite their being no agreement to the effect, Sanghar demanded a brokerage/commission from our Company on the sale of goods to the Vietnam buyers aggregating to ₹30.86 Lakhs. Our Company informed Sanghar that the commission shall only be paid upon the receipt of all the dues from the buyers. However,

Sanghar instituted this suit before Court of the Hon'ble Civil Judge, Senior Division, Pune for the recovery of the disputed amount of ₹30.86 Lakhs along with an interest of ₹6.61 Lakhs (being 18% of ₹30.86 Lakhs). The matter is presently pending.

(viii) ***Avida Pte Limited vs. Sakuma Exports Limited and another - Suit No. 202 of 2021***

Avida Pte Limited ("**Avida**") has filed a suit before Hon'ble High Court of Judicature at Bombay bearing number 202 of 2021 against our Company and another for recovery of USD 150,000. Our Company entered into a sale contract with Avida to purchase 2700 MT Indian long grain white raw rice. As per the agreement, Avida deposited US 150,000 with our Company. Subsequently, a dispute arose amongst Avida and our Company whereby it was settled that our Company shall refund the deposit amount of USD 150,000 to Avida. Subsequently, our Company made the payment to Avida. However, upon sharing the details of the payment with Avida, both parties learned that the payment was made into a wrong bank account. While our Company claimed that they have made the payment and the dues have been settled as per the details shared by Avida (the payment details were shared by Avida twice vide two email communications wherein the payment details of the second communication received by the Company differed from the first.) Avida then alleged that our Company had fabricated the second email communication with an intent to defraud Avida. Hence, Avida has filed this suit for the recovery of claim amount of USD 160,500 (inclusive of interest on the principle amount of USD 150,000) along with a further interest at the rate of 12% from the date of this suit on the principle amount. The matter is presently pending.

(ix) ***Indian Sugar Exim Corporation vs. Sakuma Exports Limited - Arbitration Petition no. 489/2020 and 490/2020***

Indian Sugar Exim Corporation ("**ISEC**") has filed an Arbitration Case bearing number 489/2020 and 490/2020 before the before Justice Pradeep Nandarog, Former Chief Justice of the High Court of Judicature at Bombay, Sole Arbitrator against our Company for the recovery dues and payables from foreign sale proceeds towards the export of sugar facilitated by our Company. ISEC entered into certain facilitation agreements with our Company whereby our Company agreed to act as a facilitator for the export of sugar by ISEC. ISEC claimed that our Company was obligated to ensure timely acceptance of export shipments by third party buyers and to also ensure timely payments towards such export shipments from the third party buyers (and subsidiaries of our Company) arranged by our Company in terms of the facilitation agreement. Subsequently, certain amounts became overdue from third party buyers and our Company's foreign subsidiaries and ISEC alleged that the parties had defaulted on their payments. ISEC alleged that in terms of the facilitation agreement, our Company is responsible for the alleged outstanding dues from foreign subsidiaries. Our Company informed ISEC that all the dues from the foreign buyers had been paid and nothing is pending to be payable to ISEC. Hence, ISEC filed the two arbitration proceedings bearing numbers 489/2020 and 490/2020 for the recovery of USD 10,69,220 along with interest at the rate of 18% per annum and USD 4,82,360 along with interest at the rate of 18% per annum, respectively. The Arbitral award dated January 14, 2024 was passed in favour of our Company. Pursuant to which, ISEC is directed to pay an amount of Rs.2,37,88,449 to our Company.

(x) ***Pinakin Super Industries vs. Sakuma Exports Limited and others - Special Civil Suit No. 57 of 2006***

Pinakin Super Industries ("**Pinakin**") had filed a suit to recovery suit before the Court of Principal Senior Civil Judge, Mahesana against our Company for recovery of an outstanding amount of ₹8,24,958. Our Company had subsequently filed a counter claim of ₹1,45,075 against Pinakin. However, the Court of Principal Senior Civil Judge, Mahesana vide its order dated October 17, 2013 disallowed the counter claim and partly decreed the recovery suit of Pinakin directing our Company to pay an amount of ₹7,96,100 along with an interest at the rate of 8.25% till realization. The matter has been transferred for execution before Court of Principal Senior Civil Judge, Unjha for execution which is pending as on date. Our Company does not intend to challenge the decree any further.

(xi) ***Indian Sugar Exim Corporation vs. Sakuma Exports Limited – OMP (Comm) 416/2023***

Indian Sugar Exim Corporation has filed an appeal against the arbitral award dated June 9, 2023 by Hon'ble Sole Arbitrator, Mr. Justice A.K. Pathak in the arbitration proceeding bearing number 296/2021 before the Hon'ble High Court of Delhi under section 34 of the Arbitration and Conciliation Act 1996 as amended upto date. The matter is presently pending.

For details, see "***Outstanding Litigations and Defaults - Litigation filed by our Company - Sakuma Exports Limited vs. Indian Sugar Exim Corporation - Arbitration Petition no. 296/2021***" beginning on page 155 of this Letter of Offer.

(xii) ***Sai Dharam Chand Agarwal Vs. Sakuma Exports Limited- FAT 6 of 2022 with CAN 1 of 2023***

Sri Dharam Chand Agarwal, proprietor of M/s. Bengal Agency, ("BA") instituted a suit for recovery before the court of Civil Judge, Senior Division at Siliguri against our Company. BA, in their plaint alleged inter alia, that the quality of the sugar supplied was not as per the agreement entered into with our Company because of which they had to sell it further at a lower price to their customers and thus suffered a loss of ₹ 10 lakhs. BA further claimed ₹ 100 lakhs as advance given for a subsequent order, which BA claimed to have cancelled. Our Company vide its email of April 20, 2016, refuted the allegations stating that it had already procured the sugar from the suppliers for the fulfillment of the BA's order. However, BA cancelled the order, due to which our Company had to sell it to other customers at a lower price, and thus incurred losses. Matter is heard and dismissed. Now against the said dismissal, Sri Dharam Chand Agarwal has filed an appeal number FAT/6/2022 on 28/06/2022 and the matter is presently pending.

4. **Actions taken/ penalties/ warning letters issued, if any, by SEBI or the Stock Exchanges:**

A. Except as disclosed below, we confirm that there have been no actions taken/ penalties/ warning letters issued, if any, by SEBI/ Stock Exchanges for the last three (3) years:

(i) ***Letter No. SEBI/HO/IVD/ID9/OW/P/2021/8338/1 dated April 6, 2021***

In 2018, our Company initiated the process to undertake a Qualified Institutional Placement ("QIP") and had made the relevant disclosures to the Stock Exchanges. Further, our Company cancelled the process of the QIP owing to unfavorable market conditions in 2021, however, the disclosure for the same was not made by our Company. In pursuance of the same, SEBI issued a warning letter bearing number SEBI/HO/IVD/ID9/OW/P/2021/8338/1 dated April 6, 2021, instructing our Company of the consequences of non-compliance with the Listing Regulations. However, we confirm that no action or proceeding was initiated or taken against our Company by SEBI.

(ii) ***Order No. SEBI/HO/IVD/ID9/OW/P/2021/8339/1 dated April 6, 2021***

SEBI had conducted an investigation in the insider trading activities of the Company for the period of August 1, 2018, to September 14, 2018. It was found that Ms. Harsha Narvekar, Accounts Manager, an employee of the Company, earned a profit of Rs. 6,750.25 by execution of contra-trades (within six months). SEBI vide their order bearing number SEBI/HO/IVD/ID9/OW/P/2021/8339/1 dated April 6, 2021, instructed the Company towards disgorgement of the said amount to SEBI-Investor Protection and Education Fund ("IPEF").

Accordingly, in compliance with the instruction by SEBI, our Company made the payment to IPEF and notified SEBI vide their email dated April 26, 2021, along with the proof of payment.

Litigation filed by our Company

1. Criminal proceedings

- (i) ***Sakuma Exports Limited and Saurabh Malhotra vs. Rai Bahadur Narain Singh Sugar Mills Limited - Criminal Miscellaneous Application no. C482 No. 813 of 2020***

For details, see "*Outstanding Litigations and Defaults - Litigation filed against our Company - Rai Bahadur Narain Singh Sugar Mills Limited vs. Sakuma Exports Limited and another - Complaint no. 1337 of 2020*" beginning on page 4 of this Letter of Offer.

- (ii) ***Sakuma Exports Limited and Saurabh Malhotra vs. Rai Bahadur Narain Singh Sugar Mills Limited - Criminal Revision no. 49 of 2021***

For details, see "*Outstanding Litigations and Defaults - Litigation filed against our Company - Rai Bahadur Narain Singh Sugar Mills Limited vs. Sakuma Exports Limited and another - Complaint no. 1337 of 2020*" beginning on page 4 of this Letter of Offer.

- (iii) ***Sakuma Exports Limited vs. Sarda Agro Oils Limited – FIR no. 116/2015***

Our Company has filed an FIR bearing number 116/2015 under section 406, and 506 read with 34 of the Indian Penal Code, 1886 against SAOL at the Thimmapuram police station

For further details, see "*Outstanding Litigations and Defaults - Litigation filed against our Company - Sarda Agro Oils Limited vs. Sakuma Exports Limited – Original Suit No. 274/2015*" beginning on page 4 of this Letter of Offer.

- (iv) ***Sakuma Exports Limited and Raju Sundaram Pille vs. Vijay Thakker and Jyoti Deshpande – FIR no. 154/2015***

Our Company, through Raju Sundaram Pille has filed a FIR bearing number 154/2015 under section 409, 420, 465, 468, 469, 201, 34 of Indian Penal Code, 1860 at the N. M. Marg Police Station, Mumbai against Vijay Thakker and Jyoti Deshpande ("**Accused**"). The Accused were employed with our Company prior to the year 2015. They held the position of manager and chief accountant in our Company. During an investigation, our Company discovered that the Accused were involved in various malpractices including forgery, fraud and embezzlement of funds of our Company. This discovery led to our Company filing this FIR. The investigation officer in the matter has filed a charge sheet before the Hon'ble Dadar Bhoiwada Metropolitan Magistrate Court. Accused have filed Criminal Revision Petition bearing number CRI REV APP/0100361/2019. Subsequently, as per the order of the court, the case was transferred to Hon'ble Sessions Court of Mumbai for hearing. The matter is presently pending.

2. Material civil proceedings

- (i) ***Sakuma Exports Limited vs. Simbhaoli Sugars Limited - C.S. (COMM) No. 389/2017***

Our Company has filed a commercial suit before the Hon'ble High Court at New Delhi against Simbhaoli Sugars Limited ("**SSL**"). Our Company entered into an agreement with SSL for the procurement of 468 MT of white sugar valued at ₹149.19 Lakhs. Our Company received a payment of ₹70.00 Lakhs against the bill amount of ₹149.19 Lakhs while the balance of ₹79.19 Lakhs was pending. Despite following up with SSL, our Company did not receive the balance of ₹79.19 Lakhs. Our Company then filed this commercial suit before the Hon'ble High Court at New Delhi and prayed for recovery of ₹117.20 Lakhs (the balance of ₹79.19 Lakhs along with interest amounting to ₹38.01 Lakhs) from SSL. SSL, in its written statement, alleged that the delivery of balance goods was not received by them, and instead were delivered to one of our Company's subsidiary. The matter is presently pending.

(ii) ***Sakuma Exports Limited vs. Shree Ganesh Khand Udyog Sahkari Mandli Limited - Commercial Suit no. 18963 of 2021***

Our Company has filed a Commercial Suit bearing number 18963 of 2021 before the Hon'ble High Court of Judicature at Bombay against Shree Ganesh Khand Udyog Sahkari Mandli Limited ("SGK") for recovery of ₹179.07 Lakhs. SGK entered into an agreement with our Company for supply of 12,000 MT of sugar to our Company for the purpose export. Our Company had obligations to export the said sugar and supply export related documents to SGK for availing export subsidy from the Government of India. Our Company has duly paid value of 12000 MT sugar to SGK amounting to ₹3,202.97 Lakhs in advance. However, SGK failed to supply 721 MT sugar to our Company. Our Company then filed this suit for recovery of 721 MT sugar from SGK or in the alternative, recovery of ₹179.07 Lakhs paid in advance against the undelivered 721 MT sugar by SGK to our Company. The matter is presently pending.

(iii) ***Sakuma Exports Limited vs. Varamin Sugar Refinery - Suit No. 6368/2020***

Our Company has filed a suit before the Hon'ble City Civil Court at Bombay against Varamin Sugar Refinery ("VSR") for the recovery of ₹81.31 Lakhs. VSR entered into an agreement with our Company to procure 400,000 MT of Indian raw sugar from our Company. Our Company supplied VSR with the first shipment of 83,790 MT Indian raw sugar against which VSR defaulted in making payment towards the consideration for the shipment in terms of the agreement. Despite several reminders and requests, VSR failed to adhere to their obligation under the agreement to make full payments towards the cargo. Accordingly, our Company in its notice dated September 3, 2020 informed VSR of being in default due to non-payment resulting in a breach of agreement. Due to the aforementioned default, the balance 316,000 MT Indian raw sugar had to be disposed of/ settled for the said quantity causing our Company losses to the tune of ₹81.31 Lakhs after adjusting advance deposit received from VSR. Hence, our Company has filed this suit for the recovery of ₹81.31 Lakhs along with an interest at the rate of 24% till the date of realization. The matter is presently pending.

(iv) ***Sakuma Exports Limited vs. Indian Sugar Exim Corporation - Arbitration Petition no. 296/2021***

Our Company had initiated an arbitration proceeding bearing number 296/2021 before Hon'ble Sole Arbitrator, Mr. Justice A.K. Pathak (Retired) against Indian Sugar Exim Corporation ("Exim Corp") for non-performance and breach of contract. Our Company entered into a contract with Exim Corp for the supply of 81,634 MT sugar to Exim Corp at a consideration of ₹0.19 Lakhs per MT of sugar. Out of the aforementioned quantity, 8,600 MT of sugar was bought by our Company from Exim Corp for the purpose of exporting the same to a particular foreign buyer. However, Exim Corp did not deliver the 8,600 MT sugar to our Company in time causing a default on the part of our Company to meet its obligation to export the 8,600 MT sugar to the aforementioned foreign buyer who then in turn withheld payments to be made to our Company by the foreign buyer for other transactions amounting to USD 4,98,800 as a penalty for the losses caused to the foreign buyer due to the non-receipt of the obligated 8,600 MT sugar. Hence, our Company instituted this arbitration petition for the recovery of loss of profit caused to our Company due to the breach of contract by Exim Corp amounting to ₹380.79 Lakhs and ₹344.17 along with applicable GST towards the penalty levied to our Company by the foreign buyer.

The arbitrator, vide the arbitral award dated June 9, 2023, ordered Exim Corp pay the entire awarded amount of Rs. 457.54 Lakhs to our Company within a period of 90 days from the date of the award. The arbitration proceeding bearing number 296/2021 has accordingly been decided in our favour.

For details, see "***Outstanding Litigations and Defaults - Litigation filed against our Company – Indian Sugar Exim Corporation vs. Sakuma Exports Limited – OMP (Comm) 416/2023***" beginning on page 155 of this Letter of Offer.

For details, see "*Outstanding Litigations and Defaults - Litigation filed by our Company – Sakuma Exports Limited vs. Indian Sugar Exim Corporation – OMP (Enf.) (Comm) 226/2023*" beginning on page 155 of this Letter of Offer.

(v) ***Sakuma Exports Limited vs. Indian Sugar Exim Corporation – OMP (Enf.) (Comm) 226/2023***

Our Company filed an execution proceeding bearing number OMP (Enf.) (Comm.) 226/2023 before the Hon'ble High Court of Delhi for recovery of sum awarded vide the Arbitral award dated June 9, 2023 passed in favour of our company directing Indian Sugar Exim Corporation to pay Rs. 1,40,00,000 and Rs. 2,00,00,000 along with interest at 9% p.a. with effect from August 8, 2019, within 90 days. However, Exim Corp has defaulted in the payment of the same. The matter is presently pending.

For details, see "*Outstanding Litigations and Defaults - Litigation filed by our Company – Sakuma Exports Limited vs. Indian Sugar Exim Corporation – Arbitration Petition no. 296/2021*" beginning on page 155 of this Letter of Offer.

(vi) ***Sakuma Exports Limited vs. Rai Bahadur Narain Singh Sugar Mills Limited - C.S. (COMM) 288/2021***

Our Company filed a commercial suit bearing number C.S. (COMM) 288/2021 before the Hon'ble High Court at New Delhi against RBNS for recovery of ₹450.00 Lakhs as loss/damages incurred by our Company. Our Company entered into an agreement with RBNS to procure 12,500 MT Indian white sugar of certain requisite quality preferable with slight moisture content for the purpose of export. Our Company has paid the entire consideration amount of ₹2,200.39 Lakhs to RBNS in advance for supply of the 12,500 MT Indian white sugar. However, as per a surveyor report RBNS has supplied approximately 8,000 MT Indian white sugar with high moisture content which was not in accordance with specification agreed between our Company and RBNS. The Indian white sugar with high moisture content was ultimately rejected by foreign buyer's surveyor while RBNS had assured our Company that it will provide our Company with monetary compensation. However, once the export was of the Indian white sugar was completed, RBNS backed out on its assurance of monetary compensation. Furthermore, due to ongoing COVID-19 pandemic, the foreign buyer refused to pay the export sales proceeds. This resulted in our Company incurring losses surmounting to the tune of ₹450 Lakhs which our Company has prayed for in this commercial suit along with interest at the rate of 24% per annum. The matter is presently pending.

For further details, see "*Outstanding Litigations and Defaults - Litigation filed against our Directors - Rai Bahadur Narain Singh Sugar Mill Limited vs. Saurabh Malhotra and others - FIR bearing no. 0343/2020*" beginning on page 4 of this Letter of Offer.

(vii) ***Sakuma Exports Limited vs. Hindustan Media Ventures Limited, Rai Bahadur Narain Singh Sugar Mills Limited and others - LPETNL/2705/2020***

Our Company has filed a defamation suit bearing number LPETNL/2705/2020 before the Hon'ble High Court of Judicature at Bombay against Hindustan Media Ventures Limited ("HMVL"), Amar Ujala Limited ("AUL"), RBNS and others for damages amounting to ₹3,000 Lakhs.

For further details, see "*Outstanding Litigations and Defaults - Litigation filed against our Directors - Rai Bahadur Narain Singh Sugar Mill Limited vs. Saurabh Malhotra and others - FIR bearing no. 0343/2020*" beginning on page 4 of this Letter of Offer.

In the aftermath of an FIR filed against our Director and others by RBNS, AUL in its Dehradun edition and HMVL in its Roorkee edition published 2 defamatory newspaper articles which caused damage to our Company despite the fact that the complaint made by RBNS was still under investigation/adjudication and the grounds of the complaint had not been proven in a court of law. Hence, our Company filed this defamation suit praying for: the 2 articles to be declared as defamatory; the 2 articles to be withdrawn and deleted; AUL and HMVL to issue unconditional apologies to our

Company on their websites for issuing the defamatory articles; and damages amounting to ₹3,000 Lakhs along with interest at the rate of 18% per annum. The matter is presently pending.

(viii) ***Sakuma Exports Limited and others vs. S. H. Prakash - Miscellaneous Petition no. 09/2019***

For further details, see "***Outstanding Litigations and Defaults - Litigation filed against our Company - S. H. Prakash vs. Sakuma Exports Limited and others - Execution Application no. 115 of 2017 in O. S. No. 09 of 2010***" beginning on page 4 of this Letter of Offer.

(ix) ***Sakuma Exports Limited vs. M/s Sharda Roadlines - Misc. Civil Application no. 17/2019***

For further details, see "***Outstanding Litigations and Defaults - Litigation filed against our Company - M/s Sharda Roadlines vs. Sakuma Exports Limited - Spl. C.S. No. 200046/2015 and Spl. Dkst/4/2022***" beginning on page 4 of this Letter of Offer.

(x) ***Sakuma Exports Limited vs. DCM Shriram Limited vs. - O.M.P (Comm) No. 431 of 2022***

Our Company has filed an appeal bearing number O.M.P (Comm) No. 431 of 2022 before the Hon'ble High Court of Delhi against DCM Shriram Limited ("**DCM**") challenging the award passed by Hon'ble A.P.S. Ahluwalia, Senior Advocate, Sole Arbitrator on July 7, 2022 ("**Impugned Award**") in the arbitration proceedings between DCM and our Company for recovery of loss/ damages to DCM due to unilateral termination of an agreement between DCM and our Company. DCM entered into an agreement with our Company for supply of 7,950 MT Indian white sugar which our Company intended lift from DCM between March 2, 2020 and April 4, 2020 to export to its buyer from Afghanistan. However, in wake of the Covid-19 pandemic, on February 29, 2020, the Pakistan Government declared a complete closure of the Pakistan-Afghanistan border at Chaman for 2 weeks which was further extended on time to time basis. As our Company was purchasing Indian white sugar for export to Afghanistan, the complete closure of Pakistan-Afghanistan border made it impossible for our Company to perform the contract and thus our Company cancelled the agreement immediately i.e. on March 2, 2022 on the grounds of force majeure. DCM filed this arbitration case for the recovery of loss/damages of ₹318.00 Lakhs along with a future interest at the rate of 18% per annum due to alleged unilateral termination of the agreement. The Impugned Award of Rs. 3.18 Crores in favour of DCM with a future interest at the rate of 6% p.a. was passed against our Company along with the cost and fees of the arbitral tribunal. Hence, our Company has filed this appeal praying for the Impugned Award to be set aside. The matter is presently pending.

Tax proceedings

| | | | <i>(in ₹ Lakhs)</i> |
|--------------------|------------------------|--|---------------------|
| Particulars | Number of cases | Aggregate amount involved to the extent ascertainable | |
| Direct Tax | 12 | | 1,468.20 |
| Indirect Tax | 3 | | 803.86 |
| Total | 15 | | 2272.06 |

II. Litigation involving our Subsidiaries

A. Litigation filed against our Subsidiaries

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil



3. Material civil proceedings

Nil

B. Litigation filed by our Subsidiaries

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. Tax proceedings

| Particulars | Number of cases | <i>(in ₹ Lakhs)</i> | |
|--------------|-----------------|---|------------|
| | | Aggregate amount involved to the extent ascertainable | |
| Direct Tax | Nil | | Nil |
| Indirect Tax | Nil | | Nil |
| Total | Nil | | Nil |

Confirmations

There have been no past cases in which penalties have been imposed on the Company, its Subsidiaries, its Directors and its Promoters.

There has been no disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Company, its Subsidiaries, its Directors and its Promoters during the last 5 financial years.

