



Sakuma Exports Limited

10th Annual Report 2014-2015



SAKUMA EXPORTS LIMITED

BOARD OF DIRECTORS

Mr. Chander Mohan – Executive Chairman
Mr. Saurabh Malhotra -Managing Director
Mr. Ashok Kumar Doda
Mr. Radhe Shyam
Mr. Om Parkash Singal
Ms. Shipra Mediratta

AUDIT COMMITTEE

Mr. Radhe Shyam
Mr. Ashok Kumar Doda
Mr. Om Parkash Singal

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Ashok Kumar Doda
Ms. Shipra Mediratta
Mr. Radhe Shyam

REGISTERED OFFICE

301-A, Aarus Chambers,
S.S. Amrutwar Lane,
Near Mahindra Tower,
Worli, Mumbai-400013
www.sakumaexportsltd.com

AUDITORS

M/s S N K & Co.
Chartered Accountants
303, Konark Shram,
156, Tardeo Road,
Mumbai- 400034

BANKERS

Corporation Bank
Axis Bank Limited
Indian Overseas Bank
Union Bank of India
Ratnakar Bank Limited

NOMINATION & REMUNERATION COMMITTEE

Mr. Radhe Shyam
Mr. Om Parkash Singal
Ms. Shipra Mediratta

SHARE TRANSFER AGENTS

Big Share Services Private Limited
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400072
Tel: 022 40430200 Fax: 022 28525207
Email: info@bigshareonline.com
bss@bigshareonline.com

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NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Tuesday 11th August 2015 at 10.30 A.M. at Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400018 to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares @10 % i.e. ₹.1 per Equity share.
3. To appoint a Director in place of Ms. Shipra Mediratta, who retires by rotation and being eligible, offers herself for re-appointment.
4. Appointment of Statutory Auditors

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs M.L. Sharma & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 109963W, who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby appointed as Statutory Auditors of the Company for the Company's financial year 2015-16, in place of retiring auditor M/s. S. N. K. & Co., Chartered Accountants, the outgoing auditors who has expressed their unwillingness to be re-appointed as auditors of the company and to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS

5. To appoint Shri Om Parkash Singal (DIN: 02585264) as an Independent Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Om Parkash Singal (DIN: 02585264), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 4 (four) consecutive years for a term up to the conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019.”

NOTES:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 5 of the accompanying Notice are annexed hereto.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 3 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. 8TH AUGUST 2015.



4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate Members intending to send their authorized 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 authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. 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 at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from 5th August, 2015 to 11th August, 2015, both days inclusive, for payment of final dividend, if declared at the Meeting.
10. After the declaration of the dividend at the Annual General Meeting, the same will be paid to those Members of the Company whose names stand on the Register of Members of the Company on 5th August, 2015. The dividend in respect of shares held in dematerialized form in the Depository System will be paid to the beneficial owners of shares as on 5th August, 2015, as per the list provided by the Depositories for this purpose. The dividend will be payable on and from 10th September, 2015.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
12. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr. Raju Pillai: companysecretary@sakumaexportsltd.com
13. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended 31st March, 2007 and to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 28, 2014 (date of the last Annual General Meeting) on the website of the Company (www.sakumaexportsltd.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

For Equity Shareholders:

| Financial Year | Date of Declaration of Dividend | Last Date of claiming un-paid Dividend |
|---------------------------|---------------------------------|----------------------------------------|
| Final Dividend 2007- 2008 | 20.08.2008 | 24.09.2015 |
| Final Dividend 2010- 2011 | 18.08.2011 | 22.09.2018 |
| Final Dividend 2011-2012 | 27.09.2012 | 31.10.2019 |
| Final Dividend 2012-2013 | 29.07.2013 | 02.09.2020 |
| Final Dividend 2013-2014 | 28.08.2014 | 02.10.2021 |

For Preference Shareholders:

| Financial Year | Date of Declaration of Dividend | Last Date of claiming un-paid Dividend |
|----------------------|---------------------------------|----------------------------------------|
| Dividend 2007- 2008 | 20.08.2008 | 24.09.2015 |
| Dividend 2008 – 2009 | 15.09.2009 | 21.10.2016 |
| Dividend 2009 – 2010 | 15.09.2010 | 20.10.2017 |
| Dividend 2010 – 2011 | 28.02.2011 | 27.02.2018 |

Members who have not so far received / encashed dividend for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar and Share Transfer Agent i.e. M/s. Big Share Services Private Limited

14. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically
16. Information required under Clause 49 of the Listing Agreement relating to Corporate Governance with respect to the Director being appointed and Directors retiring by rotation and being eligible, seeking re-appointment is as under:

| | |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Particulars | Ms. Shipra Mediratta |
| Director Identification Number(DIN) | 01236811 |
| Date of Birth | 02/08/1972 |
| Nationality | Indian |
| Date of Appointment on Board | January 25, 2007 |
| Qualifications | M.Com Part(I) Post Graduate with specialization in Human Resource Management (HRM) |
| Shareholding in Sakuma Exports Limited | Nil |
| Expertise in specific functional areas | She has been conducting seminars/workshops on HRM Communication skill, Negotiation skills and other soft skills in the corporate world. |
| Directorships in other Public Limited Companies* | Nil |
| Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee) | Nil |

| | |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Particulars | Mr. Om Parkash Singal |
| Director Identification Number(DIN) | 02585264 |
| Date of Birth | 05/04/1946 |
| Nationality | Indian |
| Date of Appointment on Board | November 05, 2012 |
| Qualifications | BA (Hon's), LLB, CAIIB, ACS (Inter) |
| Shareholding in Sakuma Exports Limited | Nil |
| Expertise in specific functional areas | Wide experience in legal affairs of Corporate Finances from Project Appraisal Stage till Recovery of Loans, Legal advice, including documentation, title investigation and Security creation. Expertise in Litigation for recovery of dues in Courts / DRTs, High Courts and Supreme Courts |
| Directorships in other Public Limited Companies* | Nil |
| Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee) | Nil |



PROCESS FOR MEMBERS OPTING FOR E-VOTING

Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 10th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. The members who have cast their vote by remote e-voting prior to the (AGM) may also attend the (AGM) but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on 8th August, 2015 (9:00 am) and ends on 10th August, 2015 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th August, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - a) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - c) Click on Shareholder - Login
 - d) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g) Select “EVEN” of “Sakuma Exports Limited”.
 - h) Now you are ready for remote e-voting as Cast Vote page opens.
 - i) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - j) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - k) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to noticetome@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - a) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

| | | |
|--------------------------------------------|----------------|---------------------|
| <u>EVEN (Remote e-voting Event Number)</u> | <u>USER ID</u> | <u>PASSWORD/PIN</u> |
|--------------------------------------------|----------------|---------------------|
 - b) Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
8. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 4th August, 2015.
10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 4th August, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or [Issuer/RTA](#).
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
11. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
13. Mr. Punit P. Shah, Practicing Company Secretary (Membership No. 20536) and Partner M/s. P. P. Shah & Co., Practicing Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
14. The Chairman shall, at the AGM, 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 “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
15. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
16. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.

**By order of the Board
For Sakuma Export Limited**

**Place: Mumbai
Dated: 15th May, 2015**

**Sd/-
(Saurabh Malhotra)
Managing Director**



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

ITEM NO. 5 – Appointment of Mr. Om Parkash Singal as an Independent Director.

Shri Om Parkash Singal is Independent Director of the Company and have held the positions as such for 1 (One) year since 1st April, 2014 (the date on which section 149 of the Companies Act, 2013 was notified). The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement w.e.f. from 1st October, 2014 inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Om Parkash Singal as Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 4 (four) consecutive years for a term up to the conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019, since he has already held as Independent Director for one year.

Shri. Om Parkash Singal is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Om Parkash Singal for the office of Directors of the Company.

The Company has also received declaration from Shri Om Parkash Singal that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Om Parkash Singal fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement. Shri Om Parkash Singal is independent of the management.

Brief resume of Shri Om Parkash Singal, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the notice of the Annual General Meeting and Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for appointments of Shri Om Parkash Singal as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Shri Om Parkash Singal is interested in the resolutions set out respectively at Item Nos. 5 of the Notice with regard to his respective appointments.

The relatives of Shri Om Parkash Singal may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 of the Notice, to the extent of his shareholding interest, if any, in the Company. Save and except the above, none of the other Directors of the Company / his relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Special Resolutions set out at Item Nos. 5 of the Notice for approval by the shareholders.

**By order of the Board
For Sakuma Exports Limited**

Sd/-

(Saurabh Malhotra)
Managing Director

**Place: Mumbai
Dated: May 15, 2015**

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS OF
SAKUMA EXPORTS LIMITED

The Directors take pleasure in presenting the Tenth Annual Report together with the audited financial statements for the year ended 31st March, 2015. The Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL RESULTS

Financial Results For The Year Ended March 31, 2015

(₹ in lacs)

| | Standalone | | Consolidated | |
|--------------------------------------------------|----------------|-----------------|----------------|-----------------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Sales & Other Income | 1,09,313.81 | 1,01,459.22 | 181025.13 | 1,58,182.06 |
| Profit before depreciation & Tax | 1329.73 | 1,132.64 | 2470.22 | 2,217.26 |
| Depreciation | 83.30 | 79.32 | 83.60 | 79.70 |
| Profit before Tax | 1246.43 | 1,053.32 | 2386.62 | 2,137.56 |
| Provision for Tax | | | | |
| - Current Tax | 385.05 | 365.00 | 385.18 | 365.79 |
| - Deferred Tax | (12.88) | (16.17) | (12.88) | (16.17) |
| - Income Tax of Earlier years | 0.89 | (0.61) | 1.23 | (0.61) |
| Minority Interest and share of loss of associate | 0.00 | 0.00 | 54.79 | 158.32 |
| Net Profit after tax | 873.37 | 705.10 | 1958.30 | 1630.23 |
| Add: Surplus from previous period | 1639.99 | 1,127.07 | 2901.20 | 1399.77 |
| Profit Available for Appropriation | 2513.36 | 1,832.17 | 4859.50 | 3093.37 |
| Appropriation | | | | |
| Dividend on Equity Shares | 164.26 | 164.26 | 164.26 | 164.26 |
| Dividend Tax | - | 27.92 | - | 27.92 |
| Excess provision of Reversed back | - | - | - | - |
| Transfer to Statutory Reserve | - | - | - | - |
| Balance carried to Balance Sheet | 2349.10 | 1,639.99 | 4695.24 | 2,901.20 |

Note: During the relevant financial year, the company has received dividend from its foreign subsidiary, GKM General Trading LLC, of ₹ 1,75,39,246/- on which the company is liable to pay ₹ 26,30,887/- as dividend tax u/s 115BBD of the Income Tax Act. As the Dividend received from the foreign subsidiary is higher than the proposed dividend and as the tax paid or payable on the dividend received from foreign subsidiary is eligible for set-off against liability of dividend distribution tax payable u/s 115-O of the Act, no separate provision for dividend distribution tax is made.

The Company proposes to transfer an amount of ₹ Nil to the General Reserves and amount of ₹ 23,49,09,946 is proposed to be retained in the Statement of Profit and Loss.

2. HIGHLIGHTS OF PERFORMANCE

- Total income for the year increased by 7.75 % to ₹ 1,09,313.81 Lakhs as compared to ₹ 1,01,459.24 Lakhs in Previous year
- Total net sales for the year was ₹ 1,08,085.35 Lakhs as compare to ₹ 1,01,132.15 Lakhs in Previous year, a growth of 6.88 %
- Total profit before tax for the year was ₹ 12.46 Crores as compare to ₹ 10.53 Crores in Previous year

3. OPERATIONS REVIEW AND FUTURE PROSPECTS

The year under review was yet another year full of challenges for the Company under domestic front owing to late onset of monsoon. Commencement of Sugar production got delayed resulting in loss of business opportunities during the month of October & November in Sugar business which is a prime commodity of Company's business. The year started under global recessionary conditions, though there was improvement in U.S. economy. Global scenario continued to be grim with



several economics including few European economies reeling under recession which lead to decline in the Global prices of commodities. In the circumstances Indian Agri products lost parity and business competitiveness. Weakening of major economies affected international trade adversely. The international prices of agricultural products were mostly lower than those prevailing in India. With bearish micro environment and lower returns, Overseas investors were shy and there was general exit of investment in commodities. This adversely affected Indian exports in agricultural commodities. Mismatch in prices continued throughout the year which resulted in overall fall in the export volume. Domestic prices of other Agri Commodities viz. Rice, Oilseed Extraction, Maize, Wheat etc. continued to mismatch rendering export business un-remunerative in general which adversely impacted topline of the Company. Weak demand of Raw Cotton from China & other importing countries also continued during the year. During the year China's Raw Cotton import dropped to US\$ 690 Million as against US\$ 1910 Million in 2013-14 registering a decline of about 65% year on year basis. Same is the case with other Raw Cotton importing countries viz. Bangladesh, Vietnam etc. as a result, the Company could not make much headway in cotton exports.

However, in the last quarter, turnover shortfall was largely compensated after announcement of export subsidy by the Govt. on Raw Sugar and the Company was able to secure large export orders. The Company achieved standalone turnover of ₹ 422 Crores only in the first 9 months (Previous year ₹ 627 Crores) in the face of tough global market conditions but the shortfall was largely compensated in the last quarter by achieving a turnover of ₹ 659 Crores (Previous year ₹ 384 Crores) on standalone basis which was the historic high turnover in any quarter so far.

During the lean period of first 10 month of the year when exports were not providing adequate business opportunities, the Company focused on domestic trade and import of edible oils to deploy its resources gainfully to end first 9 months period of the year with marginal profits.

Since announcement of the subsidy on export of Raw Sugar, Indian Raw Sugar prices reconciled to some extent with Global markets and the Company secured large export orders which continued to be executed in the current financial year.

Despite many odds, the Company was able to show stable growth in overall turnover & margins on the back of efficiency and scale of economics. On standalone basis the Company achieved Turnover of ₹ 1081.00 Crores (previous year ₹ 1014.59 Crores) with Profit before tax at ₹ 12.46 Crores (previous year ₹ 10.53 Crores).

As reported last year the company is continuously strengthening its marketing network, widening and diversifying its product range & markets and planning to rope-in more & more customers and explore untapped markets to achieve higher growth in the years to come.

• Working of Subsidiaries :

The working of one subsidiary Company namely Sakuma Exim DMCC in Dubai continued to achieve stable growth. Turnover of Sakuma Exim DMCC during the financial year 2014-15 was AED 244,878,284 (previous year AED 193,266,830). An increase of 26.70% year on year basis with net profit of AED 4,926,092 (previous year AED 1,957,355). GKM General Trading LLC achieved turnover of AED 185,212,500 as against AED 202,294,280 in the previous year with net profit of AED 1,373,706 (previous year 3,05,7411). Looking to the profitability & healthy reserve position, GKM General Trading LLC declared & paid maiden dividend of AED 1,300,000 during the year under review.

Subsidiary Companies in Ghana & Tanzania could not make any significant contribution. As a measure of abundant precaution & safety of human capital, the Company's personnel were called back home due to outbreak of Ebola epidemic in many African countries. Management is considering to re-establish those offices as well as proposes to shortly re-operationalize & strengthen the subsidiary Company in Singapore. We are working to strengthen these subsidiary Companies and expect good performance in near future.

4. DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹ 1/- per equity share of ₹ 10 each. The total outgo for the current year amounts to ₹ 1,97,10,165, including dividend distribution tax of ₹ 32,83,546/- as against ₹ including dividend distribution tax of ₹ 27,91,589 / - in the previous year.

Note: During the relevant financial year, the company has received dividend from its foreign subsidiary, GKM General Trading LLC, of ₹ 1,75,39,246/- on which the company is liable to pay ₹ 26,30,887/- as dividend tax u/s 115BBD of the Income Tax Act. As the Dividend received from the foreign subsidiary is higher than the proposed dividend and as the tax paid or payable

on the dividend received from foreign subsidiary is eligible for set-off against liability of dividend distribution tax payable u/s 115-O of the Act, no separate provision for dividend distribution tax is made.

5. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was ₹ 16.43 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2015, the Directors of the Company hold the equity shares of the Company as follows:

| Name of the Director | Number of Shares | % of Total Capital |
|------------------------|------------------|--------------------|
| Chander Mohan Malhotra | 14,74,959 | 8.98 |
| Saurabh Malhotra | 32,20,000 | 19.61 |
| Ashok Kumar Doda | 100 | 0.001 |
| Radhe Shyam | 68,053 | 0.41 |
| Om Parkash Singal | 1000 | 0.01 |
| Shipra Mediratta | 500 | 0.003 |

6. FINANCE

Cash and cash equivalent as at 31st March, 2015 was ₹ 25,49,07,830. The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

6.1 DEPOSITS

The Company has not accepted deposit from the public and shareholders falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

6.2 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

7. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

During the financial year the Company was required to spend ₹ 17.80 lacs towards Corporate Social Responsibility Activities. The Company has not spent any amount towards CSR activities since the Company could not find suitable NGOs or other CSR activity. The Company has provided the said amount in the books of accounts of the Company. The CSR Committee is actively pursuing the matter by talking with NGOs and other institutions through whom CSR corpus can be spent.

8. BUSINESS RISK MANAGEMENT

The nature of business is export and trading in commodities. The inheritant risk to the business of the company is as follows:

- Foreign Exchange risk
- Commodity Price risk
- Risk elements in business transactions
- Physical risk to cargo

All the above risk has been discussed in the Management Discussion and Analysis Report. The nature of risk is dynamic of business and entrepreneurship. The Company is of the opinion that the formation of Risk management committee is not feasible and in the board meeting there is a formal discussion on risk to the business and how to mitigate the same.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.



The Company monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report.

11. SUBSIDIARY COMPANIES

11.1 GKM General Trading LLC

11.2 Sakuma Exim DMCC

11.3 Sakuma Exports Pte Limited

11.4 Sakuma Exports (Ghana) Ltd- Step Down Subsidiary

11.5 Sakuma Exports Tanzania Pvt. Ltd- Step Down Subsidiary

11.6 Audited Financial statement of the Company's Subsidiaries

The Statement containing the salient features of financial statement of Subsidiaries in **Form AOC-I** pursuant to Section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014 are given below:

(₹ in Lacs)

| Sr. No | Particulars | GKM General Trading LLC (in AED) | Sakuma Exim DMCC (in AED) | Sakuma Exports Pte Limited (in USD) | Sakuma Exports (Ghana) Ltd (in GHC) |
|--------|------------------------------------------------|-----------------------------------|---------------------------|-------------------------------------|-------------------------------------|
| 1 | Reporting Period | Apr - Mar | Apr - Mar | Apr - Mar | Apr -Mar |
| 2 | Reporting Currency | AED | AED | USD | GHC |
| 3 | Country | U.A.E | U.A.E | Singapore | Ghana |
| 4 | Exchange Rate | 16.97 | 16.97 | 62.52 | 16.46 |
| 5 | Share Capital | 4.98 | 8.47 | 103.16 | Nil |
| 6 | Reserves and Surplus | 851.02 | 1247.62 | 20.30 | 82.49 |
| 7 | Total Assets | 946.26 | 12584.61 | 131.09 | 119.27 |
| 8 | Total Liabilities | 90.26 | 11328.52 | 7.63 | 36.78 |
| 9 | Investment other than Investment in subsidiary | Nil | Nil | Nil | Nil |
| 10 | Turnover | 31430.56 | 41555.84 | 40.93 | 278.90 |
| 11 | Profit before taxation | 233.12 | 835.96 | 4.52 | (18.01) |
| 12 | Provision for Taxation | Nil | Nil | 0.47 | Nil |
| 13 | Profit after taxation | 233.12 | 835.96 | 4.05 | (18.01) |
| 14 | Proposed Dividend | 220.61 | Nil | Nil | Nil |

12. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

13. DIRECTORS:

In terms of the articles of association of the Company, Ms. Shipra Mediratta, Non-Executive Director, retires by rotation at the ensuing annual general meeting and being eligible, offers herself for re-appointment.

In terms of the articles of association of the Company, section 149 (10) of the Companies Act, 2013 and revised clause 49 of Listing Agreement dealing with Corporate Governance norms, Mr. Om Parkash Singal has completed 1 year term as Independent Director as on 31st March, 2015. The Company proposes to re-appoint him, as Independent Director for a further

period of 4 years till conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019. The Company has received requisite notices in writing from members proposing Mr. Om Parkash Singal for appointment as Independent Director.

The Company has received declarations from the Independent Director of the Company confirming that they meet with the criteria of independence as prescribed both, under subsection 6 of section 149 of the Companies Act, 2013 and under clause 49 of the listing agreement with the stock exchanges.

13.1 Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

13.2 Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

13.3 Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgement 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 as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.



All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

17. AUDITORS

17.1 Statutory Auditors

M/s. S. N. K. & Co., Chartered Accountants, the outgoing auditors has expressed their unwillingness to be re-appointed as auditors of the company.

It is proposed to appoint M/s M.L Sharma & Co., Chartered Accountant as Statutory Auditor of the company in place of M/s. S. N. K. & Co., Chartered Accountants. The Company has received a letter from M/s M.L Sharma & Co. Chartered Accountant to the effect that their appointment if made would be maintain be within the prescribed limit under Section 141(1)(g) of the Companies Act, 2013 and that they are willing to act as statutory auditors of the company.

17.2 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs P. P. Shah & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure B".

17.3 Qualifications in the Secretarial Report

A. Appointment of Company Secretary & Chief Financial Officer:

As per section 203(1)(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Raju Pillai as Compliance Officer of the Company who looks after the compliance of Companies Act, 2013 and SEBI Act and rules made thereunder.
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of Companies Act, 2013 and SEBI Act and rules made thereunder
- (iii) The Volume and Scope of work for the Company Secretary is less and it is not a full time work and the job of Company Secretary is not attractive commensurate with the scope of work and salary.

B. Corporate Social Responsibility:

As per section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 17.80 lakhs. During the financial year ended 31st March, 2015, the Company has not spent the said amount on eligible CSR activities. In this regard the management of the Company has provided the following reply:

- (i) The Company has made the provisions in the books of accounts and transfer the amount ₹ 17.80 lakhs to CSR and the company will spent the same in current year

18. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

19. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

20. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given below:

In pursuance of the provisions of section 143(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

A. Conservation of Energy

The operations of the Company are not energy intensive. However, wherever possible the Company strives to curtail the consumption of energy on continued basis.

B. Technology absorption, adaptation and innovation

No expenditure has been incurred by the Company on research and Development activities during the year under review.

C. Foreign Exchange Earning & Outgo:

| (Amount in ₹.) | | |
|--------------------------------------------|-------------------------------------------|-------------------------------------------|
| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
| (a) Expenditure in Foreign Currency | | |
| - Professional and consultation fees | 15,336 | - |
| - Business Promotion | 58,316 | - |
| - Inspection Charges | 1,05,246 | - |
| - Cargo Storage Charges | 1,49,797 | - |
| - Travelling Expenses | 44,37,505 | 21,83,838 |
| - Ocean Freight | 10,68,77,949 | 14,15,383 |
| - Import of Goods | 1,38,23,83,752 | 19,16,55,112 |
| (b) Earnings in Foreign Currency | | |
| - Export of goods on FOB basis. | 4,39,08,57,964 | 8,54,76,06,724 |

21. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure C".

22. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Compliance Officer in this regard.



23. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

24. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Mumbai
Date: 15th May, 2015

| | |
|-----------------|--------------------|
| Sd/- | Sd/- |
| (Chander Mohan) | (Saurabh Malhotra) |
| Chairman | Managing Director |

MANAGEMENT DISCUSSION & ANALYSIS REPORT

(A) Industry Overview and Future Outlook:

Most of the global economies are reeling under economic pressure including some of them facing serious liquidity crunch & sovereign pressure. This has adversely affected global trade. Even countries like China which achieved robust growth in the last few decades are now having declining trend in growth.

With declining trend in Agri Commodities prices, export of agri commodities bound to be under pressure & international traders have to work-out innovative strategies for survival & growth which can be achieved by diversifying product range and venturing into new markets particularly un-tapped African markets.

The Company has been on the right track, not only it has strengthened its market network more so in African countries but started new activities having synergy with existing activities. One of the step has been to import of edible oils which started last year and grew significantly in the current year. We expect significant growth in this activity in the current year.

Recent data about 3 major economies namely U.S., Germany & Japan indicate improvement in their growth which will help revive international trade and generate fresh demand.

Recently upturn in Cotton prices are seen which would help Company to regain its market share in cotton exports. With the above steps, the Company is expected to scale new heights in top and bottom lines in the years to come.

(B) Risk and Risk Management:

1. Foreign Exchange Risk

The Company is exposed to risk from market fluctuations of Foreign Exchange. We try to minimize the risk of foreign exchange fluctuation by entering into forward contracts immediately on booking the export orders.

2. Commodity Price Risk

To take care of commodities price risk, export orders are immediately tied up with suppliers for procurement. However, this risk cannot be eliminated in case of imports because there is a time lag between the date of placing order and receiving delivery. Though, for the sake of economy, size of import contracts are somewhat big we minimize the risk and back to back tie up to the extent possible with local buyers.

3. Risk elements in business transactions

The buyers and suppliers are selected after due diligence. Advance of 10-20% from overseas buyers, irrevocable letters of credit, payment at sight documents, ECGC cover, etc. are obtained, wherever considered necessary. As regards imports we obtain advances of 5-10% advances from our buyers in India. Regarding domestic trade delivery is released on receipt of full payment.

4. Physical risks to cargo

All our warehouses are adequately insured. For imports on CIF basis the supplier obtains insurance cover and for import on C& F basis insurance cover is obtained by the Company. For export shipments made on C&F basis, insurance is covered by the buyer and in case of orders on CIF basis, insurance is obtained by the Company. Warehouse to Warehouse insurance cover is obtained for domestic trade. Similarly for oil imports we obtain insurance policies to cover oil storage tanks.

(C) Internal Controls and their adequacy

The Company has well, structured internal control mechanisms and internal Audit department is headed by a senior executive which reviews all transactions independently on continuous basis. Internal audit department regularly briefs the management and necessary steps are taken wherever, necessary. Besides the Company has retained outside audit firm to conduct Internal Audit on continuous basis.

(D) Quality Control

The Company maintains high standards of quality. For exports before shipment and for imports on receipt of shipment the cargo is tested for quality by company's field staff, brokers' representatives and by reputed quality resting, S G S India,



Geo Chem Laboratories, Caleb Bret etc, Our field staff are well trained and have been provided with necessary testing equipments viz., moisture testing machine, electronic weight machines, scales, caliper and any other instruments to test various commodities. Services of recognized reputed laboratories are also hired whenever necessary. This has enabled the Company to earn reputation, attract and retain clients.

(E) Human Resource / Industrial Relations

The Company provides a challenging, open and professional satisfying work environment to its employees. Necessary steps are taken for boosting their motivation and active involvement in the organization. The Company also encourages its employees to continuously upgrade and improve their skills and qualifications.

(F) Material Financial and Commercial Transactions

There are no material financial and commercial transactions.

Cautionary Statement:

This section contains forward-looking statements, which may be identified by their use of words, like 'plans', 'expects', 'wills', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-Looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Sd/-

Mumbai.

Date: 15th May, 2015

**Saurabh Malhotra
Managing Director**

ANNEXURE 'A' TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy is stated herein below: The Company has not formulated any CSR policy. The CSR Committee is pursuing the same.

2. Composition of the CSR Committee:

- a. Mr. Chander Mohan Chairman
- b. Ms. Shipra Mediratta Member
- c. Mr. O P Singhal Member

3. Average net profit of the Company for last three financial years:

The Profit of Sakuma for 3 immediately preceding financial year

| Financial Years | Net Profit Before Tax |
|-----------------|-----------------------|
| 2013-2014 | 10,53,31,740 |
| 2012-2013 | 6,05,75,515 |
| 2011-2012 | 10,10,72,669 |
| Total | 26,69,79,924 |
| Average | 8,89,93,308 |
| 2% of Average | 17,79,866 |

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 17,79,866/- towards CSR.

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year: ₹ Nil
- b. Amount to be spent, if any: ₹ 17,79,866/-
- c. Manner in which the amount spent during the financial year is detailed below:

| S No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: | Cumulative expenditure upto to the reporting period. | Amount spent: Direct or through implementing agency * |
|-------|------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

*Give details of implementing agency

6. In case the company has failed to spend the two per cent of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount of in its Board report:

During the financial year the Company was required to spend ₹ 17.80 lacs towards Corporate Social Responsibility Activities. The Company has not spent any amount towards CSR activities since the Company could not find suitable NGOs or other CSR activity. The Company has provided the said amount in the books of accounts of the Company. The CSR Committee is actively pursuing the matter by talking with NGOs and other institutions through whom CSR corpus can be spent.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR Committee will develop, implement and monitor the CSR Policy in compliance with the CSR Objectives and Policy of the Company.

Sd/-

Saurabha Malhotra
Managing Director

Sd/-

Chander Mohan
Chairman CSR Committee



ANNEXURE 'B' TO BOARD'S REPORT SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Sakuma Exports Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sakuma Exports Limited** (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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 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 maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during audit period)**.
 - (e) The Securities Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008. **(Not Applicable to the Company during audit period)**.
 - (f) The Securities Exchange Board of India (Registrar to an Issue and Share Transfer Agent), Regulations, 1993. Regarding the Companies Act, 2013 and dealing with the clients.
 - (g) The Securities Exchange Board of India (Delisting of Equity Shares), Regulations, 2009. **(Not Applicable to the Company during audit period)**.
 - (h) The Securities Exchange Board of India (Buyback of Securities), Regulations, 1998. **(Not Applicable to the Company during audit period)**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period)**.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following qualifications:

A. Appointment of Company Secretary & Chief Financial Officer:

As per section 203(1)(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Raju Pillai as Compliance Officer of the Company who looks after the compliance of Companies Act, 2013 and SEBI Act and rules made thereunder.
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of Companies Act, 2013 and SEBI Act and rules made thereunder
- (iii) The Volume and Scope of work for the Company Secretary is less and it is not a full time work and the job of Company Secretary is not attractive commensurate with the scope of work and salary.

B. Corporate Social Responsibility :

As per section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 17.80 lakhs. *During the financial year ended 31st March, 2015, the Company has not spent the said amount on eligible CSR activities.* In this regard the management of the Company has provided the following reply:

- (i) The Company has made the provisions in the books of accounts and transfer the amount ₹ 17.80 lakhs to CSR and the company will spent the same in current year

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, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

I further report that during the audit period the Company has passed following special/ordinary resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013.
2. Sell, lease or dispose off whole or substantially the whole of the undertaking under Section 180(1)(a) of the Companies Act, 2013.

I further report that during the audit period, there were no instances of:

1. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
2. Redemption / buy-back of securities
3. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
4. Merger / amalgamation / reconstruction, etc.
5. Foreign technical collaborations

Place: Mumbai
Date: May 15, 2015

Sd/-
For P. P. Shah & Co.,
Practicing Company Secretaries

Pradip Shah
FCS No. 1483, C P No.: 436

**ANNEXURE 'C' TO BOARD'S REPORT****EXTRACT OF ANNUAL RETURN as on the financial year ended 31.03.2015****[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]****FORM NO. MGT – 9****I. REGISTRATION AND OTHER DETAILS**

| | |
|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIN | L51909MH2005PLC155765 |
| Registration Date | 31st August, 2005 |
| Name of the Company | SAKUMA EXPORTS LIMITED |
| Category / Sub-Category of the Company | Company having Share Capital |
| Address of the Registered Office and contact details | Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai-400013 Tel. No. 022 2499 9021/ 2499 9022 |
| Whether listed company | Yes |
| Name, address and contact details of Registrar and Transfer Agent, if any | Big Share Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400072. Tel: 022 40430200 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:**

| Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company |
|---------------------------------------------------------|------------------------------------------|-------------------------------------------|
| Imports and Export of Trading In Commodities | Nil | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Name and address of the Company | CIN / GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|----------------------------------------|------------------|-----------------------------------------|-------------------------|---------------------------|
| GKM General Trading LLC | 659340 | Subsidiary | 49% | 2(87) |
| Sakuma Exim DMCC | DMCC 32027 | Subsidiary | 100% | 2(87) |
| Sakuma Exports Pte Limited | 201302691Z | Subsidiary | 100% | 2(87) |
| Sakuma Exports (Ghana) Ltd | CB-1174 | Step down Subsidiary | 100% | 2(87) |
| Sakuma Exports Tanzania Pvt Ltd | CI100993 | Step Down Subsidiary | 100% | 2(87) |

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Shareholding**

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---------------------------------|--------------------------------------------------------|-----------------|--------------|--------------------------|--------------------------------------------------|-----------------|--------------|--------------------------|---------------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 7757289 | 0 | 7757289 | 47.23 | 7814959 | 0 | 7814959 | 47.58 | 0.35 |
| b) Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt.(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|----------------------------------------------------------|-------------------------------------------------|----------|-----------------|-------------------|-------------------------------------------|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| e) Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Group Companies | 3420649 | 0 | 3420649 | 20.82 | 3455965 | 0 | 3455965 | 21.04 | 0.22 |
| g) Any other... | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total(A) (1) | 11177938 | 0 | 11177938 | 68.05 | 11270924 | 0 | 11270924 | 68.62 | 0.57 |
| (2) Foreign | | | | | | | | | |
| a) NRIs- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| C) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks/ FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any Other.... | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub- Total (A) (2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total Shareholding of Promoters(A)= (A)(1)+(A)(2) | 11177938 | 0 | 11177938 | 68.05 | 11270924 | 0 | 11270924 | 68.62 | 0.57 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds/UTI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Banks/FI | 300279 | 0 | 300279 | 1.83 | 230511 | 0 | 230511 | 1.40 | -0.43 |
| c) Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FIIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others (specify) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (B)(1) | 300279 | 0 | 300279 | 1.83 | 230511 | 0 | 230511 | 1.40 | -0.43 |

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------------------------------------------------------------|-------------------------------------------------|----------|---------|-------------------|-------------------------------------------|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| (2)Non-Institutions | | | | | | | | | |
| a)Bodies Corporate | | | | | | | | | |
| i) Indian | 127520 | 0 | 127520 | 0.78 | 131687 | 0 | 131687 | 0.80 | 0.02 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i)Individual shareholders holding nominal share capital upto ₹ 1 Lakh | 2774711 | 1187 | 2775898 | 16.90 | 2650426 | 1187 | 2651613 | 16.14 | -0.77 |
| ii)Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh | 1906408 | 0 | 1906408 | 11.61 | 1857850 | 0 | 1857850 | 11.31 | -0.30 |



| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|----------------------------------------------------------------------------------|-------------------------------------------------|-------------|-----------------|-------------------|-------------------------------------------|-------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| c) Others (specify) | | | | | | | | | |
| i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| ii) Other Foreign Nationals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| iii) Foreign Bodies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| iv) NRI/ OCBs | 56462 | 0 | 56462 | 0.34 | 143851 | 0 | 143851 | 0.88 | 0.53 |
| v) Clearing Members/ Clearing House | 11785 | 0 | 11785 | 0.07 | 71454 | 0 | 71454 | 0.44 | 0.36 |
| vi) Trusts | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| vii) Limited Liability Partnership | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| viii) Foreign Portfolio Investor (Corporate) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| ix) Qualified Foreign Investors | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| x) Directors / Relatives | 69653 | 0 | 69653 | 0.42 | 68053 | 0 | 68053 | 0.41 | 0.00 |
| Sub-Total (B)(2) | 4946539 | 1187 | 4947726 | 30.12 | 4923321 | 1187 | 4924508 | 29.98 | -0.14 |
| Total Public Shareholding (B) = (B) (1)+(B)(2) | 5246818 | 1187 | 5248005 | 31.95 | 5153832 | 1187 | 5155019 | 31.38 | -0.57 |
| Total (A) + (B) | 16424756 | 1187 | 16425943 | 100.00 | 16424756 | 1187 | 16425943 | 100.00 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 16424756 | 1187 | 16425943 | 100.00 | 16424756 | 1187 | 16425943 | 100.00 | 0.00 |

ii) Shareholding of Promoters

| Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------|----------------------------------|-------------------------------------------------|------------------------------------------|
| | No. of Shares | % of total shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged/ encumbered to total shares | |
| Saurabh Malhotra | 3020000 | 18.39 | 30.13 | 3220000 | 19.61 | 28.26 | 1.22 |
| Kusum Chander Mohan Malhotra | 3310000 | 20.15 | 0.00 | 3110000 | 18.93 | 0.00 | -1.22 |
| Sakuma Infrastructure And Realty Private Limited | 2631929 | 16.02 | 0.00 | 2667245 | 16.24 | 0.0000 | 0.22 |
| Chandermohan Malhotra | 1417289 | 8.63 | 21.87 | 1474959 | 8.98 | 21.02 | 0.35 |
| Sakuma Finvest Pvt Ltd | 698720 | 4.25 | 0.00 | 698720 | 4.25 | 0.00 | 0.00 |
| GMK System And Logistics Private Ltd | 90000 | 0.55 | 0.00 | 90000 | 0.55 | 0.00 | 0.00 |
| Vanitha Malhotra | 10000 | 0.06 | 0.00 | 10000 | 0.06 | 0.00 | 0.00 |
| Total | 11177938 | 68.05 | 10.91 | 11270924 | 68.62 | 10.82 | 0.57 |

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| Shareholding at the beginning of the year | | | Cumulative Shareholding during the year | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| Chandermohan Malhotra* | | | | |
| At the beginning of the year | 1417289 | 8.63 | | |
| Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | - 1000 | - 0.006 | 1416289 | 8.62 |
| | +4252 (31/12/14) | + 0.03 | 1420541 | 8.65 |
| | +23750 (13/02/15) | + 0.14 | 1444291 | 8.77 |
| | +23648 (18/02/15) | + 0.14 | 1467939 | 8.67 |
| | +7020 (23/02/15) | + 0.04 | 1474959 | 8.98 |
| At the end of the year | | | 1474959 | 8.98 |

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------|---------|-------|
| Kusum Chander Mohan Malhotra# | | | | |
| At the beginning of the year | 3310000 | 20.15 | | |
| Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | -200000 (16/01/15) | -1.22 | | |
| At the end of the year | | | 3110000 | 18.93 |

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------|---------|-------|
| Sakuma Infrastructure And Realty Private Limited* | | | | |
| At the beginning of the year | 2631929 | 16.02 | | |
| Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | 1026 (1/04/14) | 0.01 | 2632955 | 16.03 |
| | 1010 (1/04/14) | 0.01 | 2633965 | 16.04 |
| | 5373 (01/04/14) | 0.03 | 2639338 | 16.07 |
| | 2650 (02/04/14) | 0.02 | 2641988 | 16.09 |
| | 259 (03/04/14) | 0.002 | 2642247 | 16.1 |
| | 1265 (04/04/14) | 0.01 | 2643512 | 16.11 |
| | 1729 (07/04/14) | 0.01 | 2645241 | 16.13 |
| | 3388 (09/04/14) | 0.02 | 2648629 | 16.15 |
| | 3720 (10/04/14) | 0.02 | 2652349 | 16.16 |
| | 1740 (15/04/14) | 0.01 | 2654089 | 16.17 |
| | 417 (17/04/14) | 0.003 | 2654506 | 16.17 |
| | 1031 (21/04/14) | 0.01 | 2655537 | 16.17 |
| | 204 (22/04/14) | 0.001 | 2655741 | 16.17 |



| | | | | |
|------------------------|--------------------|--------|---------|-------|
| | 530 (23/04/14) | 0.003 | 2656271 | 16.18 |
| | 800 (25/04/14) | 0.005 | 2657071 | 16.18 |
| | 3049 (30/04/14) | 0.02 | 2660120 | 16.2 |
| | 4397 (05/05/14) | 0.03 | 2664517 | 16.23 |
| | 758 (06/05/14) | 0.0046 | 2665275 | 16.23 |
| | 1970 (16/05/15) | 0.01 | 2667245 | 16.24 |
| At the end of the year | | | 2667245 | 16.24 |

| Shareholding at the beginning of the year | | | Cumulative Shareholding during the year | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| Saurabh Malhotra# | | | | |
| At the beginning of the year | 3020000 | 18.39 | | |
| Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | +200000 (16/01/15) | 1.22 | | |
| At the end of the year | | | 3220000 | 19.61 |

* Open Market purchase

#Gift of shares from Mother to Son and have complied with applicable disclosure requirements in Chapter V of the Takeover Regulations, 2011. The acquirer declares that all the conditions specify under regulation 10 (1) (a) (ii) with respect to has been duly complied with.

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|-------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | Ashok Mittal | 901725 | 5.49 | 901725 | 5.49 |
| 2 | Corporation Bank | 230251 | 1.81 | 228251 | 1.39 |
| 3 | Gouresh Hirakant Sinari | 85823 | 0.52 | 85823 | 0.52 |
| 4 | Viren Dhansukhlal Mayani | 68341 | 0.42 | Nil | Nil |
| 5 | Sangeetha S | Nil | Nil | 67314 | 0.41 |
| 6 | Vinod Sunder Javeri | 45649 | 0.28 | 62734 | 0.38 |
| 7 | Mohammad Ali | 45664 | 0.28 | 62121 | 0.38 |
| 8 | Gouresh H Sinari HUF | 33662 | 0.20 | 53701 | 0.33 |
| 9 | Sreenivas Vemulapalli | 51801 | 0.32 | 51801 | 0.32 |
| 10 | Mahendra Girdharilal | 50503 | 0.31 | 50503 | 0.31 |
| 11 | Dhirajlal S. Mehta | 50000 | 0.30 | 50000 | 0.30 |
| 12 | Aruna D. Mayani | 45649 | 0.28 | Nil | Nil |

v) Shareholding of Directors and Key Managerial Personnel

| For each of the Directors | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | Promoter directors’ shareholding and their changes has already been given in earlier table. Mr. Radhe Shyam (Independent Director) is holding 68,053 shares at the beginning and at the end of the year. Mr. Ashok Doda (Independent Director) do not hold any shares in the company at the beginning of the year and 100 shares at the end of the year. Ms. Shipra Mediratta do not hold any shares at the beginning of the year but hold 500 shares at the end of the year. Mr. Om Parkash Singal holds Nil shares at the beginning of the year and 1000 shares at the end of the year. | | | |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc) | | | | |
| At the end of the year | | | | |
| | Name of the Key Managerial Personnel | | | |
| For each of the KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc) | Nil | Nil | Nil | Nil |
| At the end of the year | Nil | Nil | Nil | Nil |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 102,96,30,109 | Nil | Nil | 102,96,30,109 |
| ii) Interest due but not paid | Nil | Nil | Nil | Nil |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | 102,96,30,109 | Nil | Nil | 102,96,30,109 |
| Change in Indebtedness during the financial year | | | Nil | |
| Addition | 295,07,01,090 | 5,26,00,000 | Nil | 300,33,01,090 |
| Reduction | 271,04,19,759 | 3,80,00,000 | Nil | 274,84,19,759 |
| Net Change | 24,02,81,331 | 1,46,00,000 | Nil | 25,48,81,331 |
| Indebtedness at the end of the financial year | | | Nil | Nil |
| i) Principal Amount | 126,99,11,440 | 1,46,00,000 | Nil | 128,45,11,440 |
| ii) Interest due but not paid | Nil | Nil | Nil | Nil |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | 126,99,11,440 | 1,46,00,000 | Nil | 128,45,11,440 |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| S. No. | Particulars of Remuneration | Chander Mohan Executive Chairman | Saurabh Malhotra MD | Total Amount |
|--------|-------------------------------------------------------------------------------------|----------------------------------|---------------------|--------------|
| 1 | Gross Salary | 68,00,000 | 48,00,000 | 1,16,00,000 |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | Nil | Nil | Nil |
| | (b) Value of perquisites under Section 17(2) income Tax Act, 1961 | Nil | Nil | Nil |
| | (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock Options | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil |
| 4 | Commission | Nil | Nil | Nil |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify..... | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil |
| | i. Deferred bonus (pertaining to the current financial year payable in 2018) | | | |
| | ii. Retirals | | | |
| | TOTAL (A) | 68,00,000 | 48,00,000 | 1,16,00,000 |

B. Remuneration to other Directors:**1. Independent Directors**

| Sr. No. | Particulars of Remuneration | Name of Director | | | | Total Amount |
|---------|------------------------------------------------|------------------|-------------|-------------------|----------------------------------|--------------|
| | | Ashok Kumar Doda | Radhe Shyam | Om Parkash Singal | Director retired during the year | |
| | - Fee for attending Board / Committee Meetings | 2,04,000 | 2,21,000 | 1,36,000 | Nil | 5,61,000 |
| | - Commission | Nil | Nil | Nil | Nil | Nil |
| | - Others, please specify | Nil | Nil | Nil | Nil | Nil |
| | Total (B)(1) | 2,04,000 | 2,21,000 | 1,36,000 | Nil | 5,61,000 |

2. Other Non Executive Directors

| | | Name of Director | | | Total Amount (in Lakhs) |
|--|------------------------------------------------|------------------|----------------------------------|----------------------------------|-------------------------|
| | | Shipra Mediratta | Director retired during the year | Director retired during the year | |
| | - Fee for attending Board / Committee Meetings | 1,36,000 | Nil | Nil | 1,36,000 |
| | - Commission | Nil | Nil | Nil | |
| | - Others, please specify | | Nil | Nil | |
| | Total (B)(2) | | Nil | Nil | |
| | Total (B)= (B)(1)+ (B)(2) | 1,36,000 | Nil | Nil | 1,36,000 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|--------|-------------------------------------------------------------------------------------|--------------------------|-----------------------------------|----------------------------|
| | | Chief Financial Officer | Raju Pillai Compliance Officer | Total Amount (in Lakhs) |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | Nil | 9,10,000 | 9,10,000 |
| | (b) Value of perquisites under Section 17(2) income Tax Act, 1961 | Nil | Nil | Nil |
| | (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock Options | Nil | Nil | Nil |
| 3 | Sweat Equity | Nil | Nil | Nil |
| 4 | Commission | Nil | Nil | Nil |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify..... | Nil | Nil | Nil |
| 5 | Others, please specify – Retirals | Nil | Nil | Nil |
| | TOTAL (C) | Nil | 9,10,000 | 9,10,000 |

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

| Type | Sections of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding Fees imposed | Authority (RD/NCLT/COURT) | Appeal made, if any (give details) |
|------------------------------|-------------------------------|-------------------|----------------------------------------------------------|---------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | None | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | None | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | None | | | | |
| Punishment | | | | | |
| Compounding | | | | | |



CORPORATE GOVERNANCE REPORT

Under Clause 49 (X) (A) of Listing Agreement For The Financial Year 31st March, 2015

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government. The Board of Directors by considering itself the trustee of its Shareholders aims at maximizing shareholders value and protecting interests of stakeholders. The Company believes that sound corporate governance is critical to enhance and retain investors' trust. The Company's corporate governance philosophy is based on the following principles:

1. Primary responsibility of a good corporate entity is maximizing shareholders value.
2. Be transparent and maintain a high degree of disclosures level.
3. Sound system of risk management and internal control.
4. Principles of integrity, transparency, disclosures, accountability and fairness.
5. Upholding the highest standards of professionalism.
6. Management is the trustee of the shareholders' capital and not the owner.

The Company complies with all statutory and regulatory requirements on corporate governance and has constituted the requisite committees to look into issues of financial reporting, investor grievance and executive remuneration. This attitude of Sakuma has strengthened the bond of trust with its stakeholders including the society at large.

GOVERNANCE STRUCTURE

Sakuma's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors - The Sakuma Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Committee of Directors - With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. Each of these Committees has been mandated to operate within a given framework.

Management Structure- Management structure for running the business as whole is in place with appropriate delegation of powers and responsibilities to the functional heads. The Executive Chairman and Managing Director is in overall control and responsible for day-to-day working of the Company. They give strategic direction, lay down policy guidelines and ensure implementation of the Board of Directors and its various committees.

II. BOARD OF DIRECTORS

i) Composition and Category of Directors:

The Board consists of 6 Directors, out of which 3 are Independent Directors. Composition of the Board and category of Directors are as follows:

| Name | Executive/ Non Executive | Promoter/ Independent | Relationship with Directors |
|-----------------------|---------------------------------|--------------------------|------------------------------------------------------------------|
| Mr. Chander Mohan | Executive - Chairman & Director | Promoter | Father of Mr. Saurabh Malhotra and Ms. Shipra Mediratta |
| Mr. Saurabh Malhotra | Executive - Managing Director | Promoter | Son of Mr. Chander Mohan and brother of Ms Shipra Mediratta |
| Ms. Shipra Mediratta | Non Executive | Promoter | Daughter of Mr. Chander Mohan and Sister of Mr. Saurabh Malhotra |
| Mr. Ashok Kumar Doda | Non Executive | Independent | Not Related to any Directors |
| Mr. Radhe Shyam | Non Executive | Independent | Not Related to any Directors |
| Mr. Om Parkash Singal | Non Executive | Independent | Not Related to any Directors |

The Company has received declaration from independent directors that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

The Company is also compliant with composition of Board of Directors with minimum two independent directors as prescribed under section 149(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same. The Executive Chairman & MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

ii) Board Meetings held during the Year

| Dates on which the Board Meetings were held | Total Strength of the Board | No of Directors Present |
|---------------------------------------------|-----------------------------|-------------------------|
| 15th May, 2014 | 06 | 06 |
| 14th August, 2014 | 06 | 06 |
| 12th November, 2014 | 06 | 06 |
| 10th February, 2015 | 06 | 06 |

Attendance of each Director at the Board Meeting and Last Annual General Meeting:

| Date of Board Meetings | Chander Mohan | Saurabh Malhotra | Shipra Mediratta | Ashok Kumar Doda | Radhe Shyam | Om Parkash Singal |
|--------------------------------------------|---------------|------------------|------------------|------------------|-------------|-------------------|
| 15th May, 2014 | Present | Present | Present | Present | Present | Present |
| 14th August, 2014 | Present | Present | Present | Present | Present | Present |
| 12th November, 2014 | Present | Present | Present | Present | Present | Present |
| 10th February, 2015 | Present | Present | Present | Present | Present | Present |
| Total Attendance (out of 4 Board Meetings) | 4 | 4 | 4 | 4 | 4 | 4 |
| Attendance at Last AGM | Present | Present | Present | Present | Absent | Present |



- iii) a. Number of other Companies where director (of SEL) hold memberships on the Board of Directors:
 b. Number and Name of Committees in which the Directors (of SEL) hold Memberships or Chairmanships:

| Name of Director | No. of Directorship held in Indian Public Limited Companies including Sakuma | Number & Name of Committee Memberships / Chairmanships | | | |
|-----------------------|------------------------------------------------------------------------------|--------------------------------------------------------|-----|-----------|-----|
| | | Chairman | No. | Member | No. |
| Mr. Chander Mohan | 1 | Nil | 0 | Nil | 0 |
| Mr. Saurabh Malhotra | 1 | Nil | 0 | Nil | 0 |
| Ms. Shipra Mediratta | 1 | Nil | 0 | SRC- SEL | 1 |
| Mr. Ashok Kumar Doda | 3 | SRC – SEL | 1 | AC – SEL | 1 |
| Mr. Radhe Shyam | 1 | AC – SEL | 1 | SRC – SEL | 1 |
| Mr. Om Parkash Singal | 1 | Nil | 0 | AC -SEL | 1 |

| | |
|-----------|---------------------------------------------------------------|
| AC – SEL | Audit Committee – Sakuma Exports Limited |
| SRC – SEL | Stakeholders’ Relationship Committee – Sakuma Exports Limited |

Note: Only Public Limited Companies (Listed and Unlisted) have been taken into consideration while calculating Other Directorships, Committee Memberships and Committee Chairmanships.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, and reviews such other items which require Board’s attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in Clause 49 of the Listing Agreement to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

III. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders’ Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

A. AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company’s established systems and processes for internal financial controls, governance and reviewing the Company’s statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company’s financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors’ Limited Review Report thereon/audited annual financial statements and Auditors’ Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same,

major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.

- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditor its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors/Cost Auditors.
- To discuss with the Statutory Auditors/Chief Internal Auditors any significant difficulties encountered during the course of the Audit.
- Review annual Cost Audit Report submitted by the Cost Auditor.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition of the Audit Committee as at 31st March, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Date of Meeting | Radhe Shyam* | Ashok Kumar Doda# | Mr. Om Parkash Singal\$ |
|---------------------------|--------------|-------------------|-------------------------|
| 15th May, 2014 | Present | Present | Present |
| 14th August, 2014 | Present | Present | Present |
| 12th November, 2014 | Present | Present | Present |
| 10th February, 2015 | Present | Present | Present |
| Total (out of 4 meetings) | 4 | 4 | 4 |

* Chairman & Non Executive Independent Director

Member & Non- Executive Independent Director

\$ Member & Non- Executive Independent Director



The present constitution of the audit committee is compliant with section 177(2) of the Companies Act, 2013. The Company has adopted at its Board meeting held on May 15, 2014 the terms of reference of Audit Committee as prescribed under section 177(4) of the Companies Act, 2013 w.e.f 1st April, 2014. All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Internal Auditor to get their inputs on significant matters relating to their areas of audit.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing “Shareholders’/Investors’ Grievance Committee” as the “Stakeholders’ Relationship Committee”.

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors/ stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the Stakeholders’ Relationship Committee as at 31st March, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Date of Meeting | Ashok Kumar Doda* | Shipra Mediratta# | Radhe Shyam\$ |
|---------------------------|-------------------|-------------------|---------------|
| 15th May, 2014 | Present | Present | Present |
| 14th August, 2014 | Present | Present | Present |
| 12th November, 2014 | Present | Present | Present |
| 10th February, 2015 | Present | Present | Present |
| Total (out of 4 meetings) | 4 | 4 | 4 |

*Chairman & Non Executive Independent Director

Member & Non- Executive Promoter Director

\$ Member & Non-Executive Independent Director

Compliance Officer:

As required by the Listing Agreement, the Company has appointed Mr. Raju Pillai as the Compliance Officer.

Email address of Compliance Officer is companysecretary@sakumaexportsltd.com

Complaint Status for the year 01/04/2014 to 31/03/2015

| Category | No. of Compl. Received | No. of Compl. Resolved | No. of Compl. Pending |
|------------------------------------------|------------------------|------------------------|-----------------------|
| Non receipt of demat rejection documents | Nil | Nil | Nil |
| Non receipt of dividend warrant | 2 | 2 | Nil |
| SEBI | Nil | Nil | Nil |
| Stock Exchange | 2 | 2 | Nil |
| Non Receipt of Annual Report | Nil | Nil | Nil |
| Total: | 4 | 4 | Nil |

C. NOMINATION AND REMUNERATION COMMITTEE (N&R)

In compliance with Section 178 of the Companies Act, 2013 and Clause 49(IV) of Listing Agreement, the Board has constituted the “Nomination and Remuneration Committee” (N&R).

The terms of reference of the Committee inter alia, include the following:

- Constitution: Min 3 Non Executive Directors with half or more as Independent Directors. However, the Chairman of the Company (Executive or non-executive) shall be the member of the Committee, but shall not act as the Chairman of the Committee.
- Terms of Reference:
 - The Committee shall identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal and shall carry out evaluation of every directors performance.
 - Lay down the criteria for determining the qualifications, positive attributes and independence of a Director and further recommend to the Board the policy for remuneration of Director, Key Managerial Personnel and Employees.
- While formulating the policy the Committee has to ensure that:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - Remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The composition of the Nomination and Remuneration Committee as at 31st March, 2015 and the details of Members participation at the Meetings of the Committee are as under :

| Date of Meeting | Radhe Shyam* | O P Singhal # | Shipra Mediratta \$ |
|----------------------------|--------------|---------------|---------------------|
| 30 th May, 2014 | Present | Present | Present |
| 10th February, 2015 | Present | Present | Present |
| Total | 2 | 2 | 2 |

*Chairman & Non Executive Independent Director

Member & Non- Executive Independent Director

\$ Member & Non-Executive Director

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- Formulate and Recommend to board, a CSR policy which shall indicate the activities to be undertaken either by company as specified in Schedule VII



- Recommend the amount of expenditure to be incurred on the activities referred in Clause (a)
- Monitor the CSR policy from time to time.

The composition of the Corporate Social Responsibility Committee as at 31st March, 2015 and the details of Members' participation at the Meetings of the Committee are as under :

| Date of Meeting | Chander Mohan * | Shipra Mediratta # | O P Singhal \$ |
|---------------------|-----------------|--------------------|----------------|
| 10th February, 2015 | Present | Present | Present |
| Total | 1 | 1 | 1 |

*Chairman & Executive Director

Member & Non- Executive Director

\$ Member & Non-Executive Independent Director

E. RISK MANAGEMENT COMMITTEE

The nature of business is export and trading in commodities. The inheritant risk to the business of the company is as follows:

- Foreign Exchange risk
- Commodity Price risk
- Risk elements in business transactions
- Physical risk to cargo

All the above risk has been discussed in the Management Discussion and Analysis Report. The nature of risk is dynamic of business and entrepreneurship. The Company is of the opinion that the formation of Risk management committee is not feasible and in the board meeting there is a formal discussion on risk to the business and how to mitigate the same.

F. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 10th February, 2015, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors and the Board of directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timeline of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

IV. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. The said Policy has been outlined below:

A. CRITERIA OF SELECTION OF NON EXECUTIVE DIRECTORS

- The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

B. REMUNERATION

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

C. EXECUTIVE CHAIRMAN & MANAGING DIRECTOR - CRITERIA FOR SELECTION / APPOINTMENT

For the purpose of selection of the Executive Chairman & MD, the N&R Committee shall recommend the Promoter Directors as Executive Chairman & Managing Director who are persons of integrity who possess relevant expertise, experience and leadership qualities required for the position.

Remuneration for the Executive Chairman & Managing Director

- At the time of appointment or re-appointment, the Executive Chairman & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the Executive Chairman & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Executive Chairman & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.

Remuneration Policy for the Senior Management Employees

- In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure / consider the following:
 - the relationship of remuneration and performance benchmark is clear;
 - the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.
- The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

**V. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and Nomination and Remuneration. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

VI. DETAILS OF REMUNARATION PAID TO ALL DIRECTORS

The aggregate remuneration paid to the Directors for the year ended 31st March, 2015, is as under:

| Name of Director | Designation | Salary & Perquisites | Commission | Sitting Fees | Total |
|-------------------|------------------------|----------------------|------------|--------------|-----------|
| Chander Mohan | Executive Chairman | 68,00,000 | - | - | 68,00,000 |
| Saurabh Malhotra | Managing Director | 48,00,000 | - | - | 48,00,000 |
| Shipra Mediratta | Non-Executive Director | - | - | 1,36,000 | 1,36,000 |
| Ashok Kumar Doda | Independent Director | - | - | 2,04,000 | 2,04,000 |
| Radhe Shyam | Independent Director | - | - | 2,21,000 | 2,21,000 |
| Om Parkash Singal | Independent Director | - | - | 1,36,000 | 1,36,000 |

Note: The Company do not pay and allowances, perquisites, performance bonus, sign-on amount to Executive and Non-Executive Directors.

Details of Service Contracts:

| Name and Designation | Current tenure | From | To |
|-------------------------------------------|----------------|---------------------------------|-------------------------------|
| Mr. Chander Mohan Executive Chairman | 3 years | 1 st September, 2013 | 31 st August, 2016 |
| Mr. Saurabh Malhotra Managing Director | 3 years | 1 st September, 2013 | 31 st August, 2016 |

Equity Shares Of Sakuma Exports Limited Held By The Non-Executive Directors Are As Follows:

| Non Executive Directors | No. of shares held as on 31 st March, 2015 | No. of shares held as on 31 st March, 2014 |
|-------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Shipra Mediratta | 500 | Nil |
| Ashok Kumar Doda | 100 | Nil |
| Radhe Shyam | 68,053 | 68,053 |
| Om Parkash Singal | 1000 | Nil |

Details of Remuneration paid to the Directors are given in Form MGT-9

VII. SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

VIII. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions.

IX. DISCLOSURES

Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

Executive Chairman/MD Certification

The Executive Chairman & MD have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

X. CODE OF CONDUCT FOR THE BOARD MEMBERS AND SENIOR MANAGEMENT

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2015. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

XI. VIGIL MECHANISM / WHISTLE BLOWER POLICY

During the financial year 2014 – 2015, in accordance with the revised clause 49 (II) (F) of listing agreement and pursuant to section 177 (9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, the company has adopted a whistle blower policy. The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. As per the whistle blower policy, the employees are free to report violations of laws, rules, regulations or un-ethical conduct to their immediate superior. The confidentiality of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

E-Mail: companysecretary@sakumaexpotsltd.com

Telephone Number: 022 2499 9028/2499 9025

Fax Number: +91(22) 2499 9024

XII. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.



XIII.COMMUNICATION WITH THE MEMBERS/ SHAREHOLDERS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are published within forty-eight hours in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: www.sakumaexportsltd.com
- In compliance with Clause 52 of the Listing Agreement, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on BSE's on-line portal and through Corporate Filing and Dissemination System (CFDS) website www.corpfiling.co.in. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal. The Company has complied with filing submissions through BSE's BSE Online Portal.

XIV. GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended: 31st March, 2015

Investor Services

The Company has appointed Big Share Services Private Limited, Registrar and Share transfer Agent which offers all share related services to its Members and Investors.

These services include transfer / transmission / dematerialization of shares, payment of dividends, sub-division / consolidation / renewal of share certificates and investor grievances.

Registered Office & Correspondence Address

Sakuma Exports Limited

301-A, Aarus Chambers,S.S. Amrutwar Lane,
Near Mahindra Tower,Worli, Mumbai-400013

Phone No: 022 2499 9028 / 022 2499 9025

Fax: 022 2499 9024

Website: www.sakumaexportsltd.com

Contact Person: Mr. Raju Pillai, Compliance Officer

Email Address: companysecretary@sakumaexportsltd.com

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

Members who hold shares in physical form should address their queries to the Company.

Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewals / split / consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID/ Ledger Folio number in their correspondence with the Company and also to provide their Email addresses and telephone numbers/FAX numbers to facilitate prompt response from the Company.

Market Information

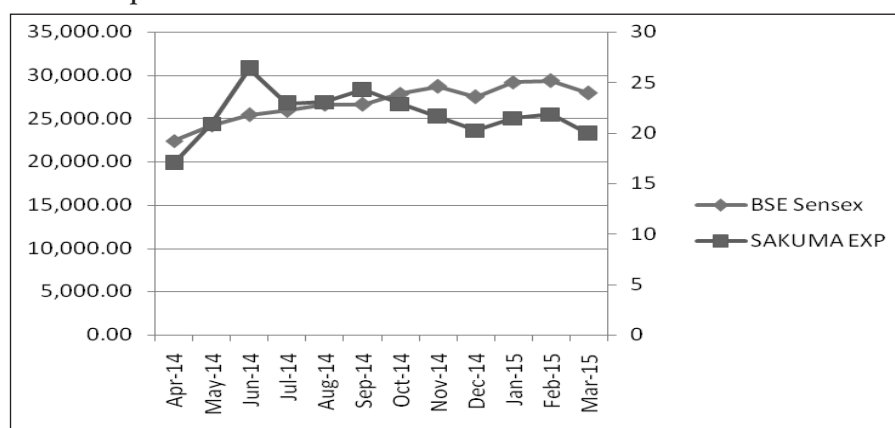
Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

| Name & Address of the Stock Exchanges | Stock Code/ Scrip Code | ISIN Number for CDSL (Dematerialised shares) |
|------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 | 532714 | INE 190H01016 |
| The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai- 400051 | SAKUMA | |

Performance of Equity Shares of the company in comparison to BSE Sensex, (Chart as per the website of Bombay Stock Exchange Limited i.e. www.bseindia.com)

Index Comparison



***Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2015:**

| Month | Open Price | High Price | Low Price | Close Price | No. of Shares | No. of Trades | Total Turnover (₹) | * Spread (₹) | |
|--------|------------|------------|-----------|-------------|---------------|---------------|--------------------|--------------|-------|
| | | | | | | | | H-L | C-O |
| Apr-14 | 17.05 | 18.35 | 16.25 | 17 | 42658 | 443 | 734512 | 2.1 | -0.05 |
| May-14 | 18.25 | 25 | 16.55 | 20.9 | 118042 | 1463 | 2372419 | 8.45 | 2.65 |
| Jun-14 | 21 | 35.4 | 20.3 | 26.4 | 280822 | 4315 | 8072430 | 15.1 | 5.4 |
| Jul-14 | 27.5 | 27.5 | 21.45 | 22.9 | 119307 | 1488 | 2864457 | 6.05 | -4.6 |
| Aug-14 | 22.8 | 25.7 | 21.35 | 23.05 | 73999 | 866 | 1749106 | 4.35 | 0.25 |
| Sep-14 | 23.4 | 26.4 | 21.05 | 24.25 | 78984 | 734 | 1843750 | 5.35 | 0.85 |
| Oct-14 | 24.85 | 25 | 21.75 | 22.85 | 38920 | 353 | 910249 | 3.25 | -2 |
| Nov-14 | 23 | 24.25 | 20.5 | 21.6 | 77589 | 560 | 1695864 | 3.75 | -1.4 |
| Dec-14 | 20.95 | 22 | 18.55 | 20.25 | 33137 | 370 | 680637 | 3.45 | -0.7 |
| Jan-15 | 20.85 | 22.8 | 19.5 | 21.45 | 55058 | 535 | 1161987 | 3.3 | 0.6 |
| Feb-15 | 22.45 | 23 | 19.85 | 21.85 | 99223 | 506 | 2169716 | 3.15 | -0.6 |
| Mar-15 | 21.55 | 22 | 19.5 | 19.9 | 39012 | 305 | 808810 | 2.5 | -1.65 |

*Spread H-L: High-Low C-O: Close-Open

**Share Transfer System / Dividend And Other Related Matters:****Share transfers**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Dividend

- Payment of dividend through National Electronic Clearing Service (NECS):

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

- Unclaimed Dividends:

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will, in September 2015 transfer to the said fund, the dividends for the years ended 31st March, 2008 (Equity & Preference) which have remained unclaimed / unpaid.

For Equity Shareholders:

| Financial Year | Date of Declaration of Dividend | Last Date of claiming un-paid Dividend |
|---------------------------|---------------------------------|----------------------------------------|
| Final Dividend 2007- 2008 | 20.08.2008 | 24.09.2015 |
| Final Dividend 2010- 2011 | 18.08.2011 | 22.09.2018 |
| Final Dividend 2011-2012 | 27.09.2012 | 31.10.2019 |
| Final Dividend 2012-2013 | 29.07.2013 | 02.09.2020 |
| Final Dividend 2013-2014 | 28.08.2014 | 02.10.2021 |

For Preference Shareholders:

| Financial Year | Date of Declaration of Dividend | Last Date of claiming un- paid Dividend |
|----------------------|---------------------------------|-----------------------------------------|
| Dividend 2007- 2008 | 20.08.2008 | 24.09.2015 |
| Dividend 2008 – 2009 | 15.09.2009 | 21.10.2016 |
| Dividend 2009 – 2010 | 15.09.2010 | 20.10.2017 |
| Dividend 2010 – 2011 | 28.02.2011 | 27.02.2018 |

Individual reminders are sent each year to those Members whose dividends have remained unclaimed for a period of seven years from the date they became due for payment, before transferring the monies to the Investor Education & Protection Fund (IEPF). The information on unclaimed dividend is also placed on the website of the Company as aforesaid.

Pending Investors' Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and the National Stock Exchange of India Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Distribution of Shareholding as on 31st March, 2015:

| Range (In ₹) | No. of Shareholders | % to total holders | Total Shareholding (In ₹) | % to capital |
|----------------|---------------------|--------------------|---------------------------|---------------|
| 1 – 5000 | 5799 | 82.95 | 10846230 | 6.60 |
| 5001 - 10000 | 725 | 10.37 | 5761050 | 3.51 |
| 10001 - 20000 | 236 | 3.38 | 3529810 | 2.15 |
| 20001 - 30000 | 62 | 0.89 | 1585660 | 0.97 |
| 30001 - 40000 | 39 | 0.56 | 1393280 | 0.85 |
| 40001 - 50000 | 36 | 0.50 | 1672670 | 1.02 |
| 50001 - 100000 | 46 | 0.66 | 3330790 | 2.03 |
| 100001 & Above | 48 | 0.69 | 136139940 | 82.88 |
| Total | 6991 | 100.00 | 164259430 | 100.00 |

The Company has entered into agreements with Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the depositories.

Shareholding Pattern as on 31st March, 2015 (Equity Shares):

| | Category | No of Shares Held | % Of Share Holding |
|-----------|--------------------------------------------------------------------|-------------------|--------------------|
| A. | Promoter (S) Holding | | |
| | Promoter (s) | | |
| | - Indian Promoters | 7814959 | 47.58 |
| | - Foreign Promoters | 0 | 0.00 |
| | - Group Companies | 3455965 | 21.04 |
| | Sub – Total(A) | 11270924 | 68.62 |
| B. | Non-Promoters Holding | | |
| | Institutional Investors | | |
| i. | Mutual Funds & UTI | 0 | 0.00 |
| ii. | Banks, Financial Inst, Insurance Company (Central/State Govt Inst/ | 230511 | 1.40 |
| iii. | Non-Govt INST) | 0 | 0.00 |
| | FII (S) | | |
| | Others | | |
| i. | Private Corporate Bodies | 131687 | 0.80 |
| ii. | Indian Public | 4509463 | 27.45 |
| iii. | NRI/OCBS | 143851 | 0.88 |
| iv. | Directors / Relatives | 68053 | 0.41 |
| v. | Clearing Members | 71454 | 0.44 |
| vi. | Trust | 0 | 0.00 |
| | Sub-Total (B) | 5155019 | 31.38 |
| | GRAND TOTAL (A+B) | 16425943 | 100.00 |

**Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2015**

| Sr. No. | Names of the shareholders | | No. of Shares | % of Capital |
|----------|--------------------------------------------------|---------|-----------------|--------------|
| 1 | Promoters | | | |
| | Saurabh Malhotra | 3220000 | 11270924 | 68.62 |
| | Kusum Chander Mohan Malhotra | 3110000 | | |
| | Sakuma Infrastructure And Realty Private Limited | 2667245 | | |
| | Chander Mohan Malhotra | 1474959 | | |
| | Sakuma Finvest Pvt Ltd | 698720 | | |
| | GMK System And Logistics Private Ltd | 90000 | | |
| | Vanitha Malhotra | 10000 | | |
| | Others | | | |
| 2 | Ashok Mittal | | 901725 | 5.49 |
| 3 | Corporation Bank | | 228251 | 1.39 |
| | Total | | 12400900 | 75.50 |

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ ADRs/ Warrants or any Convertible instruments. Hence there will not be any impact on the equity of the company.

Particulars of Past Three Annual General Meetings

- Date, time and venue for the Annual General Meetings and Extra Ordinary General Meeting held during the last 3 financial years and nature of special resolutions passed thereat are given below:

| Financial Year Ending | Nature of Meeting | Nature of Special Resolution Passed | Date & Time | Location |
|-----------------------|---------------------|-------------------------------------|--------------------------|------------------------------------------------------------------------------------------------------------|
| 31.03.2012 | 7 th AGM | Note 1 | 27.09.2012 10.30 A.M. | P.L. Deshapande Kala Academy, Ravindra Natyamandir, Third Floor, Sayani Road, Prabhadevi, Mumbai - 400 025 |
| 31.03.2013 | 8 th AGM | Note 2 | 29.07.2013 10.30 A.M. | P.L. Deshapande Kala Academy, Ravindra Natyamandir, Third Floor, Sayani Road, Prabhadevi, Mumbai - 400 025 |
| 31.03.2014 | 9 th AGM | Note 3 | 28.08.2014 10.30 A.M. | P.L. Deshapande Kala Academy, Ravindra Natyamandir, Third Floor, Sayani Road, Prabhadevi, Mumbai - 400 025 |

- Date, time and venue for the Annual General Meetings and Extra Ordinary General Meeting held during the last 3 financial years and nature of special resolutions passed thereat are given below:

Note 1

- There were no resolutions passed through postal ballot last year.
- No special resolution is proposed to be passed during the 7th Annual General Meeting.

Note 2

- Special Resolution for Re-appointment and payment of remuneration of Mr. Chander Mohan as Executive Chairman for a period of three years w.e.f 1st September, 2013.
- Special Resolution for Re-appointment and payment of remuneration of Mr. Saurabh Malhotra as Executive Managing Director for a period of three years w.e.f 1st September, 2013.

Note 3

1. Special Resolution under section 180(1) (c) and section 180 (1) (a) of the Companies Act, 2013 in respect of Borrowing powers in respect of excess of paid up capital and free reserves and creation of Charge.
2. Special resolution under section 149, 152 of the Companies Act, 2013 in respect of appointment of Mr. Ashok Kumar Doda and Mr. Radhe Shyam as Independent Director.

DECLARATIONS**FINANCIAL CALENDAR 2015:**

| | |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Board Meeting for consideration of Accounts for the financial year ended 31st March, 2015 and recommendation of dividend | 15 th May, 2015 |
| Posting of Annual Reports | 17 th July, 2015 |
| Book Closure Dates | 05 th August, 2015 to 11 th August, 2015 (both days inclusive) |
| Last date for receipt of Proxy Forms | 08 th August, 2015 |
| Date, Time & Venue of the 10 th Annual General Meeting | 11 th August, 2015 10.30 A.M. Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400018 |
| Dividend Payment Date | 10 th September, 2015 |
| Probable date of dispatch of warrants | 10 th September, 2015 |
| Board Meeting for consideration of unaudited quarterly results for the financial year ended 31st March, 2016 | Within Sixty days from the end of the quarter, as stipulated under the Listing Agreement with the Stock Exchanges |
| Audited results for the current financial year ending 31st March, 2015 | Within Sixty days from the end of the quarter, as stipulated under the Listing Agreement with the Stock Exchanges |

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Auditors certificate on compliance of conditions of clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Director's Report.

For and on behalf of the Board of Directors

Sd/-

Sd/-

(Chander Mohan)
Chairman

(Saurabh Malhotra)
Managing Director

Mumbai
Date: 15th May, 2015

Compliance with Code of Conduct on clause 49(II) (E) of the Listing Agreement

To,
The Members,
Sakuma Exports Limited

This is to affirm that the Board of Directors of Sakuma Exports Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Clause 49(II) (E) of the Listing Agreement with the Stock Exchange. The Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March, 2015.

Sd/-

Saurabh Malhotra
Managing Director

Place: Mumbai

Date: 15th May, 2015



EXECUTIVE CHAIRMAN / MD CERTIFICATION

We the undersigned, in our respective capacities as Executive Chairman and Managing Director of Sakuma Exports Limited (“the Company”) to the best of our knowledge and belief certify that:

- We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that:
 - these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - 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.
- We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - significant changes, if any, in internal control over financial reporting during the year;
 - significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over the financial reporting.

Yours faithfully

Mumbai
Date: 15th May, 2015

Sd/-
(Chander Mohan)
Chairman

Sd/-
(Saurabh Malhotra)
Managing Director

S N K & Co.
Chartered Accountants
303, Konark Shram,
156, Tardeo Road,
Mumbai- 400034
Tel. No. + 91 22 31921942

AUDITORS' CERTIFICATE
TO THE MEMBERS OF SAKUMA EXPORTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Sakuma Exports Limited, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

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

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

For S N K & Co.,
Chartered Accountants

Sd/-

Sanjay Kapadia
Partner
Membership No. 38292
FRN:109176W

Mumbai

Date: 15th May, 2015



INDEPENDENT AUDITORS' REPORT

To
The Members of
Sakuma Exports Limited

1. Report on Financial Statements

We have audited the accompanying Financial Statements of Sakuma Exports Limited ('the Company') which comprises the Balance-sheet as at 31st March, 2015, Statement of Profit and Loss and the Cash flow Statement for the year then ended and a summary of Significant Accounting Policies and Other Explanatory Information.

2. Management's Responsibility for the 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 and presentation of these Financial Statements that give a true and fair view of the Financial Position, financial performance and Cash flows of the Company in accordance with the Accounting Principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Statements that give a true and fair view and are free from material misstatement, whether due to Fraud or Error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our Audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 the 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 the circumstances. An audit also includes evaluating the appropriateness of the 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 the financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with Significant Accounting Policies and Notes on accounts 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 31st March, 2015 and its profit and its cash flows for the year ended on that date.

5. Report of the Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable.

6. As required by Section 143(3) of the Act, we report that,

- i. 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;
- ii. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- iii. The Balance Sheet, the Statement of Profit & Loss and the Cash Flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- v. On the basis of written representations received from the directors, as on 31st March 2015 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act; and
- vi. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. the Company does not have any pending litigations which would impact its financial position
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SNK & Co.
Firm registration no.:109176W
Chartered Accountants

Sd/-

Place: Mumbai
Date: 15-05-2015

Sanjay Kapadia
Partner
Membership No.:38292



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2015, we report that:

- 1) a) According to information and explanations given to us, the Company has maintained proper records with respect to its fixed assets.
- b) We have been informed that, the fixed assets have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.
- 2) a) According to information and explanations given to us by the management and records furnished before us, Inventories have been physically verified by the management at reasonable intervals.
- b) In our opinion, procedure of physical verification is reasonable and adequate with regards to size of the company and nature of its business.
- c) According to information and explanations given to us by the management and records furnished before us, the Company has generally maintained proper records of Inventories and no material discrepancies have been noticed.
- 3) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions 3 (iii) (a) and (b) of the Companies (Auditor's Report) Order, 2015 is not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of Fixed Assets, Inventory and sale of goods. On the basis of our examination of books and records of the company, we have neither come across nor have been informed any continuing failure to correct any major weakness in the internal control system of the company.
- 5) The company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- 6) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect of the products dealt with by the company.
- 7) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, cess and other dues with the appropriate authorities except few delays in payment of tax deducted at source.
- b) According to the information and explanations given to us, no statutory dues are outstanding, as on March 31, 2015, beyond six months from the date they become payable.
- c) According to the information and explanations given to us and the records of the Company, there are no dues of sales tax, income tax, service tax, custom duty, excise duty and cess that have not been deposited on account of disputed or are partially deposited under protest except as mentioned herein below:

| Statute & Nature of dues | Amount in Dispute ₹ | Amount not Deposited ₹ | Forum where dispute is pending | Period |
|--------------------------|---------------------|------------------------|--------------------------------|-------------|
| Income Tax | 14.60 Lacs | NIL | 1st Appellate Authority | A.Y 2009-10 |

- d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- 8) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the current year and in the immediately previous financial year.
- 9) As per the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or financial institutions banks during the year.
- 10) As per the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly clause 3 (x) of the Companies (Auditor's Report) Order, 2015 is not applicable to the company.
- 11) As per the information and the explanations given to us, the Company has not obtained any term loan from bank or financial institution. Accordingly the provisions 3 (xi) of the Companies (Auditor's Report) Order, 2015 is not applicable to the company.
- 12) During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the year nor we have been informed of such instances by the management.

For SNK & Co.
Firm registration no.:109176W
Chartered Accountants

Sd/-

Place: Mumbai
Date: 15-05-2015

Sanjay Kapadia
Partner
Membership No.:38292

**BALANCE SHEET AS AT 31ST MARCH, 2015**

(in ₹)

| Particulars | Note No | As at 31st March, 2015 | As at 31st March, 2014 |
|------------------------------------------------------------------|---------|------------------------------|------------------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholder's funds | | | |
| (a) Share capital | 3 | 16,42,59,430 | 16,42,59,430 |
| (b) Reserves & Surplus | 4 | 60,77,32,129 | 58,39,30,389 |
| | | <u>77,19,91,559</u> | <u>74,81,89,819</u> |
| 2 Non-current liabilities | | | |
| Deferred tax liabilities (net) | 28 | 57,25,733 | 70,13,436 |
| | | <u>57,25,733</u> | <u>70,13,4376</u> |
| 3 Current liabilities | | | |
| (a) Short-term borrowings | 5 | 1,28,45,11,440 | 1,02,96,30,109 |
| (b) Trade payables | 6 | 1,78,93,75,110 | 11,05,14,515 |
| (c) Other current liabilities | 7 | 15,74,13,720 | 3,89,46,135 |
| (d) Short-term provisions | 8 | 5,42,33,371 | 6,56,89,567 |
| | | <u>3,28,55,33,641</u> | <u>1,24,47,80,328</u> |
| TOTAL | | <u><u>4,06,32,50,933</u></u> | <u><u>1,99,99,83,583</u></u> |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 9.A | 3,20,53,560 | 3,93,33,742 |
| (b) Non-current investments | 10 | 1,07,39,802 | 12,05,693 |
| (c) Long-term loans and advances | 11 | 1,09,47,960 | 1,03,29,864 |
| (d) Other non-current assets | 12 | 96,22,314 | 96,22,314 |
| | | <u>6,33,63,636</u> | <u>6,04,91,613</u> |
| 2 Current assets | | | |
| (a) Inventories | 13 | 34,07,57,800 | 41,59,76,194 |
| (b) Trade receivables | 14 | 3,04,42,18,261 | 92,36,98,002 |
| (c) Cash and cash equivalents | 15 | 25,49,07,830 | 16,89,72,250 |
| (d) Short-term loans and advances | 16 | 34,94,93,242 | 40,72,17,399 |
| (e) Other current assets | 17 | 1,05,10,164 | 2,36,28,125 |
| | | <u>3,99,98,87,297</u> | <u>1,93,94,91,970</u> |
| TOTAL | | <u><u>4,06,32,50,933</u></u> | <u><u>1,99,99,83,583</u></u> |
| See accompanying 'Notes forming part of the financial statements | 1 & 2 | | |

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

For and on behalf of the Board of Directors

Sd/-

Sanjay N Kapadia

Partner

M.No. 38292

Sd/-

Mr. Chander Mohan

Chairman

Sd/-

Mr. Saurabh Malhotra

Managing Director

Sd/-

Mr. Radhe Shyam

Director

Place : Mumbai

Dated : 15th May'2015

Place : Mumbai

Date : 15th May'2015

Statement of Profit and Loss for the year ended 31st March, 2015

(in ₹)

| Particulars | Note No | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|-------------------------------------------------------------------------------------|---------|-------------------------------------|-------------------------------------|
| 1 Revenue from operations (gross) | 18 | 1,08,085,34,506 | 10,11,32,13,524 |
| Less: Excise duty | | - | - |
| Revenue from operations (net) | | 10,80,85,34,506 | 10,11,32,13,524 |
| 2 Other income | 19 | 12,28,46,204 | 3,27,08,584 |
| 3 Total revenue (1+2) | | 10,93,13,80,710 | 10,14,59,22,108 |
| 4 Expenses | | | |
| (a) Purchases of stock-in-trade | 20.A | 9,88,99,56,518 | 8,88,16,91,492 |
| (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 20.B | 7,52,18,394 | 15,80,70,198 |
| (c) Employee benefits expense | 21 | 3,51,71,873 | 3,17,00,626 |
| (d) Finance costs | 22 | 1,68,57,146 | 3,37,71,974 |
| (e) Depreciation and amortisation expenses | 9.B | 83,29,535 | 79,32,279 |
| (f) Other expenses | 23 | 78,12,04,241 | 92,74,23,799 |
| Total expenses | | 10,80,67,37,707 | 10,04,05,90,368 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4) | | 12,46,43,003 | 10,53,31,740 |
| 6 Exceptional items | | - | - |
| 7 Profit / (Loss) before extraordinary items and tax (5 ± 6) | | 12,46,43,003 | 10,53,31,740 |
| 8 Extraordinary items | | - | - |
| 9 Profit / (Loss) before tax (7 ± 8) | | 12,46,43,003 | 10,53,31,740 |
| 10 Tax expense: | | | |
| (a) Current tax expense for current year | | 3,85,05,165 | 3,65,00,000 |
| (b) Current tax expense relating to prior years | | 88,801 | (61,170) |
| (c) Net current tax expense | | 3,85,93,966 | 3,64,38,830 |
| (d) Deferred tax | | (12,87,703) | (16,16,884) |
| | | 3,73,06,263 | 3,48,21,946 |
| 11 Profit / (Loss) from continuing operations (9 ± 10) | | 8,73,36,740 | 7,05,09,794 |
| 12.i Earnings per share (of ₹ 10/- each): | 27 | | |
| (a) Basic | | | |
| (i) Continuing operations | | 5.32 | 4.29 |
| (ii) Total operations | | 5.32 | 4.29 |
| (b) Diluted | | | |
| (i) Continuing operations | | 5.32 | 4.29 |
| (ii) Total operations | | 5.32 | 4.29 |
| 12.ii Earnings per share (excluding extraordinary items) (of ₹ 10/- each): | | | |
| (a) Basic | | | |
| (i) Continuing operations | | 5.32 | 4.29 |
| (ii) Total operations | | 5.32 | 4.29 |
| (b) Diluted | | | |
| (i) Continuing operations | | 5.32 | 4.29 |
| (ii) Total operations | | 5.32 | 4.29 |
| See accompanying 'Notes forming part of the financial statements | 1 & 2 | | |

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

For and on behalf of the Board of Directors

Sd/-

Sanjay N Kapadia
Partner
M.No. 38292

Sd/-

Mr. Chander Mohan
Chairman

Sd/-

Mr. Saurabh Malhotra
Managing Director

Sd/-

Mr. Radhe Shyam
Director

Place : Mumbai

Dated : 15th May'2015

Place : Mumbai

Date : 15th May'2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015**

(in ₹)

| Particulars | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| A. Cash flow from operating activities | | |
| Net Profit / (Loss) before extraordinary items and tax | 12,46,43,003 | 10,53,31,740 |
| Adjustments for: | | |
| Depreciation and amortisation | 83,29,535 | 79,32,279 |
| Finance costs | 1,68,57,146 | 3,37,71,974 |
| Interest income | (1,20,40,311) | (87,95,523) |
| Dividend income | (2,75,46,131) | (27,11,943) |
| Net (gain) / loss on sale of investments | (1,02,443) | (12,94,077) |
| Operating profit / (loss) before working capital changes | 11,01,40,799 | 13,42,34,450 |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Inventories | 7,52,18,394 | 15,80,70,196 |
| Trade receivables | (2,11,53,98,665) | (76,57,68,301) |
| Short-term loans and advances | 5,08,74,252 | (33,05,88,467) |
| Long-term loans and advances | 3,09,692 | (3,09,692) |
| Other current assets | 5,03,612 | 5,34,408 |
| Other non-current assets | - | - |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | 1,67,88,60,595 | 8,38,66,910 |
| Other current liabilities | 11,84,34,796 | (2,68,58,648) |
| Short-term provisions | (86,64,608) | 3,85,38,505 |
| | (8,97,21,133) | (70,82,80,638) |
| Net income tax (paid) / refunds | (4,31,62,695) | (3,31,01,162) |
| Net cash flow from / (used in) operating activities (A) | (13,28,83,828) | (74,13,81,800) |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets, including capital advances | (10,49,353) | (61,85,333) |
| Proceeds from sale of fixed assets | - | - |
| Current investments not considered as Cash and cash equivalents | | |
| - Purchased | (1,23,06,67,184) | (88,48,41,148) |
| - Proceeds from sale | 1,24,07,76,512 | 89,05,05,891 |
| Purchase of long-term investments | | |
| - Subsidiaries | - | (58,135) |
| Interest received | 1,20,40,311 | 87,95,523 |
| Dividend received | 1,75,39,246 | - |
| Net cash flow from / (used in) investing activities (B) | 3,86,39,532 | 82,16,798 |
| C. Cash flow from financing activities | | |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(in ₹)

| Particulars | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|----------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Net increase / (decrease) in working capital borrowings | 20,16,21,765 | 87,40,35,207 |
| Proceeds from other short-term borrowings | 5,56,48,038 | 11,23,89,671 |
| Repayment of other short-term borrowings | (4,10,48,038) | (11,23,89,671) |
| Finance cost | (1,68,57,146) | (3,37,71,974) |
| Dividends paid | (1,63,93,154) | (1,63,86,673) |
| Tax on dividend | (27,91,589) | (26,64,700) |
| Net cash flow from / (used in) financing activities (C) | 18,01,79,876 | 82,12,11,860 |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 8,59,35,580 | 8,80,46,858 |
| Cash and cash equivalents at the beginning of the year | 16,89,72,250 | 809,25,392 |
| Cash and cash equivalents at the end of the year | 25,49,07,830 | 16,89,72,250 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 15) | | |
| Cash and cash equivalents at the end of the year * | 25,49,07,830 | 16,89,72,250 |
| * Comprises: | | |
| (a) Cash on hand | 10,01,514 | 34,707 |
| (b) Balances with banks | | |
| (i) In current accounts | 622,09,710 | 4,05,85,516 |
| (ii) In EEFC accounts | 1,52,68,155 | 1,23,02,376 |
| (ii) In deposit accounts with original maturity of less than 3 months | 17,52,80,924 | 11,48,54,263 |
| (iii) In earmarked accounts (give details) (Refer Note (ii) below) | 11,47,527 | 11,95,388 |
| | 25,49,07,830 | 16,89,72,250 |

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying 'Notes forming part of the financial statements

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

Sd/-

Sanjay N Kapadia
Partner
M.No. 38292

Place : Mumbai

Dated : 15th May'2015

For and on behalf of the Board of Directors

Sd/-

Mr. Chander Mohan
Chairman

Sd/-

Mr. Saurabh Malhotra
Managing Director

Sd/-

Mr. Radhe Shyam
Director

Place : Mumbai

Date : 15th May'2015



Notes forming part of the financial statements

1 Corporate information

Sakuma Exports Limited (Government of India recognised Star Trading House) is a public limited company domiciled in India and incorporated under the provisions of Companies Act 1956. Its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The company is engaged in exports of commodities like Sugar, Rice, Maize, Sesame Seeds, Ground Nuts, Pulses, Oil Meal, Raw Cotton etc. and Import of commodities like Sugar, Coal and Oil. The company caters to both domestic and international markets.

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guide lines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis under the historical cost convention on the accrual basis of accounting, unless stated otherwise. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for depreciation and amortization as described in the accounting policy on depreciation and amortization.

Summary of Significant Accounting Policies

2.2 Use of estimates

The preparation of the financial statements are in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets or liabilities in future period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.3 Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost of inventories have been computed to include all cost of purchase, and other cost incurred in bringing the goods to the point of sale.

The cost is determined using the First in First Out Basis (FIFO)

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method as prescribed by the Securities Exchange Board of India and in accordance with the provisions of Accounting Standard-3 issued by the Institute of Chartered Accountant of India whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortisation

From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013, which prescribes useful lives for fixed assets. Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of its fixed assets and depreciation is provided on the written down value method ('WDV') unless otherwise stated, pro-rata to the period of use of assets based on useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

2.6 Revenue recognition

(a) Sale of goods

Revenue from Sale of goods are recognised, on transfer of significant risks and rewards of ownership to the buyer i.e. on shipment or dispatch of goods to customers and is recorded net of Duties and Taxes.

Revenue from Sale of Services rendered are recognised on Completion of Service.

Export Incentive in the form of credit earned on exports made during the year, under DFIA /Duty Entitlement Pass Book (DEPB)/Target Plus Licenses(DFCE), Focus Product Market are accounted for at the time of sale/utilization of license due to uncertainty associated with respect to Sale/Utilization. Duty Drawback is accounted on Accrual Basis

(b) Other income

Dividend Income from investments are recognized on receipt basis.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

2.7 Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets direct/indirect and incidental expenses incurred to bring them into their present location and conditions, subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.8 Foreign currency transactions

(a) Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate to the rate at the date of the transaction.

(b) Conversion

At the year end, monetary item denominated in foreign currencies, other than the disputed receivables or payables, are retranslated into rupee equivalents at the year-end exchange rates. Non-monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rates at the date of transaction.

(c) Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss in the period in which they arise.

2.9 Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non current investments.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.10 Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

(a) Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.



(b) Defined benefit plans

Defined Benefit Plan i.e. gratuity is recognised on accrual basis based on the actuarial valuation in accordance with the requirement of Accounting Standard 15(Revised)-"Employee Benefits"

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional units of employee benefit entitlement and measures each unit separately to build up the final obligation. The particulars under the AS 15(Revised) are furnished in Disclosure

(c) Short-term employee benefits

Short Term Employee Benefit payable within one year is provided on accrual basis at actual value.

2.11 Borrowing costs

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings.

Borrowing cost directly attributable to development of qualifying assets are capitalized till the date qualifying assets is ready for put to use for its intended purpose as part of cost of that assets .Other borrowing cost are recognised as expenses in the period in which they are incurred.

2.12 Segment reporting

As permitted by paragraph – 4 of Accounting Standard – 17, "Segment Reporting", if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information is required to be presented only on the basis of the consolidated financial statements.

However , the company's business activity falls within a single primary segment viz. exports of commodities. In view of the general clarification (ASI-20 did. 14th February, 2004) issued by the Institute of Chartered Accountant of India for companies operating in single segment, the disclosure requirements as per AS-17, "Segment Reporting" is not applicable to the company.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured

using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date.

2.15 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.16 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.17 Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

2.18 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.



2.19 Commodity Futures

Commodities futures are marked to market on a daily basis. Debit or Credit balance disclosed under loans and advances or current liabilities respectively, in the “Mark to Market Margin Account” represents the net amount paid or received on the basis of movement in the prices of commodities futures till the balance sheet date.

As on balance sheet date, profit/ loss on open position in commodities futures are accounted as follows

- Credit Balance in the “Mark to Market Margin Account” being anticipated profit is ignored and no profit for the same is taken in the profit and loss account.
- Debit balance in the “Mark to Market Margin Account” being anticipated loss is charged to profit and loss account.

Settlement and Squaring up of contract is accounted as follows

- On final delivery settlement the difference between the settlement price and contract price is added/reduced from/to sale/purchase
- On squaring up of the contract the difference between the squared up price and contract price is recognized in profit and loss account

When more than one contract in respect of the relevant series of commodity future contract to which the settled/squared up contract pertains is outstanding at the time of settlement/squaring up of the contract, the contract price is determined using weighted average method for calculating the difference/ profit/loss on settlement/squaring up.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3 Share Capital

| Particulars | As at 31 March, 2015 | | As at 31 March, 2014 | |
|------------------------------------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | Number of shares | ₹ | Number of shares | ₹ |
| (a) Authorised | | | | |
| Equity shares of ₹ 10/- each with voting rights | 3,00,00,000 | 30,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| (b) Issued | | | | |
| Equity shares of ₹ 10/- each with voting rights | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| (c) Issued, Subscribed and fully paid up | | | | |
| Equity shares of ₹ 10/- each with voting rights | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| Total issued, Subscribed and fully paid -up share capital | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |

Note 3 A Share Capital

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars | Opening Balance | Fresh issue | Bonus | ESOP | Conversion | Buy back | Other changes (give details) | Closing Balance |
|-------------|-----------------|-------------|-------|------|------------|----------|------------------------------|-----------------|
|-------------|-----------------|-------------|-------|------|------------|----------|------------------------------|-----------------|

Equity shares with voting rights

Year ended 31 March, 2015

| | | | | | | | | |
|---------------------|--------------|---|---|---|---|---|---|--------------|
| - Number of shares | 1,64,25,943 | - | - | - | - | - | - | 1,64,25,943 |
| - Amount (₹10 each) | 16,42,59,430 | - | - | - | - | - | - | 16,42,59,430 |

Year ended 31 March, 2014

| | | | | | | | | |
|---------------------|--------------|---|---|---|---|---|---|--------------|
| - Number of shares | 1,64,25,943 | - | - | - | - | - | - | 1,64,25,943 |
| - Amount (₹10 each) | 16,42,59,430 | - | - | - | - | - | - | 16,42,59,430 |

Terms/Rights attached to Equity Shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of per share recognised as distributions to equity shareholders was ₹ 1 per share (31st March 2014 ₹ 1 per share).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 3 B Share Capital

(i) Details of shares held by each shareholder holding more than 5% shares:

| Class of shares / Name of shareholder | As at 31 March, 2015 | | As at 31 March, 2014 | |
|----------------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Mrs. Kusum Chander mohan Malhotra | 31,10,000 | 18.93% | 33,10,000 | 20.15% |
| Mr. Saurabh Malhotra | 32,20,000 | 19.60% | 30,20,000 | 18.39% |
| Mr. Chandermohan Malhotra | 14,74,959 | 8.98% | 14,17,289 | 8.63% |
| M/s Sakuma Infrastructure and Realty Pvt Ltd | 26,67,245 | 16.24% | 26,31,929 | 16.02% |
| Mr. Ashok Mittal | 9,01,725 | 5.49% | 9,01,725 | 5.49% |

Note:- As per records of the company, including register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note No 4 Reserves And Surplus**

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Capital redemption reserve | | |
| Opening balance | 10,00,09,200 | 10,00,09,200 |
| Closing balance | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | | |
| Opening balance | 26,74,18,430 | 26,74,18,430 |
| Closing balance | 26,74,18,430 | 26,74,18,430 |
| (c) Hedging reserve | | |
| Opening balance | 5,25,03,611 | (6,79,054) |
| Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year | (4,71,09,057) | 5,31,82,665 |
| Closing balance | 53,94,554 | 5,25,03,611 |
| (d) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 16,39,99,148 | 11,27,06,886 |
| Add: Profit / (Loss) for the year | 8,73,36,740 | 7,05,09,794 |
| Less: Appropriations | | |
| Dividends proposed to be distributed to equity shareholders (₹1 per share) | (1,64,25,943) | (1,64,25,943) |
| Tax on dividend (Refer Note 19) | - | (27,91,589) |
| Closing balance | 23,49,09,945 | 16,39,99,148 |
| Total Reserves and Surplus (a to d) | 60,77,32,129 | 58,39,30,389 |

Note 5 Short-Term Borrowings

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------|------------------------------|------------------------------|
| (a) Loans repayable on demand | | |
| From banks | | |
| Secured (Refer note below) | 1,26,99,11,440 | 1,02,96,30,109 |
| | 1,26,99,11,440 | 1,02,96,30,109 |
| From other parties | | |
| Unsecured | 1,46,00,000 | - |
| | 1,46,00,000 | - |
| Total | 1,28,45,11,440 | 1,02,96,30,109 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes:

Details of security for the secured short-term borrowings:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-----------------------------------------------------|------------------------------|------------------------------|
| <u>Loans repayable on demand from banks:</u> | | |
| Packing Credit Rupees Loan | 1,26,99,11,440 | 19,80,00,000 |
| Packing Credit Foreign Currency | - | 83,16,30,109 |
| Total - from banks | 1,26,99,11,440 | 1,02,96,30,109 |

- (i) Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts, Current assets, Fixed assets other than vehicles and Leasehold land, Lien on Term Deposits and pledge of shares of promoters of the company. Cash Credit is repayable on demand and carries interest @13.85% p.a. . Packing credit Loan is repayable within 90 days and carries interest rate @ 10.75% p.a upto the period of Credit.
- (ii) Cash Credit and Packing Credit from Axis Bank are secured against Hypothecation of Inventory, Book debts, Current assets, and mortgage of immovable property of promoters of the company. Cash Credit is repayable on demand and carries interest @13.25% p.a . Packing credit Loan is repayable within period from 90 days to 120daays and carries interest rate @ 12.15% p.a upto the period of Credit.
- (iii) Cash Credit and Packing Credit from Indian Overseas Bank are secured against Hypothecation of Inventory, Book debts, Current assets, Lien on Term Deposits of the company. Cash Credit is repayable on demand and carries interest @14.50% p.a. Packing credit Loan is repayable within period from 90 days to 120daays and carries interest rate @ 11% p.a upto the period of Credit.
- (iv) Secured Short Term Borrowings Limit of the company has been increased by 35 Crores during the year. Short Term Borrowings are secured pari passu with existing banker against stocks, receivables, other current assets, collateral property and against personal guarantee of directors. During the year company has availed packing credit rupee loan against enhanced limit carrying interest rate @ 11.25% .

Note 6 Trade Payables

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------|------------------------------|------------------------------|
| Trade payables: | | |
| (a) For Goods | 1,75,29,53,804 | 4,51,63,419 |
| (b) For Expenses | 3,64,21,306 | 6,53,51,096 |
| Total | 1,78,93,75,110 | 11,05,14,515 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note 7 Other Current Liabilities**

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Unpaid dividends | 7,32,720 | 6,99,931 |
| (b) Other payables | | |
| (i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) | 16,64,857 | 19,05,546 |
| (ii) Advances from customers | 15,43,71,681 | 2,67,26,932 |
| (c) Others | | |
| (i) Unpaid Redemption Preference Shares Proceeds | 4,22,506 | 4,22,506 |
| (ii) M2M Gain/Loss Unrealised | 2,21,956 | 91,91,220 |
| Total | 15,74,13,720 | 3,89,46,135 |

Note: Advances from Customer includes:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------|------------------------------|------------------------------|
| <u>Advance from related party</u> | | |
| Due to Subsidiary Company | | |
| Sakuma Exim DMCC | 7,51,94,454 | - |
| GKM General Trading LLC | 5,32,41,064 | - |
| | 12,84,35,518 | - |

Note 8 Short-Term Provisions

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------|------------------------------|------------------------------|
| (a) Provision for employee benefits: | | |
| (i) Provision for bonus | 6,38,442 | 11,47,498 |
| (ii) Provision for compensated absences | 2,13,209 | 2,21,065 |
| (iii) Provision for gratuity (net) (Refer Note 25.2.) | 1,96,773 | 4,89,580 |
| | 10,48,424 | 18,58,143 |
| (b) Provision - Others: | | |
| (i) Provision for proposed equity dividend | 1,64,25,943 | 1,64,25,943 |
| (ii) Provision for tax on proposed dividends | - | 27,91,589 |
| (iii) Provision - others | 3,67,59,004 | 4,46,13,892 |
| | 5,31,84,947 | 6,38,31,424 |
| Total (a+b) | 5,42,33,371 | 6,56,89,567 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 9 A Fixed Assets

| Tangible assets | Gross block | | | | | | | | | |
|----------------------------|-----------------------------|------------------|-----------|--------------------------------------------|-------------------------------|----------------------|-------------------------------------------------|----------------------------|-------------------|------------------------------|
| | Balance as at 1 April, 2014 | Additions | Disposals | Acquisitions through business combinations | Reclassified as held for sale | Revaluation increase | Effect of foreign currency exchange differences | Borrowing cost capitalised | Other adjustments | Balance as at 31 March, 2015 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| (a) Land | | | | | | | | | | |
| Leasehold | 12,70,000 | - | - | - | - | - | - | - | - | 12,70,000 |
| (b) Plant and Equipment | | | | | | | | | | |
| Owned | 7,44,17,284 | - | - | - | - | - | - | - | - | 7,44,17,284 |
| (c) Furniture and Fixtures | | | | | | | | | | |
| Owned | 2,70,231 | 92,628 | - | - | - | - | - | - | - | 3,62,859 |
| (d) Vehicles | | | | | | | | | | |
| Owned | 2,27,31,462 | - | - | - | - | - | - | - | - | 2,27,31,462 |
| (e) Office equipment | | | | | | | | | | |
| Owned | 34,78,670 | 3,37,340 | - | - | - | - | - | - | - | 38,16,010 |
| (f) Computer Software | | | | | | | | | | |
| Owned | - | 6,19,385 | | | | | | | | 6,19,385 |
| Total | 10,21,67,647 | 10,49,353 | - | - | - | - | - | - | - | 10,32,17,000 |
| Previous year | 9,59,82,314 | 61,85,333 | - | - | - | - | - | - | - | 10,21,67,647 |

| Tangible assets | Accumulated depreciation and impairment | | | | | | | Net block | | |
|----------------------------|-----------------------------------------|--------------------------------------------------|----------------------------------|-------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|-------------------|------------------------------|------------------------------|------------------------------|
| | Balance as at 1 April, 2014 | Depreciation / amortisation expense for the year | Eliminated on disposal of assets | Eliminated on reclassification as held for sale | Impairment losses recognised in statement of profit and loss | Reversal of impairment losses recognised in Statement of Profit and Loss | Other adjustments | Balance as at 31 March, 2015 | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| (a) Land | | | | | | | | | | |
| Leasehold | 3,83,112 | 1,52,245 | - | - | - | - | - | 5,35,357 | 7,34,643 | 8,86,888 |
| (b) Plant and Equipment | | | | | | | | | | |
| Owned | 4,89,95,688 | 29,53,188 | - | - | - | - | - | 5,19,48,876 | 2,24,68,408 | 2,54,21,596 |
| (c) Furniture and Fixtures | | | | | | | | | | |
| Owned | 1,20,949 | 51,911 | - | - | - | - | - | 1,72,860 | 1,89,999 | 1,49,282 |
| (d) Vehicles | | | | | | | | | | |
| Owned | 1,16,59,467 | 37,36,760 | - | - | - | - | - | 1,53,96,227 | 73,35,235 | 1,10,71,995 |
| (e) Office equipment | | | | | | | | | | |
| Owned | 16,74,689 | 11,56,274 | - | - | - | - | - | 28,30,963 | 9,85,047 | 18,03,981 |
| (f) Computer Software | | | | | | | | | | |
| Owned | - | 2,79,157 | | | | | | 2,79,157 | 3,40,228 | |
| Total | 6,28,33,905 | 83,29,535 | - | - | - | - | - | 7,11,63,440 | 3,20,53,560 | 3,93,33,742 |
| Previous year | 5,49,01,626 | 79,32,279 | - | - | - | - | - | 6,28,33,905 | 3,93,33,742 | 4,10,80,687 |

Note 9 B Fixed Assets

Depreciation and amortisation relating to continuing operations:

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Depreciation and amortisation for the year on tangible assets as per Note 9 A | 83,29,535 | 79,32,279 |
| Total | 83,29,535 | 79,32,279 |



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 10 Non Current Investments

| Particulars | As at 31 March, 2015 | | | As at 31 March, 2014 | | |
|--------------------------------------------------------------------------------------------------------------------|----------------------|---------------|-------------|----------------------|---------------|------------|
| | Quoted ₹ | Unquoted ₹ | Total ₹ | Quoted ₹ | Unquoted ₹ | Total ₹ |
| Investments (At cost): | | | | | | |
| A. Trade Investments | | | | | | |
| (a) Investment in equity instruments of subsidiaries | | | | | | |
| (i) 50 (As at 31 March, 2012: 50) shares of AED 1000 each fully paid up in Sakuma Exim DMCC | - | 7,00,581 | 7,00,581 | - | 7,00,581 | 7,00,581 |
| (ii) 147 (As at 31 March, 2012: 147) shares of AED 1000 partly paid @ AED 200 per share in GKM General Trading LLC | - | 4,30,877 | 4,30,877 | - | 4,30,877 | 4,30,877 |
| (iii) 165000 (As at 31 March, 2013:1000)shares fully paid up @ USD 1 each in Sakuma Exports Pte Limited | - | 95,92,244 | 95,92,244 | - | 58,135 | 58,135 |
| | - | 1,07,23,702 | 1,07,23,702 | - | 11,89,593 | 11,89,593 |
| B. Other investments | | | | | | |
| (a) Investment in government securities - NSC | - | 16,100 | 16,100 | - | 16,100 | 16,100 |
| Total - Other investments (B) | - | 16,100 | 16,100 | - | 16,100 | 16,100 |
| Total (A+B) | - | 1,07,39,802 | 1,07,39,802 | - | 12,05,693 | 12,05,693 |
| Total | - | - | 1,07,39,802 | - | - | 12,05,693 |
| Aggregate amount of unquoted investments | | | 1,07,39,802 | | | 12,05,693 |

Note 11 Long-Term Loans And Advances

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|----------------------------------------------------------|------------------------------|------------------------------|
| | | |
| (a) Security deposits | | |
| Unsecured, considered good (Refer note below) | 90,00,000 | 90,00,000 |
| (b) Advance Income tax (net of provisions ₹ 8,85,33,385) | 19,47,960 | 10,20,172 |
| (c) Advance for Capital Assets | | |
| Unsecured, considered good | - | 3,09,692 |
| Total (a+b+c) | 1,09,47,960 | 1,03,29,864 |

Note: Long-term loans and advances include amounts due from:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|---------------------------------------------------------------------|------------------------------|------------------------------|
| | | |
| (a) Private companies in which any director is a director or member | | |
| M/s Sakuma Infrastructure and Realty Pvt Ltd | 74,70,000 | 74,70,000 |
| (b) Relative of Director | | |
| Mrs Kusum Malhotra (Wife of Director) | 15,30,000 | 15,30,000 |
| Total | 90,00,000 | 90,00,000 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 12 Other Non-Current Assets

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|---------------------------------------------------------------|------------------------------|------------------------------|
| (a) Long-term trade receivables Unsecured, considered good | 96,22,314 | 96,22,314 |
| Total | 96,22,314 | 96,22,314 |

Note 13 Inventories

(At lower of cost and net realisable value)

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------|------------------------------|------------------------------|
| (a) Stock-in-trade (acquired for trading) | 34,07,57,800 | 41,59,76,194 |
| Total | 34,07,57,800 | 41,59,76,194 |

Note No. 14 Trade Receivables

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good | 1,88,004 | 1,88,004 |
| (b) Other Trade receivables (Refer Note below) Unsecured, considered good | 3,04,40,30,257 | 92,35,09,998 |
| Total | 3,04,42,18,261 | 92,36,98,002 |

Note: Trade receivables include debts due from:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Company having indirect holding or Subsidiary of Company Sakuma Ghana Limited | 74,85,861 | - |
| Total | 74,85,861 | - |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note 15 Cash And Cash Equivalents**

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Cash on hand | 10,01,514 | 34,707 |
| (b) Balances with banks | | |
| (i) In current accounts | 6,22,09,710 | 4,05,85,516 |
| (ii) In EEFC accounts | 1,52,68,155 | 1,23,02,376 |
| (iii) In earmarked accounts | | |
| Unpaid dividend accounts | 11,47,527 | 11,95,388 |
| Balances held as margin money or security against borrowings, guarantees and other commitments | 17,52,80,924 | 11,48,54,263 |
| Total | 25,49,07,830 | 16,89,72,250 |

Note 16 Short-Term Loans And Advances

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------------------------|------------------------------|------------------------------|
| (a) Security deposits | | |
| Unsecured, considered good | 28,63,936 | 11,26,074 |
| | <u>28,63,936</u> | <u>11,26,074</u> |
| (b) Loans and advances to employees | | |
| Unsecured, considered good (Refer Note below) | 21,25,232 | 21,37,000 |
| | <u>21,25,232</u> | <u>21,37,000</u> |
| (c) Advance recoverable in cash or kind | | |
| Unsecured, considered good | 29,13,04,324 | 28,50,87,639 |
| | <u>29,13,04,324</u> | <u>28,50,87,639</u> |
| (d) Other Loans and Advances | | |
| Advance Tax (Net of Provision for Tax ₹ 3,85,05,165/-) | 36,40,941 | - |
| Share Application Money | - | 95,34,109 |
| Prepaid expenses - Unsecured, considered good | 68,90,304 | 53,21,346 |
| Balances with government authorities- | | |
| Unsecured, considered good | | |
| (i) Duty Drawback Receivable | 1,47,23,191 | 8,07,19,445 |
| (ii) VAT credit receivable | 20,35,736 | 18,15,409 |
| (iii) Service Tax Refund receivable | 2,59,09,578 | 2,14,76,377 |
| | <u>5,31,99,750</u> | <u>11,88,66,686</u> |
| Total | 34,94,93,242 | 40,72,17,399 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note: Short-term loans and advances include amounts due from:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------|------------------------------|------------------------------|
| (a) Loans and advances to employees | | |
| (i) Dues from officers | 21,25,232 | 21,37,000 |
| (ii) CKK Exports Private Limited | 5,87,936 | 5,42,936 |
| (b) Other Loans and Advances | | |
| (i) Share Application Money in Sakuma Exports Pte Ltd | - | 95,34,109 |
| Total | 27,13,168 | 1,22,14,045 |

Note 17 Other Current Assets

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------|------------------------------|------------------------------|
| (a) Accruals | | |
| Interest accrued on deposits | 54,27,271 | 59,30,883 |
| (b) Others | | |
| Fair Value of Forward Contract | 50,82,893 | 1,76,97,242 |
| Total | 1,05,10,164 | 2,36,28,125 |

Note 18 Revenue From Operations

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) Sale of products (Refer Note (i) below) | 10,75,66,68,482 | 10,00,45,34,974 |
| (b) Other operating revenues (Refer Note (ii) below) | 5,18,66,024 | 10,86,78,550 |
| Total | 10,80,85,34,506 | 10,11,32,13,524 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| (i) | <u>Traded goods</u> | | |
| | Sugar | 8,27,81,86,274 | 7,70,71,73,753 |
| | Raw Cotton | 9,60,28,658 | 1,23,91,18,344 |
| | Oil | 1,96,88,63,682 | 9,11,60,535 |
| | Other commodities | 41,35,89,868 | 96,70,82,342 |
| | Total - Sale of traded goods | 10,75,66,68,482 | 10,00,45,34,974 |
| (ii) | Other operating revenues comprise: | | |
| | Duty drawback and other export incentives | 5,18,66,024 | 10,86,78,550 |
| | Total - Other operating revenues | 5,18,66,024 | 10,86,78,550 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note 19 Other Income**

| Particulars | | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) | Interest Income (Refer Note (a) below) | 1,20,40,311 | 89,20,744 |
| (b) | Dividend income: | | |
| (i) | Non current investments in: | | |
| | Subsidiary | 1,75,39,246 | - |
| (ii) | Current investments: | | |
| | Others | 1,00,06,885 | 27,11,943 |
| (c) | Net gain on sale of Current investments: | 1,02,443 | 12,94,077 |
| (d) | Net gain on foreign currency transactions and translation (other than considered as finance cost) | 8,10,58,406 | 1,97,81,820 |
| (e) | Other non-operating income (net of expenses directly attributable to such income) (Refer Note (b) below) | 20,98,913 | - |
| | Total | 12,28,46,204 | 3,27,08,584 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|--------------------------------|-------------------------------------------|-------------------------------------------|
| (a) | Interest income comprises: | | |
| | Interest from banks on: | | |
| | Deposits | 1,20,40,311 | 87,95,523 |
| | Other interest | - | 1,25,221 |
| | Total - Interest income | 1,20,40,311 | 89,20,744 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|----------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (b) | Liabilities / provisions no longer required written back | 20,98,913 | - |
| | Total - Other non-operating income | 20,98,913 | - |
| | Total | 1,41,39,224 | 89,20,744 |

During the relevant financial year, the company has received dividend from its foreign subsidiary, GKM General Trading LLC, of **Rs.1,75,39,246/-** on which the company is liable to pay Rs.26,30,887/- as dividend tax u/s 115BBD of the Income Tax Act.

As the dividend received from the foreign subsidiary is higher than the proposed dividend and as the tax paid or payable on the dividend received from foreign subsidiary is eligible for set-off against liability of dividend distribution tax payable u/s 115-O of the Act, no separate provision for dividend distribution tax is made.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 20A Purchase Of Traded Goods

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------------|-------------------------------------------|-------------------------------------------|
| Sugar | 7,58,27,69,294 | 7,24,41,45,147 |
| Raw Cotton | 8,33,15,601 | 1,09,92,23,998 |
| Oil | 1,92,69,45,334 | 8,77,84,800 |
| Other Commodities | 29,69,26,289 | 45,05,37,547 |
| Total | 9,88,99,56,518 | 8,88,16,91,492 |

Note 20B Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| Inventories at the end of the year: | | |
| Stock-in-trade | 34,07,57,800 | 41,59,76,194 |
| | <u>34,07,57,800</u> | <u>41,59,76,194</u> |
| Inventories at the beginning of the year: | | |
| Stock-in-trade | 41,59,76,194 | 57,40,46,392 |
| | <u>41,59,76,194</u> | <u>57,40,46,392</u> |
| Net (increase) / decrease | 7,52,18,394 | 15,80,70,198 |

Note 21 Employee Benefits Expense

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|--------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Salaries and wages | 2,17,40,563 | 2,02,80,554 |
| Directors Remuneration | 1,16,00,000 | 91,00,000 |
| Contributions to provident and other funds (Refer Note 25.1) | 4,39,683 | 3,01,702 |
| Contribution to Gratuity Fund (Refer Note 25.2) | 1,96,773 | 5,04,946 |
| Staff welfare expenses | 11,94,854 | 15,13,424 |
| Total | 3,51,71,873 | 3,17,00,626 |

Note 22 Finance Costs

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) Interest expense on: | | |
| (i) Borrowings | 1,56,46,141 | 1,81,34,401 |
| (ii) Trade payables | 78,906 | 34,47,886 |
| (iii) Others | | |
| Interest on delayed / deferred payment of income tax | 8,426 | 19,035 |
| Interest on Service Tax /Others | 13,719 | 3,262 |
| (b) Other borrowing costs | 11,09,954 | 1,21,67,390 |
| Total | 1,68,57,146 | 3,37,71,974 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note 23 Other Expenses**

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-----------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Bank Charges | 64,94,212 | 1,04,06,131 |
| Power and fuel | 8,73,690 | 7,12,077 |
| Rent including lease rentals | 67,41,600 | 68,12,342 |
| Repairs and maintenance - Buildings | 5,95,192 | 4,51,179 |
| Repairs and maintenance - Machinery | 22,21,031 | 28,32,188 |
| Repairs and maintenance - Others | 3,18,196 | 14,79,057 |
| Insurance | 22,28,847 | 23,98,329 |
| Rates and taxes | 11,15,186 | 7,88,835 |
| Communication | 21,68,997 | 25,75,679 |
| Travelling and conveyance | 69,91,815 | 80,39,252 |
| Printing and stationery | 6,57,627 | 9,24,789 |
| Freight and forwarding | 36,49,14,121 | 36,42,69,606 |
| Sales commission | 66,80,247 | 1,08,53,339 |
| Business promotion | 6,75,743 | 10,88,554 |
| Legal and professional | 84,31,432 | 70,69,844 |
| Payments to auditors (Refer Note (a) below) | 5,75,845 | 6,72,345 |
| Labour Charges | 42,11,161 | 31,27,584 |
| Loading and Unloading Charges | 33,56,828 | 27,48,250 |
| Terminal and Handling Charges | 4,16,08,092 | 5,41,93,603 |
| Transport Charges | 28,42,59,347 | 39,61,59,971 |
| Warehouse Charges | 73,00,135 | 31,86,374 |
| Custom Duty | 10,85,550 | 15,52,691 |
| Demurrage Charges | 39,20,758 | 31,37,188 |
| Detention Charges | 28,42,200 | 96,58,916 |
| Wharfage Charges | - | 14,15,945 |
| Brokerage on trading in Commodities & Securities Exchange | 7,30,934 | 47,29,166 |
| ECGC Premium | 16,90,657 | 20,16,254 |
| Lodging & Boarding | 31,13,689 | 28,19,508 |
| Claims | - | 1,21,40,160 |
| Ground Rent Charges | 38,20,203 | 4,94,568 |
| Directors Sitting Fees | 6,97,000 | 6,46,000 |
| Bad trade and other receivables, loans and advances written off | 15,83,013 | 9,86,215 |
| Miscellaneous expenses | 75,21,027 | 70,37,860 |
| Corporate Social Responsibility Expenses | 17,79,866 | - |
| Total | 78,12,04,241 | 92,74,23,799 |

| Notes | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------|-------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) | Payments to the auditors comprises: | | |
| | As auditors - statutory audit | 4,01,687 | 4,01,687 |
| | For taxation matters | 1,74,158 | 1,74,158 |
| | For other services | - | 96,500 |
| | Total | 5,75,845 | 6,72,345 |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 24 Additional information to the financial statements

24.1 Contingent liabilities and commitments (to the extent not provided for)

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------|
| (A) Contingent liabilities | | |
| (a) Claims against the Company not acknowledged as debt with respect to | | |
| (i) Sugar Import Consignment pertaining to year 2009-10 | USD 11,23,425 & Rs.60,43,987/- and Interest @8% | USD 11,23,425 & Rs.60,43,987/- and Interest @8% |
| (ii) Quality issue of Goods Supplied | 15,87,450 | 15,87,450 |
| (iii) Disputed Income tax demands for AY 2009-10 | 14,60,411 | 14,60,411 |
| (B) Commitments | | |
| (a) Uncalled liability | | |
| (i) Share Subscription Money payable for GKM General Trading LLC | AED 117,600 | AED 117,600 |
| (ii) Share Subscription Money payable for Sakuma Exim DMCC | AED 55 | AED 55 |
| (b) Other commitments | | |
| (i) Outstanding Currency Forward Contracts (Sale) | USD 27,850,691.02 | USD 17,682,508 |
| (ii) Outstanding Currency Forward Contracts (Buy) | USD 4,194,000 | USD 2,683,000 |

24.2 Details on derivatives instruments and unhedged foreign currency exposures

The following derivative positions are open as at 31 March, 2015. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2.8, 2.18 and 2.19.

- (a) Forward exchange contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date for receivables.
- (i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2015

| Currency | Amount | Buy / Sell |
|----------|---------------|------------|
| USD | 2,78,50,691 | Sell |
| | 41,94,000 | Buy |
| | (176,82,508) | Sell |
| USD | (26,83,000) | Buy |

Note: Figures in brackets relate to the previous year

24.3 Value of imports calculated on CIF basis @:

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|--------------|-------------------------------------------|-------------------------------------------|
| Traded Goods | 1,38,23,83,752 | 19,16,55,112 |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****24.4 Expenditure in foreign currency #:**

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|----------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) Professional and consultation fees | 15,336 | - |
| (b) Business Promotional | 58,316 | - |
| (c) Inspection Charges | 1,05,246 | - |
| (d) Cargo Storage Charges | 1,49,797 | - |
| (e) Travelling Expenses | 44,37,505 | 21,83,838 |
| (f) Ocean Freight | 10,68,77,949 | 14,15,383 |
| (g) Import of Goods | 1,38,23,83,752 | 19,16,55,112 |

24.5 Earnings in foreign exchange

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-----------------------------------------|-------------------------------------------|-------------------------------------------|
| Export of goods calculated on FOB basis | 4,39,08,57,964 | 8,54,76,06,724 |

24.6 Corporate Social Responsibility Expenditure:

Company has set apart an amount of ₹ 17,79,866 to be spent as Corporate Social Responsibility expenditure, however, as 31st March, 2015 the said amount is unspent.

Note 25 Disclosures under Accounting Standards:**25 Employee benefit plans:****25.1 Defined contribution plans:**

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 4,39,683/- Year ended 31 March, 2014 ₹3,01,702) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

25.2 Defined benefit plans:

The Company offers the following employee benefit schemes to its employees:

(i) Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

| Particulars | For the year ended 31 March, 2015 Gratuity | For the year ended 31 March, 2014 Gratuity |
|---------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| Components of employer expense | | |
| Current service cost | 5,07,560 | 5,65,871 |
| Interest cost | 1,43,205 | 1,10,795 |
| Expected return on plan assets | (1,10,541) | (81,854) |
| Past service cost | - | - |
| Actuarial losses/(gains) | (3,43,451) | (1,05,232) |
| Total expense recognised in the Statement of Profit and Loss | 1,96,773 | 4,89,580 |
| Actual contribution and benefit payments for year | | |
| Actual benefit payments | - | - |
| Actual contributions | 5,51,500 | 5,51,500 |
| Net asset / (liability) recognised in the Balance Sheet | | |
| Present value of defined benefit obligation | 22,42,641 | 17,90,067 |
| Fair value of plan assets | 15,56,288 | 13,00,487 |
| Funded status [Surplus / (Deficit)] | (6,86,353) | (4,89,580) |
| Unrecognised past service costs | - | - |
| Net asset / (liability) recognised in the Balance Sheet | (6,86,353) | (4,89,580) |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note | Particulars | For the year ended 31 March, 2015 Gratuity | For the year ended 31 March, 2014 Gratuity |
|-------------|--------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| 25.2 | Change in defined benefit obligations (DBO) during the year | | |
| | Present value of DBO at beginning of the year | 17,90,067 | 12,31,060 |
| | Current service cost | 5,07,560 | 5,65,871 |
| | Interest cost | 1,43,205 | 1,10,795 |
| | Actuarial (gains) / losses | (1,98,191) | (1,17,659) |
| | Benefits paid | - | - |
| | Present value of DBO at the end of the year | 22,42,641 | 17,90,067 |
| | Change in fair value of assets during the year | | |
| | Plan assets at beginning of the year | 13,00,487 | 6,94,926 |
| | Acquisition adjustment | - | - |
| | Expected return on plan assets | 1,10,541 | 81,854 |
| | Actual company contributions | - | 5,36,134 |
| | Actuarial gain / (loss) | 1,45,260 | (12,427) |
| | Benefits paid | - | - |
| | Plan assets at the end of the year | 15,56,288 | 13,00,487 |
| | Actuarial assumptions | | |
| | Discount rate | 8.00% | 9.00% |
| | Expected return on plan assets | 8.50% | 8.50% |
| | Salary escalation | 7.00% | 7.00% |
| | Attrition | 10% at younger age and 1% at older age. | 10% at younger age and 4% at older age. |
| | Mortality tables | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |

Note 26 Disclosures under Accounting Standards:

| Note | Particulars |
|-------------|----------------------------------------------------------------------------|
| 26.1 | Related Party transactions |
| | Details of related parties: |
| | Description of relationship |
| | Names of related parties |
| | Holding Company |
| | Sakuma Exports Limited |
| | Subsidiaries |
| | Sakuma Exim DMCC (UAE) |
| | GKM General Trading LLC (UAE) |
| | Sakuma Exports Pte Ltd (Singapore) |
| | Sakuma Exports (Ghana) Ltd (Subsidiary of Sakuma Pte Ltd) |
| | Sakuma Exports (Tanzania) Private Ltd (Subsidiary of Sakuma Pte Ltd) |
| | Key Management Personnel (KMP) |
| | Mr.Chander Mohan |
| | Mr. Saurabh Malhotra |
| | Relatives of KMP |
| | Mrs.Shipra Medirrata |
| | Mrs Kusum Malhotra |
| | Company in which KMP / Relatives of KMP can exercise significant influence |
| | Sakuma Finvest Private Limited |
| | GMK System and Logistics Pvt Ltd |
| | Sakuma Infrastructure and Realty Private Limited |
| | C.K.K Exports pvt Ltd |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****26.2 Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:**

| Particulars | Subsidiaries | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total (in ₹) |
|------------------------------------------------------------|---------------------------------|----------------------------|--------------------------|---------------------------------------------------------------------|---------------------------------|
| Sale of goods | 2,96,69,022 (1,05,85,22,225) | - - | - - | - - | 2,96,69,022 (1,05,85,22,225) |
| Purchase of Goods | 1,96,82,277 - | - - | - - | - - | 1,96,82,277 - |
| Dividend Received | 1,75,39,246 - | - - | - - | - - | 1,75,39,246 - |
| Directors Sitting Fees | - - | - - | 1,36,000 (1,02,000) | - - | 1,36,000 (1,02,000) |
| Rent Paid | - - | - - | 11,46,072 (11,46,072) | 55,95,528 (55,95,528) | 67,41,600 (67,41,600) |
| Management contracts including for deputation of employees | - - | 1,16,00,000 (91,00,000) | - - | - - | 1,16,00,000 (91,00,000) |
| Commission Expense | - - | - - | - - | - (2,31,210) | - (2,31,210) |
| Balance as at 31st March 2015 | | | | | |
| Non Current Investment /Share Application Money | 1,07,23,702 (11,89,593) | - - | - - | - - | 1,07,23,702 (11,89,593) |
| Trade Receivable | 74,85,861 (2,64,63,143) | - - | - - | - - | 74,85,861 (2,64,63,143) |
| Trade Payable | 46,752 (1,21,40,160) | - - | - - | - (1,86,210) | 46,752 (1,23,26,370) |
| Short Term Loans and Advances | - - | - - | - - | 5,87,936 (5,42,936) | 5,87,936 (5,42,936) |
| Long Term Loan and Advances | - - | - - | 15,30,000 (15,30,000) | 74,70,000 (74,70,000) | 90,00,000 (90,00,000) |
| Other Current Liabilities | 12,84,35,518 - | - - | - - | - - | 12,84,35,518 - |
| Provision (Directors Remuneration Payable) | - - | 10,00,000 (8,00,000) | - - | - - | 10,00,000 (8,00,000) |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 27 Disclosures under Accounting Standards

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|--------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| 27 | Earning Per Share | | |
| | <u>Basic & Diluted</u> | | |
| | Net profit / (loss) for the year | 8,73,36,740 | 7,05,09,794 |
| | Less: Preference dividend and tax thereon | - | - |
| | Net profit / (loss) for the year attributable to the equity shareholders | 8,73,36,740 | 7,05,09,794 |
| | Weighted average number of equity shares | 1,64,25,943 | 1,64,25,943 |
| | Par value per share | 10 | 10 |
| | Earnings per share | 5.32 | 4.29 |

Note 28 Disclosures under Accounting Standards

| Note | Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------|--------------------------------------------------------------------------|------------------------------|------------------------------|
| 28 | Deffered tax (Liability)/Assets | | |
| | Tax effect of items constituting deferred tax liability | | |
| | On difference between book balance and tax balance of fixed assets | 57,25,733 | 70,87,564 |
| | Tax effect of items constituting deferred tax liability | 57,25,733 | 70,87,564 |
| | Tax effect of items constituting deferred tax assets | | |
| | Provision for compensated absences, gratuity and other employee benefits | - | (15,104) |
| | Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961 | - | (59,024) |
| | Tax effect of items constituting deferred tax assets | - | (74,128) |
| | Net deferred tax (liability) / asset | 57,25,733 | 70,13,436 |

Note 29 Previous year's figures

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



Independent Auditors' Report

To
The Members of
Sakuma Exports Limited

1. Report on Financial Statements

We have audited the accompanying Financial Statements of Sakuma Exports Limited ("The Company") and its subsidiaries (collectively referred to as "The Group") which comprise the Consolidated Balance-sheet as at 31st March, 2015, Consolidated Statement of Profit and Loss and the Consolidated Cash flow Statement for the year then ended and a summary of Significant Accounting Policies and Other Explanatory Information.

2. Management's Responsibility for the 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 and presentation of these Financial Statements that give a true and fair view of the Financial Position, financial performance and Cash flows of the Group in accordance with the Accounting Principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Statements that give a true and fair view and are free from material misstatement, whether due to Fraud or Error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our Audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 consolidated financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements read together with Significant Accounting Policies and Notes on accounts 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 Group as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

5. Report of the Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable.

6. As required by Section 143(3) of the Act, we report that,

- i. 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;
- ii. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- v. On the basis of written representations received from the directors, as on 31st March 2015 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act;
- vi. We did not audit the financial statements of 4 (four) subsidiaries included in the consolidated year to date results, whose financial statements reflect total assets of ₹ 13,781.66 lacs as at 31st March, 2015; as well as the total revenue of ₹ 72,390.50 lacs as at 31st March, 2015 (before inter-company eliminations). These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated year to date results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors. Our opinion is not qualified in respect of this matter.

For SNK & Co.

Firm registration no.:109176W

Chartered Accountants

Sd/-**Sanjay Kapadia**

Partner

Membership No.:38292

Place: Mumbai

Date: 15-05-2015



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(in ₹)

| Particulars | Note No | As at 31st March, 2015 | As at 31st March, 2014 |
|-------------------------------------------------------------------------------|---------|------------------------|------------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholder's funds | | | |
| (a) Share capital | 3 | 164,259,430 | 164,259,430 |
| (b) Reserves & Surplus | 4 | 804,804,020 | 692,652,529 |
| | | <u>969,063,450</u> | <u>856,911,959</u> |
| Minority Interest | | 14,977,701 | 10,564,859 |
| 2 Non-current liabilities | | | |
| Deferred tax liabilities (net) | | 5,725,733 | 7,013,436 |
| 3 Current liabilities | | | |
| (a) Short-term borrowings | 5 | 1,284,511,440 | 1,029,630,109 |
| (b) Trade payables | 6 | 2,929,828,518 | 700,015,954 |
| (c) Other current liabilities | 7 | 32,164,600 | 38,946,135 |
| (d) Short-term provisions | 8 | 58,909,075 | 91,786,204 |
| | | <u>4,305,413,633</u> | <u>1,860,378,402</u> |
| TOTAL | | <u>5,295,180,517</u> | <u>2,734,868,656</u> |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 9.A | 32,264,231 | 39,565,942 |
| (b) Non-current investments | 10 | 109,985 | 106,250 |
| (c) Long-term loans and advances | 11 | 10,947,960 | 11,874,516 |
| (d) Other non-current assets | 12 | 9,622,314 | 9,622,314 |
| | | <u>52,944,490</u> | <u>61,169,022</u> |
| 2 Current assets | | | |
| (a) Inventories | 13 | 350,164,209 | 466,202,884 |
| (b) Trade receivables | 14 | 4,147,456,155 | 1,547,882,489 |
| (c) Cash and cash equivalents | 15 | 374,991,388 | 235,700,142 |
| (d) Short-term loans and advances | 16 | 359,114,111 | 400,285,994 |
| (e) Other current assets | 17 | 10,510,164 | 23,628,125 |
| | | <u>5,242,236,027</u> | <u>2,673,699,634</u> |
| TOTAL | | <u>5,295,180,517</u> | <u>2,734,868,656</u> |
| See accompanying 'Notes forming part of the consolidated financial statements | | 1 & 2 | |

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

Sd/-

Sanjay N Kapadia

Partner

M.No. 38292

For and on behalf of the Board of Directors

Sd/-

Mr. Chander Mohan
Chairman

Sd/-

Mr. Saurabh Malhotra
Managing Director

Sd/-

Mr. Radhe Shyam
Director

Place : Mumbai

Dated : 15th May'2015

Place : Mumbai

Date : 15th May'2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015 (in ₹)

| Particulars | Note No | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|-------------------------------------------------------------------------------------|---------|-------------------------------------|-------------------------------------|
| 1 Revenue from operations (gross) | 18 | 17,998,332,828 | 15,786,360,874 |
| Less: Excise duty | | 1,127,093 | - |
| Revenue from operations (net) | | 17,997,205,735 | 15,786,360,874 |
| 2 Other income | 19 | 105,306,958 | 31,845,101 |
| 3 Total revenue (1+2) | | 18,102,512,693 | 15,818,205,975 |
| 4 Expenses | | | |
| (a) Purchases of stock-in-trade | 20.A | 16,790,914,512 | 14,250,535,137 |
| (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 20.B | 116,038,674 | 172,851,434 |
| (c) Employee benefits expense | 21 | 50,635,637 | 47,042,246 |
| (d) Finance costs | 22 | 16,857,146 | 33,771,974 |
| (e) Depreciation and amortisation expenses | 9.B | 8,360,119 | 7,969,774 |
| (f) Other expenses | 23 | 881,043,604 | 1,092,279,320 |
| Total expenses | | 17,863,849,692 | 15,604,449,885 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4) | | 238,663,001 | 213,756,090 |
| 6 Exceptional items | | - | - |
| 7 Profit / (Loss) before extraordinary items and tax (5 ± 6) | | 238,663,001 | 213,756,090 |
| 8 Extraordinary items | | - | - |
| 9 Profit / (Loss) before tax (7 ± 8) | | 238,663,001 | 213,756,090 |
| 10 Tax expense: | | | |
| (a) Current tax expense for current year | | 38,518,309 | 36,578,834 |
| (b) Current tax expense relating to prior years | | 122,918 | (61,170) |
| Net current tax expense | | 38,641,227 | 36,517,664 |
| (c) Deferred tax | | (1,287,703) | (1,616,884) |
| | | 37,353,524 | 34,900,780 |
| 11 Profit / (Loss) from continuing operations (9 ± 10) | | 201,309,477 | 178,855,310 |
| Less: Share of Profit of Minority Interest | | 5,479,416 | (15,831,501) |
| Profit / (Loss) from continuing operations | | 195,830,061 | 163,023,809 |
| 12.i Earnings per share (of ₹ 10/- each): | 26 | | |
| (a) Basic | | | |
| (i) Continuing operations | | 11.92 | 9.92 |
| (ii) Total operations | | 11.92 | 9.92 |
| (b) Diluted | | | |
| (i) Continuing operations | | 11.92 | 9.92 |
| (ii) Total operations | | 11.92 | 9.92 |
| 12.ii Earnings per share (excluding extraordinary items) (of ₹ 10/- each): | | | |
| (a) Basic | | | |
| (i) Continuing operations | | 11.92 | 9.92 |
| (ii) Total operations | | 11.92 | 9.92 |
| (b) Diluted | | | |
| (i) Continuing operations | | 11.92 | 9.92 |
| (ii) Total operations | | 11.92 | 9.92 |
| See accompanying Notes forming part of the consolidated financial statements | 1 & 2 | | |

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

Sd/-

Sanjay N Kapadia

Partner

M.No. 38292

For and on behalf of the Board of Directors

Sd/-

Mr. Chander Mohan
Chairman

Sd/-

Mr. Saurabh Malhotra
Managing Director

Sd/-

Mr. Radhe Shyam
Director

Place : Mumbai

Dated : 15th May'2015

Place : Mumbai

Date : 15th May'2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(in ₹)

| Particulars | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|-------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| A. Cash flow from operating activities | | |
| Net Profit / (Loss) before extraordinary items and tax | 238,663,001 | 213,756,090 |
| <u>Adjustments for:</u> | | |
| Depreciation and amortisation | 8,360,119 | 7,969,774 |
| Finance costs | 16,857,146 | 33,771,974 |
| Interest income | (12,040,311) | (8,795,523) |
| Dividend income | (10,006,885) | (2,711,943) |
| Net (gain) / loss on sale of investments | (102,443) | (1,294,077) |
| Net unrealised exchange (gain) / loss | (16,823,51) | (23,747,700) |
| Operating profit / (loss) before working capital changes | 224,907,106 | 218,948,596 |
| <u>Changes in working capital:</u> | | |
| <u>Adjustments for (increase) / decrease in operating assets:</u> | | |
| Inventories | 116,038,674 | 172,851,433 |
| Trade receivables | (2,594,452,072) | (534,126,118) |
| Short-term loans and advances | 43,856,088 | (323,381,967) |
| Long-term loans and advances | 309,692 | (309,692) |
| Other current assets | 503,612 | 534,408 |
| Other non-current assets | | - |
| <u>Adjustments for increase / (decrease) in operating liabilities:</u> | | |
| Trade payables | 2,229,812,563 | (223,246,933) |
| Other current liabilities | (6,867,585) | (22,467,148) |
| Short-term provisions | (32,887,398) | 62,394,368 |
| | (18,779,320) | (648,803,053) |
| Net income tax (paid) / refunds | (43,196,805) | (33,101,162) |
| Net cash flow from / (used in) operating activities (A) | (61,976,125) | (681,904,215) |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets, including capital advances | (1,058,408) | (6,353,967) |
| Proceeds from sale of fixed assets | | |
| Current investments not considered as Cash and cash equivalents | | |
| - Purchased | (1,230,667,184) | (884,841,148) |
| - Proceeds from sale | 1,240,776,512 | 890,505,892 |
| Purchase of long-term investments | | |
| - Subsidiaries | (3,735) | (90,150) |
| Interest received | 12,040,311 | 8,795,523 |
| Net cash flow from / (used in) investing activities (B) | 21,087,496 | 8,016,150 |

| Particulars | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|-----------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| C. Cash flow from financing activities | | |
| Net increase / (decrease) in working capital borrowings | 201,621,764 | 874,035,207 |
| Proceeds from other short-term borrowings | 55,648,038 | 112,389,671 |
| Repayment of other short-term borrowings | (41,048,038) | (112,389,671) |
| Finance cost | (16,857,146) | (33,771,974) |
| Dividends paid | (16,393,154) | (16,386,673) |
| Tax on dividend | (2,791,589) | (2,664,700) |
| Net cash flow from / (used in) financing activities (C) | 180,179,875 | 821,211,860 |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 139,291,246 | 147,323,795 |
| Cash and cash equivalents at the beginning of the year | 235,700,142 | 88,376,347 |
| Cash and cash equivalents at the end of the year | 374,991,388 | 235,700,142 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 15) | | |
| Cash and cash equivalents at the end of the year * | | |
| * Comprises: | | |
| (a) Cash on hand | 1,072,323 | 665,812 |
| (i) In current accounts | 182,222,459 | 106,682,303 |
| (ii) In EEFC accounts | 15,268,155 | 12,302,376 |
| (ii) In deposit accounts with original maturity of less than 3 months | 175,280,924 | 114,854,263 |
| (iii) In earmarked accounts (give details) (Refer Note (ii) below) | 1,147,527 | 1,195,388 |
| | 374,991,388 | 235,700,142 |

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying 'Notes forming part of the consolidated financial statements

In terms of our report attached.

For SNK & Co.

Chartered Accountants

FRN: 109176W

Sd/-

Sanjay N Kapadia

Partner

M.No. 38292

Place : Mumbai

Dated : 15th May'2015

For and on behalf of the Board of Directors

Sd/-

Mr. Chander Mohan
Chairman

Sd/-

Mr. Saurabh Malhotra
Managing Director

Sd/-

Mr. Radhe Shyam
Director

Place : Mumbai

Date : 15th May'2015



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

Sakuma Exports Limited (Government of India recognised Trading House) is a public limited company domiciled in India and incorporated under the provisions of Companies Act 1956. Its shares are listed on two stock exchange in India. The company is engaged in exports of commodities like Sugar, Rice, Maize, Sesame Seeds, Ground Nuts, Pulses, Oil Meal, Raw Cotton etc. and import of commodities like sugar, coal and Oil. The company caters to both domestic and international markets.

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guide lines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis under the historical cost convention on the accrual basis of accounting, unless stated otherwise. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for depreciation and amortization as described in the accounting policy on depreciation and amortization.

Principles of Consolidation

The consolidated financial statements of the Group are prepared in accordance with Accounting Standard 21 – 'Consolidated Financial Statements'. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

- The financial statements of the Parent and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra group balances and intra group transactions. The unrealized profits or losses resulting from intra-group transactions and balances have been eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.
- The excess of the cost to the Company of its investment in the subsidiaries over the Company's portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as Capital reserve.
- The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.
- Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interest's share of net assets is presented separately in the balance sheet.
- List of subsidiaries which are included in the consolidation and the Company's effective holdings therein are as under:

| Name of Company | Country of Incorporation | % of Voting Power held | Date of Acquisition |
|------------------------------------|--------------------------|------------------------|---------------------|
| GKM General Trading LLC* | UAE | 49% | 26/09/2011 |
| Sakuma Exim DMC | UAE | 100% | 30/11/2011 |
| Sakuma Exports Pte Ltd | Singapore | 100% | 25/01/2013 |
| Sakuma Exports (Ghana) Ltd # | Ghana | 100% | 07/08/2013 |
| Sakuma Exports Tanzania Pvt Ltd ** | Tanzania | 100% | 10/07/2013 |

#Sakuma Exports (Ghana) Limited is the wholly owned subsidiary of Sakuma Exports Pte Limited.

*The company holds voting power of 49% in GKM General Trading LLC as per the legal laws of the Country (Dubai). However, for consolidation purpose, 80% assets and liabilities are consolidated, since the profit sharing of Sakuma Exports Limited in the subject company is 80%.

** Sakuma Exports (Tanzania) Limited is held by both Sakuma Exports Pte Limited and Sakuma Exim DMCC to the extent of 99% and 1% respectively. However, consolidation of the same is not made, as there are no transactions except expense relating to the formation of the company.

Summary of Significant Accounting Policies

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although the estimates are based on managements best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets or liabilities in future period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.3 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories have been computed to include all cost of purchase, and other cost incurred in bringing the goods to the point of sale. The cost is determined using the First in First Out Basis (FIFO).

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method as prescribed by the Securities Exchange Board of India and in accordance with the provisions of accounting standard -3 issued by the Institute of Chartered Accountant of India whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortisation

Depreciation of parent company has been provided based on the life assigned to each assets in accordance with Schedule II of the Companies Act 2013. The Assets of the subsidiary company has been depreciated at the rate prescribed by the law prevailing in the respective countries

2.6 Revenue recognition

(a) Sale of goods

Revenue from Sale of goods are recognised, on transfer of significant risks and rewards of ownership to the buyer i.e. on shipment or dispatch of goods to customers and is recorded net of Duties and Taxes.

Revenue from Sale of Services rendered are recognised on Completion of Service.

Export Incentive in the form of credit earned on exports made during the year, under Duty Free Import Authorization/ Duty Entitlement Pass Book (DEPB)/Target Plus Licenses(DFCE) are accounted for at the time of sale/utilization of license due to uncertainty associated with respect to Sale/Utilization. Duty Drawback is accounted on Accrual Basis

(b) Other income

Dividend Income from investments are recognized on receipt basis.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

2.7 Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets direct/ indirect and incidental expenses incurred to bring them into their present location and conditions.. Subsequent expenses relating to fixed assets are capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.8 Foreign currency transactions and translations

(a) Initial recognition

Transactions in foreign currencies entered into by the Company and its non- integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.



(b) Conversion

At the year end ,monetary item denominated in foreign currencies, other than those covered by forward contract ,are converted into rupee equivalents at the year end exchange rates.

(c) Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its non integral foreign operations are recognized on Foreign Currency Translation reserve (FCTL) shown under Reserve and Surplus.

(d) Measurement of foreign currency monetary items at the Balance Sheet date

During the period under consideration, foreign subsidiaries of the company were also involved in independent operations and accordingly, as per the requirements of AS-11 – “The Effects of Changes in Foreign Exchange rates”, these operations are considered as non-integral foreign operations.

In the case of non integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried out at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated at the average exchange rates prevailing during the respective month. Exchange differences arising out of these translations are transferred to Foreign Currency Translation Reserve (FCTL).

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

2.9 Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made ,are classified as current investments all other investments are classified as non current investments.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.10 Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

(a) Defined contribution plans

The Company’s contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

(b) Defined benefit plans

Defined Benefit Plan i.e gratuity is recognised on accrual basis based on the actuarial valuation in accordance with the requirement of Accounting Standard 15(Revised)-”Employee Benefits”.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional units of employee benefit entitlement and measures each unit separately to build up the final obligation.The particulars under the AS 15(Revised) are furnished in Disclosure.

(c) Short-term employee benefits

Short Term Employee Benefit payable within one year is provided on accrual basis at actual value.

2.11 Borrowing costs

Borrowing cost directly attributable to development of qualifying assets are capitalized till the date qualifying assets is ready for put to use for its intended purpose as part of cost of that assets .Other borrowing cost are recognised as expenses in the period in which they are incurred.

2.12 Segment reporting

The company’s business activity falls within a single primary segment viz. exports of commodities. In view of the general clarification (ASI-20 dtd. 14th February, 2004) issued by the Institute of Chartered Accountant of India for companies operating in single segment, the disclosure requirements as per AS-17, “Segment Reporting” is not applicable to the company.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14 Taxes on income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period in future.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.15 Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit and loss. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimates of recoverable amount. The carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.



2.16 Provisions and contingencies

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.17 Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in “Accounting Standard 30 Financial Instruments: Recognition and Measurement”. These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in “Hedging reserve account” under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the “Hedging reserve account” are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in “Hedging reserve account” is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in “Hedging reserve account” is immediately transferred to the Statement of Profit and Loss.

2.18 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

2.19 Commodities & Stock Futures

Commodities futures are marked to market on a daily basis. Debit or Credit balance disclosed under loans and advances or current liabilities respectively, in the “Mark to Market Margin Account” represents the net amount paid or received on the basis of movement in the prices of commodities futures till the balance sheet date.

As on balance sheet date, profit/ loss on open position in commodities futures are accounted as follows

- Credit Balance in the “Mark to Market Margin Account” being anticipated profit is ignored and no profit for the same is taken in the profit and loss account.
- Debit balance in the “Mark to Market Margin Account” being anticipated loss is charged to profit and loss account.

Settlement and Squaring up of contract is accounted as follows

- On final delivery settlement the difference between the settlement price and contract price is added/reduced from/to sale/purchase.
- On squaring up of the contract the difference between the squared up price and contract price is recognized in profit and loss account

When more than one contract in respect of the relevant series of commodity future contract to which the settled/squared up contract pertains is outstanding at the time of settlement/squaring up of the contract, the contract price is determined using weighted average method for calculating the difference/ profit/loss on settlement/squaring up.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 Share Capital

| Particulars | As at 31 March, 2015 | | As at 31 March, 2014 | |
|------------------------------------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | Number of shares | ₹ | Number of shares | ₹ |
| (a) Authorised | | | | |
| Equity shares of ₹ Rs.10/- each with voting rights | 3,00,00,000 | 30,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| (b) Issued | | | | |
| Equity shares of ₹ Rs.10/- each with voting rights | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| (c) Issued, Subscribed and fully paid up | | | | |
| Equity shares of ₹ Rs.10/- each with voting rights | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| Total issued, Subscribed and fully paid -up share capital | <u>1,64,25,943</u> | <u>16,42,59,430</u> | <u>1,64,25,943</u> | <u>16,42,59,430</u> |

Note 3 A Share Capital

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars | Opening Balance | Fresh issue | Bonus | ESOP | Conversion | Buy back | Other changes (give details) | Closing Balance |
|-----------------------------------------|-----------------|-------------|-------|------|------------|----------|------------------------------|-----------------|
| Equity shares with voting rights | | | | | | | | |
| Year ended 31 March, 2015 | | | | | | | | |
| - Number of shares | 1,64,25,943 | - | - | - | - | - | - | 1,64,25,943 |
| - Amount (₹10 each) | 16,42,59,430 | - | - | - | - | - | - | 16,42,59,430 |
| Year ended 31 March, 2014 | | | | | | | | |
| - Number of shares | 1,64,25,943 | - | - | - | - | - | - | 1,64,25,943 |
| - Amount (₹10 each) | 16,42,59,430 | - | - | - | - | - | - | 16,42,59,430 |

Terms/Rights attached to Equity Shares

The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2015, the amount of per share recognised as distributions to equity shareholders was ₹ 1 per share (31st March 2014 ₹ 1 per share).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, . The distribution will be in proportion to the number of equity shares held by the shareholders.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 3 B Share Capital****(i) Details of shares held by each shareholder holding more than 5% shares:**

| Class of shares / Name of shareholder | As at 31 March, 2015 | | As at 31 March, 2014 | |
|----------------------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Mrs. Kusum Chandermohan Malhotra | 31,10,000 | 18.93% | 33,10,000 | 20.15% |
| Mr. Saurabh Malhotra | 32,20,000 | 19.60% | 30,20,000 | 18.39% |
| Mr. Chandermohan Malhotra | 14,74,959 | 8.98% | 14,17,289 | 8.63% |
| M/s Sakuma Infrastructure and Realty Pvt Ltd | 26,67,245 | 16.24% | 26,31,929 | 16.02% |
| Mr. Ashok Mittal | 9,01,725 | 5.49% | 9,01,725 | 5.49% |

Note-: As per records of the company, including register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note No 4 Consolidated Reserves And Surplus

| Particulars | As at 31 March, 2015 | As at 31 March, 2014 |
|------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| | ₹ | ₹ |
| (a) Capital redemption reserve | | |
| Opening balance | 10,00,09,200 | 10,00,09,200 |
| Closing balance | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | | |
| Opening balance | 26,74,18,430 | 26,74,18,430 |
| Closing balance | 26,74,18,430 | 26,74,18,430 |
| (c) Statutory Reserve | | |
| Opening balance | 18,50,892 | 18,50,892 |
| Transferred from surplus in Statement of Profit and Loss | - | - |
| Closing balance | 18,50,892 | 18,50,892 |
| (d) Foreign currency translation reserve | | |
| Opening balance | (1,92,49,383) | - |
| Add / (Less): Effect of foreign exchange rate variations during the year | (2,12,10,150) | (2,45,13,536) |
| Add / (Less): Transfer to Minority Interest | 10,66,580 | 52,64,153 |
| Closing balance | (3,93,92,953) | (1,92,49,383) |
| (e) Hedging reserve | | |
| Opening balance | 5,25,03,611 | (6,79,054) |
| Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year | (4,71,09,057) | 5,31,82,665 |
| Closing balance | 53,94,554 | 5,25,03,611 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|----------------------------------------------------------------|------------------------------|------------------------------|
| (f) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 29,01,19,779 | 13,99,77,682 |
| Add: Profit / (Loss) for the year | 19,58,30,061 | 16,30,23,809 |
| Less: Appropriations | | |
| Dividends proposed to be distributed to equity shareholders | (1,64,25,943) | (1,64,25,943) |
| Tax on dividend (Refer Note 19) | - | (27,91,589) |
| Add/(Less) Adjustment on Account of Change in Classification | - | 63,35,820 |
| Closing balance | 46,95,23,897 | 29,01,19,779 |
| Total Reserves and Surplus (a to f) | 80,48,04,020 | 69,26,52,529 |

Note 5 Consolidated Short-Term Borrowings

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------|------------------------------|------------------------------|
| (a) Loans repayable on demand | | |
| From banks | | |
| Secured (Refer Note below) | 1,26,99,11,440 | 1,02,96,30,109 |
| | <u>1,26,99,11,440</u> | <u>1,02,96,30,109</u> |
| From other parties | | |
| Unsecured | 1,46,00,000 | - |
| | <u>1,46,00,000</u> | <u>-</u> |
| Total | 1,28,45,11,440 | 1,02,96,30,109 |

Notes:

Details of security for the secured short-term borrowings:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-----------------------------------------|------------------------------|------------------------------|
| <u>Loans repayable on demand</u> | | |
| <u>From banks:</u> | | |
| Packing Credit Rupees Loan | 1,26,99,11,440 | 19,80,00,000 |
| Packing Credit Foreign Currency | - | 83,16,30,109 |
| Total - from banks | 1,26,99,11,440 | 1,02,96,30,109 |

- (i) Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts, Current assets, Fixed assets other than vehicles and Leasehold land, Lien on Term Deposits and pledge of shares of promoters of the company. Cash Credit is repayable on demand and carries interest @13.85% p.a . Packing credit Loan is repayable within 90 days and carries interest rate @ 10.75% p.a upto the period of Credit.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

- (ii) Cash Credit and Packing Credit from Axis Bank are secured against Hypothecation of Inventory, Book debts, Current assets, and mortgage of immovable property of promoters of the company. Cash Credit is repayable on demand and carries interest @13.25% p.a. Packing credit Loan is repayable within period from 90 days to 120 days and carries interest rate @ 12.15% p.a upto the period of Credit.
- (iii) Cash Credit and Packing Credit from Indian Overseas Bank are secured against Hypothecation of Inventory, Book debts, Current assets, Lien on Term Deposits of the company. Cash Credit is repayable on demand and carries interest @14.50% p.a. Packing credit Loan is repayable within period from 90 days to 120daays and carries interest rate @ 11% p.a upto the period of Credit.
- (iv) Secured Short Term Borrowings Limit of the company has been increased by 35 Crores during the year. Short Term Borrowings are secured pari passu with existing banker against stocks, receivables, other current assets, collateral property and against personal guarantee of directors. During the year company has availed packing credit rupee loan against enhanced limit carrying interest rate @ 11.25% .

Note 6 Consolidated Trade Payables

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------|------------------------------|------------------------------|
| Trade payables: | | |
| (a) For Goods | 2,89,18,55,797 | 63,46,64,858 |
| (b) For Expenses | 3,79,72,721 | 6,53,51,096 |
| Total | 2,92,98,28,518 | 70,00,15,954 |

Note 7 Consolidated Other Current Liabilities

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Unpaid dividends | 7,32,720 | 6,99,931 |
| (b) Other payable | | |
| (i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) | 17,18,119 | 19,05,546 |
| (ii) Advances from customers | 2,90,69,299 | 2,67,26,932 |
| (c) Others | | |
| (i) Unpaid Redemption Preference Shares Proceeds | 4,22,506 | 4,22,506 |
| (ii) M2M Gain/Loss Unrealised | 2,21,956 | 91,91,220 |
| Total | 3,21,64,600 | 3,89,46,135 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 8 Consolidated Short-Term Provisions

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------|------------------------------|------------------------------|
| (a) Provision for employee benefits: | | |
| (i) Provision for bonus | 6,38,442 | 11,47,498 |
| (ii) Provision for compensated absences | 2,13,209 | 2,21,065 |
| (iii) Provision for gratuity (net) (Refer Note 25.2.) | 1,96,773 | 4,89,580 |
| | 10,48,424 | 18,58,143 |
| (b) Provision - Others: | | |
| (i) Provision for tax | 13,144 | 16,23,486 |
| (ii) Provision for proposed equity dividend | 2,08,38,143 | 1,64,25,943 |
| (iii) Provision for tax on proposed dividends | - | 27,91,589 |
| (iv) Provision - others | 3,70,09,364 | 6,90,87,043 |
| | 5,78,60,651 | 8,99,28,061 |
| Total (a+b) | 5,89,09,075 | 9,17,86,204 |

Note 9 A Consolidated Fixed Assets

| Tangible assets | Gross block | | | | | |
|----------------------------|-----------------------------------------|----------------------------------|----------------------------------------------|-------------------------------|-------------------|------------------------------------|
| | Balance as at 1 April, 2014 TOTAL | Additions- Sakuma Exports Ltd | Additions- Sakuma Exports (Ghanna) Ltd | Borrowing cost capitalised | Other adjustments | Balance as at 31 March, 2015 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| (a) Land | | | | | | |
| Leasehold | 12,70,000 | - | - | - | - | 12,70,000 |
| (b) Plant and Equipment | | | | | | |
| Owned | 7,44,17,284 | - | - | - | - | 7,44,17,284 |
| (c) Furniture and Fixtures | | | | | | |
| Owned | 3,74,772 | 92,628 | - | - | - | 4,67,400 |
| (d) Vehicles | | | | | | |
| Owned | 2,27,31,462 | - | - | - | - | 2,27,31,462 |
| (e) Office equipment | | | | | | |
| Owned | 36,79,950 | 3,37,340 | 9,055 | - | - | 40,26,345 |
| (f) Computer Software | | | | | | |
| Owned | - | 6,19,385 | - | - | - | 6,19,385 |
| Total | 10,24,73,468 | 10,49,353 | 9,055 | - | - | 10,35,31,876 |
| Previous year | 9,61,21,911 | 63,51,557 | - | - | - | 10,24,73,468 |

| Tangible assets | Accumulated depreciation and impairment | | | | Net block | | |
|----------------------------|--------------------------------------------|--------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | Balance as at 1 April, 2014-TOTAL | Depreciation / amortisation expense for the year - Sakuma | Depreciation - GKM General Trading LLC | Depreciation - Sakuma Exports (Ghanna) Ltd | Balance as at 31 March, 2015 | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| (a) Land | | | | | | | |
| Leasehold | 3,83,112 | 1,52,245 | - | - | 5,35,357 | 7,34,643 | 8,86,888 |
| (b) Plant and Equipment | | | | | | | |
| Owned | 4,89,95,688 | 29,53,188 | - | - | 5,19,48,876 | 2,24,68,408 | 2,54,21,596 |
| (c) Furniture and Fixtures | | | | | | | |
| Owned | 1,28,351 | 51,911 | - | 5,334 | 1,85,596 | 2,81,804 | 2,46,421 |
| (d) Vehicles | | | | | | | |
| Owned | 1,16,59,467 | 37,36,760 | - | - | 1,53,96,227 | 73,35,235 | 1,10,71,995 |



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

| Tangible assets | Accumulated depreciation and impairment | | | | Net block | | |
|-----------------------------|-----------------------------------------|-----------------------------------------------------------|----------------------------------------|-------------------------------------------|------------------------------|------------------------------|------------------------------|
| | Balance as at 1 April, 2014-TOTAL | Depreciation / amortisation expense for the year - Sakuma | Depreciation - GKM General Trading LLC | Depreciation - Sakuma Exports (Ghana) Ltd | Balance as at 31 March, 2015 | Balance as at 31 March, 2015 | Balance as at 31 March, 2014 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| (e) Office equipment Owned | 17,40,908 | 11,56,274 | 19,899 | 5,351 | 29,22,432 | 11,03,913 | 19,39,042 |
| (f) Computer Software Owned | - | 2,79,157 | - | - | 2,79,157 | 3,40,228 | - |
| Total | 6,29,07,526 | 83,29,535 | 19,899 | 10,685 | 7,12,67,645 | 3,22,64,231 | 3,95,65,942 |
| Previous year | 5,49,37,752 | 79,69,774 | - | - | 6,29,07,526 | 3,95,65,942 | 4,11,84,158 |

Note 9 B Consolidated Fixed Assets

Depreciation and amortisation relating to continuing operations:

| Particulars | For the year ended 31 March, 2015 | For the year ended 31 March, 2014 |
|-------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| | ₹ | ₹ |
| Depreciation and amortisation for the year on tangible assets as per Note 9 A | 83,60,119 | 79,69,774 |
| Total | 83,60,119 | 79,69,774 |

Note 10 Consolidated Non Current Investments

| Particulars | As at 31 March, 2015 | | | As at 31 March, 2014 | | |
|-------------------------------------------------------------------------------|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
| | Quoted ₹ | Unquoted ₹ | Total ₹ | Quoted ₹ | Unquoted ₹ | Total ₹ |
| A Other investments | | | | | | |
| (a) Investment in government securities - NSC | - | 16,100 | 16,100 | - | 16,100 | 16,100 |
| (b) Other non-current investments | | | | | | |
| (i) Investment in shares of Sakuma Exports Tanzania Limited (Refer Note 2.1e) | - | 93,885 | 93,885 | - | 90,150 | 90,150 |
| Total (a + b) | - | 1,09,985 | 1,09,985 | - | 1,06,250 | 1,06,250 |

Note 11 Consolidated Long-Term Loans And Advances

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------|------------------------|------------------------|
| (a) Security deposits | | |
| Unsecured, considered good (Refer note below) | 90,00,000 | 90,00,000 |
| (b) Advance income tax (net of provisions) | 19,47,960 | 25,64,824 |
| (c) Advance for Capital Assets | | |
| Unsecured, considered good | - | 3,09,692 |
| Total (a+b+c) | 1,09,47,960 | 1,18,74,516 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note: Long-term loans and advances include amounts due from:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|---------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Private companies in which any director is a director or member M/s Sakuma Infrastructure and Realty Pvt Ltd | 74,70,000 | 74,70,000 |
| (b) Relative of Director Mrs Kusum Malhotra (Wife of Director) | 15,30,000 | 15,30,000 |
| Total | 90,00,000 | 90,00,000 |

Note 12 Consolidated Other Non-Current Assets

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|---------------------------------------------------------------|------------------------------|------------------------------|
| (a) Long-term trade receivables Unsecured, considered good | 96,22,314 | 96,22,314 |
| Total | 96,22,314 | 96,22,314 |

Note 13 Consolidated Inventories

(At lower of cost and net realisable value)

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------|------------------------------|------------------------------|
| (a) Stock-in-trade (acquired for trading) | 35,01,64,209 | 46,62,02,884 |
| Total | 35,01,64,209 | 46,62,02,884 |

Note No. 14 Consolidated Trade Receivables

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good | 1,88,004 | 1,88,004 |
| (b) Other Trade receivables Unsecured, considered good | 4,14,72,68,151 | 1,54,76,94,485 |
| Total | 4,14,74,56,155 | 1,54,78,82,489 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 15 Consolidated Cash And Cash Equivalents**

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (a) Cash on hand | 10,72,323 | 6,65,812 |
| (b) Balances with banks | | |
| (i) In current accounts | 18,22,22,459 | 10,66,82,303 |
| (ii) In EEFC accounts | 1,52,68,155 | 1,23,02,376 |
| (iii) In earmarked accounts | | |
| Unpaid dividend accounts | 11,47,527 | 11,95,388 |
| Balances held as margin money or security against borrowings, guarantees and other commitments | 17,52,80,924 | 11,48,54,263 |
| Total | 37,49,91,388 | 23,57,00,142 |

Note 16 Consolidated Short-Term Loans And Advances

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------------------------|------------------------------|------------------------------|
| (a) Loans and advances to related parties | | |
| Unsecured, considered good | 88,753 | - |
| | 88,753 | - |
| (b) Security deposits | | |
| Unsecured, considered good | 31,74,792 | 14,25,024 |
| | 31,74,792 | 14,25,024 |
| (c) Loans and advances to employees | | |
| Unsecured, considered good (Refer Note below) | 21,25,232 | 21,37,000 |
| | 21,25,232 | 21,37,000 |
| (d) Advance recoverable in cash or kind | | |
| Unsecured, considered good | 30,05,25,584 | 28,73,91,393 |
| | 30,05,25,584 | 28,73,91,393 |
| (e) Other Loans and Advances | | |
| Advance Tax (Net of Provision for Tax ₹ 3,85,05,165/-) | 36,40,941 | - |
| Prepaid expenses - Unsecured, considered good | 68,90,304 | 53,21,346 |
| (i) Duty Drawback Receivable | 1,47,23,191 | 8,07,19,445 |
| (ii) VAT credit receivable | 20,35,736 | 18,15,409 |
| (iii) Service Tax Refund receivable | 2,59,09,578 | 2,14,76,377 |
| | 5,31,99,750 | 10,93,32,577 |
| Total | 35,91,14,111 | 40,02,85,994 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note: Short-term loans and advances include amounts due from:

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|--------------------------------------------|------------------------------|------------------------------|
| (a) Loans and advances to employees | | |
| (i) Dues from officers | 21,25,232 | 21,37,000 |
| (ii) CKK Exports Private Limited | 5,87,936 | 5,42,936 |
| Total | 27,13,168 | 26,79,936 |

Note 17 Consolidated Other Current Assets

| Particulars | As at 31 March, 2015 ₹ | As at 31 March, 2014 ₹ |
|------------------------------------|------------------------------|------------------------------|
| (a) Accruals | | |
| (i) Interest accrued on deposits | 54,27,271 | 59,30,883 |
| (b) Others | | |
| (i) Fair Value of Forward Contract | 50,82,893 | 1,76,97,242 |
| Total | 1,05,10,164 | 2,36,28,125 |

Note 18 Consolidated Revenue From Operations

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) Sale of products (Refer Note (i) below) | 17,94,45,91,204 | 15,67,76,82,324 |
| (b) Other operating revenues (Refer Note (ii) below) | 5,37,41,624 | 10,86,78,550 |
| Total | 17,99,83,32,828 | 15,78,63,60,874 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| (i) | <u>Traded goods</u> | | |
| | Sugar | 11,37,80,71,150 | 9,60,20,74,608 |
| | Raw Cotton | 9,60,28,658 | 1,27,35,82,260 |
| | Oil | 3,00,86,99,289 | 9,11,60,535 |
| | Other commodities | 3,46,17,92,107 | 4,71,08,64,921 |
| | Total - Sale of traded goods | 17,94,45,91,204 | 15,67,76,82,324 |
| (ii) | Other operating revenues comprise: | | |
| | Commission Income | 18,75,600 | - |
| | Duty drawback and other export incentives | 5,18,66,024 | 10,86,78,550 |
| | Total - Other operating revenues | 5,37,41,624 | 10,86,78,550 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 19 Consolidated Other Income**

| Particulars | For the year ended 31 March, 2015 | For the year ended 31 March, 2014 |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (a) Interest Income (Refer Note (a) below) | 1,20,40,311 | 89,20,744 |
| (b) Dividend income: | | |
| From Current investments | | |
| Others | 1,00,06,885 | 27,11,943 |
| (c) Net gain on sale of: | | |
| current investments | 1,02,443 | 12,94,077 |
| (d) Net gain on foreign currency transactions and translation (other than considered as finance cost) | 8,10,58,406 | 1,89,18,337 |
| (e) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (b) below) | 20,98,913 | - |
| Total | 10,53,06,958 | 3,18,45,101 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|--------------------------------|-------------------------------------------|-------------------------------------------|
| (a) | Interest income comprises: | | |
| | Interest from banks on: | | |
| | Deposits | 1,20,40,311 | 87,95,523 |
| | Other interest | - | 1,25,221 |
| | Total - Interest income | 1,20,40,311 | 89,20,744 |

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------|----------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (b) | Liabilities / provisions no longer required written back | 20,98,913 | - |
| | Total - Other non-operating income | 20,98,913 | - |
| | Total | 1,41,39,224 | 89,20,744 |

Note 20A Consolidated Purchase of Traded Goods

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------------|-------------------------------------------|-------------------------------------------|
| Sugar | 10,57,71,10,095 | 8,77,88,45,880 |
| Raw Cotton | 8,33,15,601 | 1,11,80,16,195 |
| Oil | 2,92,66,48,496 | 8,77,84,800 |
| Other Commodities | 3,20,38,40,320 | 4,26,58,88,262 |
| Total | 16,79,09,14,512 | 14,25,05,35,137 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 20B Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| Inventories at the end of the year: | | |
| Stock-in-trade | 35,01,64,209 | 46,62,02,884 |
| | 35,01,64,209 | 46,62,02,884 |
| Inventories at the beginning of the year: | | |
| Stock-in-trade | 46,62,02,883 | 63,90,54,317 |
| | 46,62,02,883 | 63,90,54,317 |
| Net (increase) / decrease | 11,60,38,674 | 17,28,51,434 |

Note 21 Consolidated Employee Benefits Expense

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|--------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| Salaries and wages | 3,66,90,351 | 3,40,25,879 |
| Directors Remuneration | 1,21,00,160 | 95,88,111 |
| Contributions to provident and other funds (Refer Note 25.1) | 4,39,683 | 3,01,702 |
| Contributions to Gratuity Fund (Refer Note 25.2) | 1,96,773 | 5,04,946 |
| Staff welfare expenses | 12,08,670 | 26,21,608 |
| Total | 5,06,35,637 | 4,70,42,246 |

Note 22 Consolidated Finance Costs

| Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| (a) Interest expense on: | | |
| (i) Borrowings | 1,56,46,141 | 1,81,34,401 |
| (ii) Trade payables | 78,906 | 34,47,886 |
| (iii) Others | | |
| Interest on delayed / deferred payment of income tax | 8,426 | 19,035 |
| Interest on Service Tax /Others | 13,719 | 3,262 |
| (b) Other borrowing costs | 11,09,954 | 1,21,67,390 |
| Total | 1,68,57,146 | 3,37,71,974 |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 23 Consolidated Other Expenses**

| Particulars | For the year ended 31 March, 2015 | For the year ended 31 March, 2014 |
|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| Bank Charges | 86,48,835 | 2,16,09,291 |
| Power and fuel | 9,02,838 | 14,18,281 |
| Rent including lease rentals | 77,07,288 | 1,00,99,362 |
| Repairs and maintenance - Buildings | 5,96,420 | 4,51,179 |
| Repairs and maintenance - Machinery | 22,21,031 | 28,32,188 |
| Repairs and maintenance - Others | 3,19,595 | 17,59,931 |
| Insurance | 22,28,847 | 25,84,543 |
| Rates and taxes | 11,15,186 | 2,10,71,122 |
| Communication | 32,03,116 | 55,39,291 |
| Travelling and conveyance | 75,60,173 | 98,11,217 |
| Printing and stationery | 7,06,552 | 16,56,305 |
| Freight and forwarding | 41,73,33,558 | 43,60,22,791 |
| Sales commission | 79,35,140 | 1,76,83,855 |
| Business promotion | 16,50,934 | 35,04,383 |
| Legal and professional | 1,07,23,675 | 86,48,989 |
| Payments to auditors (Refer Note (i) below) | 10,11,495 | 12,13,128 |
| Labour Charges | 42,11,161 | 31,27,584 |
| Loading and Unloading Charges | 48,19,508 | 1,94,40,031 |
| Terminal and Handling Charges | 4,16,08,092 | 5,58,13,825 |
| Transport Charges | 29,38,65,368 | 39,63,34,824 |
| Warehouse Charges | 2,24,55,792 | 2,26,75,988 |
| Custom Duty | 1,07,74,298 | 15,52,691 |
| Demurrage Charges | 39,20,758 | 40,03,464 |
| Detention Charges | 28,42,200 | 96,58,916 |
| Wharfage Charges | - | 14,15,945 |
| Brokerage on trading in Commodities & Securities Exchange | 7,30,935 | 47,29,166 |
| ECGC Premium | 16,90,657 | 20,16,254 |
| Lodging & Boarding | 31,13,689 | 28,19,508 |
| Claims | - | 1,21,40,160 |
| Ground Rent Charges | 38,20,203 | 4,94,568 |
| Directors Sitting Fees | 6,97,000 | 6,46,000 |
| Bad trade and other receivables, loans and advances written off | 15,83,013 | 9,86,215 |
| Miscellaneous expenses | 92,66,381 | 85,18,325 |
| Corporate Social Responsibility Expenses | 17,79,866 | - |
| Total | 88,10,43,604 | 1,09,22,79,320 |

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 24 Additional information to the financial statements

24.1 Contingent liabilities and commitments (to the extent not provided for)

| Particulars | As at 31 March, 2015 | As at 31 March, 2014 |
|-------------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------|
| (A) Contingent liabilities | | |
| (a) Claims against the Company not acknowledged as debt with respect to | | |
| (i) Sugar Import Consignment pertaining to year 2009-10 | USD 11,23,425 & Rs.60,43,987/- and Interest @8% | USD 11,23,425 & Rs.60,43,987/- and Interest @8% |
| (ii) Quality issue of Goods Supplied | 15,87,450 | 15,87,450 |
| (iii) Disputed Income tax demands for AY 2009-10 | 14,60,411 | 14,60,411 |
| | As at 31 March, 2015 | As at 31 March, 2014 |
| (B) Commitments | | |
| (a) Other commitments | | |
| (i) Outstanding Currency Forward Contracts (Sale) | USD 2,78,50,691 | USD 1,76,82,508 |
| (ii) Outstanding Currency Forward Contracts (Buy) | USD 41,94,000 | USD 26,83,000 |

24.2 Corporate Social Responsibility Expenditure

Company has set apart an amount of ₹ 17,79,866 to be spent as Corporate Social Responsibility expenditure, however, as 31st March, 2015 the said amount is unspent.

Note 25 Disclosures under Accounting Standards

| Note | Particulars |
|------|----------------------------------------------------------------------------|
| 25.1 | Related party transactions |
| | Details of related parties: |
| | Description of relationship |
| | Names of related parties |
| | Holding Company |
| | Key Management Personnel (KMP) |
| | Relatives of KMP |
| | Company in which KMP / Relatives of KMP can exercise significant influence |
| | Sakuma Exports Limited |
| | Mr.Chander Mohan |
| | Mr. Saurabh Malhotra |
| | Mrs.Shipra Medirrata |
| | Mrs Kusum Malhotra |
| | Sakuma Finvest Private Limited |
| | GMK System and Logistics Pvt Ltd |
| | Sakuma Infrastructure and Realty Private Limited |
| | C.K.K Exports Pvt Ltd |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

25.2 Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

| Particulars | KMP | Relatives of KMP | Entities in which KMP / relatives of KMP have significant influence | Total (in ₹) |
|------------------------------------------------------------|-------------|------------------|---------------------------------------------------------------------|--------------|
| Directors Sitting Fees | - | 1,36,000 | - | 1,36,000 |
| | - | (1,02,000) | - | (1,02,000) |
| Rent Paid | - | 11,46,072 | 55,95,528 | 67,41,600 |
| | - | (11,46,072) | (55,95,528) | (67,41,600) |
| Management contracts including for deputation of employees | 1,16,00,000 | - | - | 1,16,00,000 |
| | (91,00,000) | - | - | (91,00,000) |
| Commission Expense | - | - | - | - |
| | - | - | (2,31,210) | (23,1,210) |
| Balance as at 31st March 2015 | | | | |
| Trade Payable | - | - | - | - |
| | - | - | (1,86,210) | (1,86,210) |
| Short Term Loans and Advances | - | - | 5,87,936 | 5,87,936 |
| | - | - | (5,42,936) | (5,42,936) |
| Long Term Loan and Advances | - | 15,30,000 | 74,70,000 | 90,00,000 |
| | - | (15,30,000) | (74,70,000) | (90,00,000) |
| Provision (Directors Remuneration Payable) | 10,00,000 | - | - | 10,00,000 |
| | (8,00,000) | - | - | (8,00,000) |

Note 26 Disclosures under Accounting Standards

| Note | Particulars | For the year ended 31 March, 2015 ₹ | For the year ended 31 March, 2014 ₹ |
|-----------|--------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| 26 | Earning Per Share | | |
| | Basic & Diluted | | |
| | Net profit / (loss) for the year | 19,58,30,061 | 16,30,23,809 |
| | Less: Preference dividend and tax thereon | - | - |
| | Net profit / (loss) for the year attributable to the equity shareholders | 19,58,30,061 | 16,30,23,809 |
| | Weighted average number of equity shares | 1,64,25,943 | 1,64,25,943 |
| | Par value per share | 10 | 10 |
| | Earnings per share | 11.92 | 9.92 |

Note 27 Previous year's figures

| Note | Particulars |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 27 | Previous year's figures have been regrouped /reclassified where ever necessary to correspond with the current year's classification or disclosure |



SAKUMA EXPORTS LIMITED

Registered Office : 301-A, Aarus Chambers, S.S. Amrutwar Lane, Near Mahindra Tower, Worli, Mumbai-400013

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall

I, hereby record my attendance at the Tenth Annual General Meeting to be held on Tuesday, 11th August, 2015 at 10.30 A.M. Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400018.

| | |
|--------|--|
| DP ID* | |
|--------|--|

| | |
|-------------|--|
| Folio No.** | |
|-------------|--|

| | |
|------------|--|
| Client ID* | |
|------------|--|

| | |
|------------------------------|--|
| No. of Equity Shares held | |
|------------------------------|--|

NAME AND ADDRESS OF THE SHAREHOLDER _____

*To be filled by Shareholders holding shares in dematerialised form

**To be filled by shareholder holding shares in physical form.

Signature of the Shareholder of Proxy



SAKUMA EXPORTS LIMITED

Registered Office : 301-A, Aurus Chambers, S.S. Amrutwar Lane, Near Mahindra Tower, Worli, Mumbai-400013

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

| | |
|-------------------------------|------------------------------------------------------------------------------------|
| CIN: | L51909MH2005PLC155765 |
| Name of the Company: | SAKUMA EXPORTS LIMITED |
| Registered Office: | Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai-400013 |
| Email ID: | companysecretary@sakumaexportsltd.com |
| Folio No / Client ID / DP ID: | |

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1. Name _____

Address _____

Email Id _____

Signature _____ or failing him

2. Name _____

Address _____

Email Id _____

Signature _____ or failing him

3. Name _____

Address _____

Email Id _____

Signature _____ or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on the Tuesday , 11th August, 2015 at 10.30 A.M. Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400018. and at any adjournment thereof in respect of such resolutions as indicated below:

| Resolutions | For | Against |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| 1. Adoption of Financial Statements for the year ended 31 st March, 2015. | | |
| 2. To declare dividend on equity shares. | | |
| 3. Re-appointment of Ms. Shipra Mediratta, who retires by rotation. | | |
| 4. M/s. M.L. Sharma & Co , Chartered Accountants has expressed their intention to act as statutory auditors in the Company in place of M/s. S. N.K & Co., Chartered Accountants the outgoing auditors who has expressed their unwillingness to be re-appointed as auditors of the company. Accordingly a suitable resolution is proposed at item no. 4 of the notice. | | |
| 5. To appoint Shri Om Parkash singal as Independent Director. | | |

Signed this _____ day of _____ 2015.

Signature of shareholder : _____

Signature of Proxy Holder (s): _____

Affix a Re
1.00
revenue
stamp

NOTE: The Proxy Form in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Meeting.

Book-Post

If undelivered, please return to:

Sakuma Exports Limited

301-A, Aarus Chambers,
S.S. Amrutwar Lane, Near Mahindra Tower,
Worli, Mumbai-400013