



# Sakuma Exports Limited

16<sup>th</sup> Annual Report 2020 -2021



# SAKUMA EXPORTS LIMITED

## BOARD OF DIRECTORS

Mr. Saurabh Malhotra– Chairman & Managing Director  
Mr. Ashok Kumar Doda – Independent Director\*  
Mr. Radhe Shyam – Independent Director  
Mr. Om Parkash Singal – Independent Director  
Ms. Shipra Malhotra – Non-Executive Director  
Mr. Vivek Grover – Non-Executive Director  
Mr. Amit Amist – Additional Director (Independent)\$  
\*Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020 due to death  
\$Appointed w.e.f. 13<sup>th</sup> February, 2021

## AUDIT COMMITTEE

Mr. Radhe Shyam, *Chairman*  
Mr. Om Parkash Singal  
Mr. Amit Amist

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Radhe Shyam, *Chairman*  
Ms. Shipra Malhotra  
Mr. Amit Amist

## NOMINATION & REMUNERATION COMMITTEE

Mr. Radhe Shyam, *Chairman*  
Mr. Om Parkash Singal  
Ms. Shipra Malhotra

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mr. Saurabh Malhotra, *Chairman*  
Ms. Shipra Malhotra  
Mr. Om Parkash Singal

## AUDITORS:

**Statutory Auditors:**  
M/s. M. L. Sharma & Co., Chartered Accountants

**Secretarial Auditors:**  
M/s. P. P. Shah & Co., Practicing Company Secretaries

## COMPANY SECRETARY

Mr. Dhiraj Khandelwal

## CHIEF FINANCIAL OFFICER

Mr. Devesh Mishra

## BANKERS

Bank of Maharashtra  
Axis Bank Limited

## REGISTERED OFFICE

Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013

## REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059.  
Tel: 022 6263 8200  
Fax: 022 6263 8299  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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## NOTICE

**NOTICE** is hereby given that the Sixteenth Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Wednesday, 29<sup>th</sup> September, 2021 at 11.00 A.M. Through video conferencing (“VC”) to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the:
  - Audited Standalone Annual Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 and the Reports of the Board of Directors and the Auditors’ thereon; and
  - Audited Consolidated Annual Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021, and the Report of the Auditors’ thereon.
2. To declare dividend @ 5% i.e. Re. 0.05/- per equity share for the financial year 2020 – 21.
3. To appoint a Director in place of Ms. Shipra Malhotra (DIN: 01236811), who retires by rotation and being eligible, offers herself for re-appointment.
4. Re-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) M/s. M. L. Sharma & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 109963W and who hold a certificate issued by the Peer Review Board of ICAI and who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as statutory auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company’s financial year 2021 – 22 at a remuneration of Rs. 12,85,050/- (Rupees Twelve Lacs Eighty Five Thousand Fifty only) plus applicable taxes and re-imburement of out of pocket expenses incurred by them in connection with the audit of accounts of the Company and shall hold office from the conclusion of 16<sup>th</sup> Annual General Meeting until the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company.”

### SPECIAL BUSINESS:

5. To appoint Mr. Amit Amist Shanker (DIN: 05305256) as a Director and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 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), read with Schedule IV of the Companies Act, 2013, as amended from time to time, Mr. Amit Amist Shanker (DIN: 05305256), a Non-Executive Director of the Company, who was appointed as an Additional Director 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, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 21<sup>st</sup> Annual General Meeting of the Company in the calendar year 2026.”

### NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to ordinary business to be transacted at item no. 4 of the notice regarding re-appointment of statutory auditor and special business to be transacted at item no. 5 of the notice regarding appointment of Independent Director is annexed hereto.

**General Instructions for Accessing and participating in the 16<sup>th</sup> e-AGM through VC / OAVM Facility and Voting through Electronic means including Remote E- Voting.**



2. In view of the prevailing lockdown situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, MCA (Ministry of Corporate Affairs) vide circular Nos. Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 read with Circular No. 02/2021 dated January 13, 2021, has permitted Companies to hold their Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) for the calendar year 2020 and 2021. In compliance with the applicable provisions of the Companies Act, 2013 (Act) read with aforesaid MCA circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) the AGM of the Company is being conducted through Video Conferencing (VC) hereinafter called as “e-AGM”.
3. E-AGM shall be conducted through VC / OAVM without the physical presence of the members at a common venue. Members can attend and participate at the ensuing AGM through VC / OAVM only. The venue of the AGM shall be deemed to be the Registered Office of the Company at Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013.
4. **ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC / OAVM.** In terms of provisions of Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
5. The Company has appointed M/s. National Securities Depository Limited to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM. The proceedings of the e-AGM will be web-casted live for all the shareholders who hold shares as on cut-off date i.e. Wednesday, 22<sup>nd</sup> September, 2021. The shareholders can visit <https://www.evoting.nsdl.com/> and login through user id and password to watch the live proceedings of the e-AGM on Wednesday, 29<sup>th</sup> September, 2021 from 11.00 a.m. onwards. Members will have the option to cast their votes either 3 days prior to the date of AGM (Remote E-Voting) or during the AGM (E-Voting). The instructions to vote by remote e-voting and e-voting has been provided below
6. The members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the e-AGM by following the procedure mentioned in this Notice. The facility to join the e-AGM will be made available for 1,000 members on first come first served basis. This will not include Large Shareholders (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors etc. who are allowed to attend the e-AGM without restriction on account of first come first served basis.
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 e-AGM.
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from Wednesday, 22<sup>nd</sup> September, 2021, 2021 to Wednesday, 29<sup>th</sup> September, 2021 (both days inclusive).
9. The attendance of the Members attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The scanned copies of Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the members during the e-AGM.
11. Relevant documents referred to in the accompanying Notice are open for inspection by the Members through electronic mode, basis on the request being sent at [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com).

12. Members desiring any relevant information about the financial statements and/or operations of the Company 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 Company Secretary and Compliance Officer, Mr. Dhiraj Khandelwal at [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com).
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-AGM has been uploaded on the website of the Company at [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com). The Notice can also be accessed from the website of the Stock Exchanges i.e. National Stock Exchanges of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com) and will be made available if a request is sent to the Company at [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com). The Notice of AGM is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
14. Members holding shares in physical form can register their email with the Company / RTA by following the steps as mentioned below at instructions for Members for remote e-voting & voting at E-AGM. Members holding shares in demat form can register their email address with their Depository Participants.
15. 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 Registrar and Share Transfer Agent i.e. M/s. Bigshare Services Private Limited. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s), (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.
16. As per Regulation 40 of the SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can only be transferred in demat form with effect from 01<sup>st</sup> April, 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or its Registrar and Share Transfer Agent.
17. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Share Transfer Agent.
18. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH – 13 for this purpose.
19. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents for receiving communication from the Company in electronic form. Members of the Company, who have registered their e-mail ID, are entitled to receive such communications in physical form upon request.
20. Under the Act, dividends that are unclaimed / unpaid for a period of seven (7) years from the date of their transfer are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of Rs. 2,13,912 being unclaimed / unpaid final dividend of the Company for the financial year ended 31<sup>st</sup> March, 2013 was transferred on 25<sup>th</sup> May, 2021 to IEPF. The last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year ended 31<sup>st</sup> March, 2014 and thereafter is as under:



**For Equity Shareholders:**

Financial Year	Date of Declaration of Dividend	Last Date of claiming Unpaid Dividend
Final Dividend 2013 – 2014	28.08.2014	02.10.2021
Final Dividend 2014 – 2015	11.08.2015	15.09.2022
Interim Dividend 2015 – 2016	11.03.2016	15.04.2023
Final Dividend 2016 – 2017	26.09.2017	31.10.2024
Final Dividend 2017 – 2018	29.09.2018	03.11.2025
Final Dividend 2018 – 2019	24.09.2019	29.10.2026
Final Dividend 2019 – 2020	10.12.2020	14.01.2028

Members who have not encashed their dividend warrants so far in respect of the aforesaid periods, are requested to make their claims to M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company (RTA) or the Company Secretary of the Company, at the Company's Registered Office, well in advance of the above due dates.

Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31<sup>st</sup> March, 2020 (date of the last AGM) on the website of the Company ([www.sakumaexportsltd.com](http://www.sakumaexportsltd.com)) and also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

Further, pursuant to the provisions of Section 124 of the Act, read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published the details thereof in notices published in newspapers.

The shareholders whose dividend / shares is / will be transferred to the IEPF Authority may claim the shares or apply for refund by making an application to the IEPF Authority by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF Authority at <http://www.iepf.gov.in/IEPF/refund.html>.

- The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Members(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/ Direct Credit etc.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to RTA / Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs before Thursday, 30<sup>th</sup> September, 2021, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, E- Mail ID and Mobile No(s). Shareholders holding shares in physical form may communicate these details to the RTA viz. M/s. Bigshare Services Private Limited, 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400 059, before Thursday, 30<sup>th</sup> September, 2021 by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ("PAN") card. This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode.

In view of Covid 19 pandemic, the Ministry of Corporate Affairs vide its circular no. 20 / 2020 dated 5<sup>th</sup> May, 2020 has clarified that in case the Company is unable to pay dividend to any shareholder by electronic mode, due to non-availability of the details of bank account, the Company shall upon normalization of postal services, dispatch the dividend warrant / cheque to such shareholder by post. Accordingly, the dividend warrants / cheque will be dispatched to such shareholders upon normalization of postal services / courier services.

22. Members may note that the Income Tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN	7.5% or as notified by the Government of India
Members not having PAN / Invalid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed Rs. 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted by sending email at [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com) upto Wednesday, 29<sup>th</sup> September, 2021.



23. Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting relating to Documents & Information to Shareholders with respect to the Director being appointed and Director retiring by rotation and being eligible, seeking re-appointment are as under:

<b>Name</b>	<b>Ms. Shipra Malhotra</b>	<b>Mr. Amit Amist</b>
Director Identification Number(DIN)	01236811	05305256
Date of Birth	02/08/1972	13/01/1975
Nationality	Indian	Indian
Date of Appointment on Board	25/01/2007	13/02/2021
Qualifications	M.Com Part(I) Post Graduate with specialization in Human Resource Management (HRM)	B.A., LLB & MBA in Marketing. He is an Advocate by profession.
Shareholding in Sakuma Exports Limited	5,000 Shares	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	Expertise in Legal field.
Relationships with other Director / Key Managerial Personnel	Sister of Mr. Saurabh Malhotra	Nil
Number of meetings of the board attended during the financial year (2020-21)	6	1
Directorships in other Public Limited Companies*	Nil	Nil
Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	Nil	Nil

24. As the 16<sup>th</sup> AGM is being held through VC, Route Map is not annexed to the notice.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, 26<sup>th</sup> September, 2021 at 09:00 A.M. and ends on Tuesday, 28<sup>th</sup> September 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 22<sup>nd</sup> September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 22<sup>nd</sup> September, 2021.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  <b>App Store</b>      <b>Google Play</b> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - How to retrieve your ‘initial password’?
    - If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
- Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.



## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [shahpradipcs@gmail.com](mailto:shahpradipcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sagar Chougale at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under **“Join General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the e-AGM may register themselves as a speaker by sending a request from their registered email address mentioning their name, DPID and CLID / Folio number, mobile number at companysecretary@sakumaexportsltd.com. Those shareholders who have registered themselves as a speaker latest by 4:00 p.m. on Wednesday, 22<sup>nd</sup> September, 2021 will only be allowed to express their views or ask questions during the e-AGM.

**Other Notes:**

1. A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, **Wednesday, 22<sup>nd</sup> September, 2021** shall only be entitled to remote e-voting and attend the e-AGM. The voting rights shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A Member joining the e-AGM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the e-AGM. A Member who have cast their vote by remote e-voting prior to the e-AGM, may also join the e-AGM but shall not be entitled to cast their vote again.
2. Any person, who acquires share(s) of the Company and becomes member of the Company after dispatch of the notice of AGM and holding share(s) as on the cut-off date, **Wednesday, 22<sup>nd</sup> September, 2021**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting then you can use your existing User ID and Password to cast your vote.
3. The Board of Directors has appointed Mr. Pradip Shah, Partner, failing him, Mr. Punit Shah, Partner of M/s P. P. Shah & Co., Practicing Company Secretaries as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.



4. The Scrutinizer shall, after the conclusion of e-Voting at the e-AGM, first download the votes cast at the e-AGM and then unblock the votes cast through remote e-Voting and shall make, a consolidated Scrutinizer's Report. The results of the e-Voting will be declared by the Chairman or a person authorised by him in writing within 48 hours from the conclusion of the e-AGM.
5. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The same shall also be communicated to NSE and BSE Limited (BSE), where the Equity Shares of the Company are listed within 48 hours from the conclusion of the AGM. Accordingly, the Scrutinizers Report will also be available on the website of NSE at [www.nseindia.com](http://www.nseindia.com) and website of BSE at [www.bseindia.com](http://www.bseindia.com).

The Resolutions shall be deemed to be passed on the date of e-AGM i.e. Wednesday 29<sup>th</sup> September, 2021 subject to receipt of sufficient votes.

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

**Place: Mumbai  
Date: 29<sup>th</sup> June, 2021**

**Dhiraj Khandelwal  
Company Secretary & Compliance Officer**

## ANNEXURE TO THE NOTICE

## EXPLANATORY STATEMENT

## PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

## ITEM NO. 4 – RE-APPOINTMENT OF M/S. M. L. SHARMA &amp; CO., CHARTERED ACCOUNTANTS AS STATUTORY AUDITOR

M/s. M. L. Sharma & Co., Chartered Accountants, Statutory Auditors of the Company were appointed at the 15<sup>th</sup> AGM held on 10<sup>th</sup> December, 2020 for the financial year 2020-21. The said term of Statutory Auditors will expire on the conclusion of 16<sup>th</sup> AGM. It is proposed to re-appoint them for a further period of 1 year and accordingly, they shall hold the office from the conclusion of 16<sup>th</sup> AGM till the conclusion of 17<sup>th</sup> AGM.

Pursuant to Regulation 36 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures required for appointment / re-appointment of Auditor as a part of the explanatory statement to the notice are given below:

Sr. No.	Particulars	Disclosure
1.	Name of Firm of Auditors	M/s. M. L. Sharma & Co. (FRN: 109963W)
2.	Name of Auditors	Mr. Shailesh M Bandi (Membership No. 109101)
3.	Financial year for which appointment is proposed	2021 – 22
4.	Proposed Fees payable	Rs. 12,85,050/- (Rupees Twelve Lacs Eighty Five Thousand Fifty only) plus applicable GST
5.	Terms of appointment-	One year
6.	In case of new auditor any material change in the fee payable to such auditor from that paid to outgoing auditor along with rationale for such change.	The Company is re-appointing the same statutory auditor. Hence this disclosure is not applicable.
7.	Basis for recommendation for appointment including the details in relation to and credentials of the statutory auditor proposed to be appointed.	The statutory auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as statutory auditors of your Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The statutory auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with your Company as well as declaring that they have not taken up any prohibited non-audit assignments for your Company. The Audit Committee reviews the independence of the statutory auditors and the effectiveness of the audit process. Recommendation has been received from the Audit Committee and Board of Directors at the meeting held on 29 <sup>th</sup> June, 2021 respectively.

None of the Directors / Key Managerial Personnel of the Company are in any way, concerned or interested, directly or indirectly, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of the Notice, except to the extent of shareholding in the Company, if any.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 for your approval.



**ITEM NO. 5 – APPOINTMENT OF MR. AMIT SHANKER AMIST AS A DIRECTOR:**

The Board of Directors of the Company pursuant to the recommendations of the Nomination and Remuneration Committee, had appointed Mr. Amit Amist Shanker (DIN: 05305256) on 13<sup>th</sup> February, 2021, as an Additional Director (Independent and Non-Executive) on the Board of the Company in terms of Section 161 of the Companies Act, 2013. Pursuant to Section 161, Mr. Amit Amist Shanker holds office up to the date of this Annual General Meeting. The Company has received notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company.

Brief profile of Mr. Amit Amist Shanker and his other directorships has been included in this notice.

The Company has received a declaration from Mr. Amit Amist Shanker stating that he meets the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is proposed to appoint Mr. Amit Amist Shanker as an Independent Director under Section 149 of the Act and he shall hold office for a term upto 5 (five) consecutive years on the Board of the Company from the conclusion of this AGM till the conclusion of AGM to be held during the calendar year 2026 and he shall not be included in the total number of directors for retirement by rotation.

The details of Mr. Amit Amist Shanker as per requirements of Secretarial Standard (‘SS-2’) and Regulation 36(3) of the SEBI (LODR) Regulations 2015 are already provided at Note No. 23 of this Notice.

The Letter of Appointment containing terms and conditions of appointment of the said Independent Director shall be open for inspection on all working days at the Registered Office of the Company, except Sundays and Public Holidays, between 11.00 a.m. and 1.00 p.m. till the date of AGM.

Except Mr. Amit Amist Shanker and his relatives, none of the Directors / Key Managerial Personnel of the Company is in any way, concerned or interested, directly or indirectly, financially or otherwise, in the Ordinary Resolution set out at Item No. 5 of the Notice, except to the extent of shareholding in the Company, if any.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 for your approval.

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

**Place: Mumbai  
Date: 29<sup>th</sup> June, 2021**

**Dhiraj Khandelwal  
Company Secretary & Compliance Officer**

## BOARD'S REPORT

### TO THE MEMBERS OF SAKUMA EXPORTS LIMITED

The Directors take pleasure in presenting the Sixteenth Annual Report together with the Audited Annual Financial Statements for the financial year ended 31<sup>st</sup> March, 2021. The Management Discussion and Analysis has also been incorporated into this report.

#### 1. FINANCIAL RESULTS

Key highlights of standalone and consolidated financial results for Sakuma Exports Limited for the financial year 2020 – 21 are tabulated below:

Particulars	Standalone		Consolidated	
	2020 – 21	2019 – 20	2020 – 21	2019 – 20
Sales & Other Income	1,04,052.64	1,51,334.43	1,33,348.00	2,55,644.12
Profit Before Depreciation & Tax	1,254.27	1,868.14	1,646.05	2,576.32
Other Comprehensive Income (Net of Tax)	7.60	(5.09)	7.60	(5.09)
Depreciation	(240.90)	(127.00)	(240.90)	(131.96)
<b>Profit Before Tax</b>	<b>1,023.52</b>	<b>1,736.05</b>	<b>1,415.31</b>	<b>2,439.27</b>
Provision for Tax:				
- Current Tax	348.92	(468.00)	347.58	(470.73)
- Deferred Tax	(48.08)	(25.72)	(48.08)	(25.72)
- Income Tax of Earlier Years	0	(168.87)	0	(168.87)
Minority Interest and share of loss of associate		-		-
<b>Net Profit After Tax</b>	<b>717.57</b>	<b>1,123.19</b>	<b>1,110.69</b>	<b>1,823.68</b>
<b>Add:</b> Surplus from Previous Period	10,717.71	9,818.38	21,660.79	20,218.62
Profit Available for Appropriation	11,435.27	10,941.57	22,771.47	22,042.30
Appropriation	0.00	(10.60)	0.00	(168.25)
Dividend on Equity Shares	(213.26)	(213.26)	(213.26)	(213.26)
Dividend Tax	0.00	0.00	0.00	0.00
Adjustment relating to Minority Interest	0.00	0.00	0.00	0.00
Transfer to Statutory Reserve	0.00	0.00	0.00	0.00
<b>Balance carried to Balance Sheet</b>	<b>11,222.01</b>	<b>10,717.71</b>	<b>22,510.20</b>	<b>21,660.79</b>

There was no revision in the Financial Statements.

#### 2. HIGHLIGHTS OF PERFORMANCE

- Total Consolidated Income for the year decreased by 47.84% to Rs. 1,33,348.00 Lakhs as compared to Rs. 2,55,644.12 Lakhs in Previous year.
- Total Consolidated Net Sales for the year were Rs. 1,32,698.66 Lakhs as compared to Rs. 2,54,499.64 Lakhs in Previous year, a decline of 47.86%.
- Total Consolidated Profit before Tax for the year was Rs. 1405.15 Lakhs as compared to Rs. 2,444.36 Lakhs in Previous year, a decline of 42.51%.



### 3. TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to the General Reserves.

### 4. DIVIDEND

Your Directors are of the view that your Company is currently on the path of growth which requires higher capital deployment to fund the businesses hence need to conserve resources. Keeping in view the objective, Directors are pleased to recommend a final dividend of Re. 0.05/- per share of Re. 1/- each for the year 2020 – 21. The total outgo for the current year amounts to Rs. 1,17,27,971/- as against Rs. 2,13,25,943/- in the previous year.

### 5. BUSINESS OPERATIONS REVIEW AND FUTURE PROSPECTS

2020-21 was exceptional year for business worldwide. The global economy was severely impacted due to COVID pandemic and lockdowns affecting businesses. India's real GDP to record a 11.0% growth in FY2021-22 and nominal GDP to grow by 15.4%. India expected to have a Current Account Surplus of 2% of GDP in FY21, a historic high after 17 years. India remained a preferred investment destination in FY 2020-21 with FDI pouring in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies. Net FPI inflows recorded an all-time monthly high of US\$ 9.8 billion in November 2020, as investors' risk appetite returned. India was the only country among emerging markets to receive equity FII inflows in 2020. V-shaped recovery is underway, as demonstrated by a sustained resurgence in high frequency indicators such as power demand, e-way bills, GST collection, steel consumption, etc. India became the fastest country to roll-out 10 lakh vaccines in 6 days and also emerged as a leading supplier of the vaccine to neighbouring countries and Brazil.

A favourable monetary policy by the government of India ensured abundant liquidity and immediate relief to debtors while unclogging monetary policy transmission. India entered the top-50 innovating countries for the first time in 2020 since the inception of the Global Innovation Index in 2007, ranking first in Central and South Asia, and third amongst lower middle-income group economies.

India's forex reserves were at an all-time high of US\$ 586.1 billion as on January 08, 2021. India experiencing a Current Account Surplus along with robust capital inflows leading to a BoP surplus since Q4 of FY2019-20. Balance on the capital account is buttressed by robust FDI and FPI inflows:

Net FDI inflows of US\$ 27.5 billion in April-October 2020: 14.8% higher as compared to first seven months of FY2019-20. Net FPI inflows of US\$ 28.5 billion in April-December 2020 as against US\$ 12.3 billion in corresponding period of last year. India to end with an Annual Current Account Surplus after a period of 17 years. Net services receipts amounting to US\$ 41.7 billion remained stable in April-September 2020 as compared with US\$ 40.5 billion in corresponding period a year ago. Resilience of the services sector was primarily driven by software services, which accounted for 49% of total services exports. Net private transfer receipts, mainly representing remittances by Indians employed overseas, totalling US\$ 35.8 billion in H1: FY21. External debt stood at US\$ 556.2 billion at the end of September 2020, a decrease of US\$ 2.0 billion (0.4%) as compared to end-March 2020.

RBI's interventions in forex markets ensured financial stability and orderly conditions, controlling the volatility and one-sided appreciation of the Rupee. Initiatives undertaken to promote exports: Production Linked Incentive Scheme Remission of Duties and Taxes on Exported Products, Improvement in logistics infrastructure and digital initiatives.

Consumer Price Index (CPI) inflation stood at 4.6% in December 2020, mainly driven by rise in food inflation (from 6.7% in 2019-20 to 9.1% in April-December 2020, owing to build up in vegetable prices).

The share of Agriculture and Allied Sectors in Gross Value Added of the country at current prices is 17.8% for the year 2019-20. Total food grain production in the country in the agriculture year 2019-20 (as per Fourth Advance Estimates), is 11.44 million tonnes more than 2018-19. The actual agricultural credit flow was Rs. 13,92,469.81 crore against the target of Rs. 13,50,000 crore in 2019-20. The target for 2020-21 was Rs. 15,00,000 crore and a sum of Rs. 9,73,517.80 crore was disbursed until November 30, 2020: 1.5 crore dairy farmers of milk cooperatives and milk producer companies were targeted to provide Kisan Credit Cards as part of Prime Minister's Aatmanirbhar Bharat Package after the budget announcement of February 2020. As of mid-January 2021, a total of 44,673 Kisan Credit Cards have been issued to fishers and fish farmers and an additional 4.04 lakh applications from fishers and fish farmers are with the banks at various stages of issuance. The Pradhan Mantri Fasal Bima Yojana covers over 5.5 crore farmer applications year on year Claims worth Rs. 90,000 crore paid, as on January 12, 2021. Speedy claim settlement directly into the farmer accounts through Aadhar linkage. 70 lakh farmers benefitted and claims worth Rs. 8741.30 crore were transferred in COVID-19 lock down period. An amount of Rs. 18000 crore have been

deposited directly in the bank accounts of 9 crore farmer families of the country in December 2020 in the 7th instalment of financial benefit under the PM-KISAN scheme. Fish production reached an all-time high of 14.16 million metric tons in 2019-20. GVA by the Fisheries sector to the national economy stood at Rs. 2,12,915 crore (US\$ 29.18 billion) constituting 1.24% of the total national GVA and 7.28% of the agricultural GVA.

Food Processing Industries (FPI) sector growing at an Average Annual Growth Rate (AAGR) of around 9.99% as compared to around 3.12% in Agriculture and 8.25% in Manufacturing at 2011-12 prices in the last 5 years ending 2018-19. Pradhan Mantri Garib Kalyan Anna Yojana: 80.96 crore beneficiaries were provided food grains above NFSA mandated requirement free of cost until November 2020. Over 200 LMT of food grains were provided amounting to a fiscal outgo of over Rs. 75000 crore. Aatmanirbhar Bharat Package: 5 kg per person per month for four months (May to August) to approximately 8 crores migrants (excluded under NFSA or state ration card) entailing subsidy of Rs. 3109 crore.

### **Future Outlook:**

The ongoing COVID-19 pandemic has resulted in a new era in the efficacy of the food supply chain, while the consequences of this new era on humanity, the economy, and the food sector are still under examination. Food security is one vital aspect of food systems which is directly affected. There is growing importance of food resilience, together with the need for addressing issues related to food loss and food waste, is underlined in the review towards food security and sustainable development.

As a result, the pandemic has shown that our food systems are fragile. Since the global population and urbanization will grow in the coming decades, pandemics will likely occur more often, and climate change will intensify. Consequently, there is a need to ensure that our food systems become more sustainable and resilient. There is a need to develop contingency plans and mitigation strategies that would allow a more rapid response to extreme events (e.g., disasters from climate change) and transform the food sector by making it more resilient.

While Indian economy is facing structural pressures due to global slowdown, liquidity and banking sector challenges, the year ahead still looks promising due to the continuous efforts put across by Government on account of the various policy initiatives such as injection of funds into infrastructure, health and subsidy support on various agri initiatives. These initiatives combined with the application of new technologies and job creation may hopefully will boost GDP and economic growth.

### **Year in retrospect – Operational Performance:**

In the year under review, the Company achieved on consolidated basis operational revenue of Rs. 1,32,840.98 Lakhs and Rs. 1,03,631.99 Lakhs on standalone basis.

Overall turnover on consolidated basis was at Rs. 1328.41 Crore (Previous year Rs. 2546.04 Crore) with EBITDA at Rs. 21.21 Crore (Previous year Rs. 28.18 Crore). PAT at Rs. 11.03 Crore (Previous year Rs. 18.23 Crore). On Standalone basis turnover was at Rs. 1036.32 Crore (previous year Rs. 1500.74 Crore) with EBITDA at Rs. 16.08 Crore (Previous year Rs. 21.04 Crore) with PAT at Rs. 7.09 Crore (previous year Rs. 11.23 Crore). Your Company's performance for the year 2020-21 has to be viewed in the context of the aforesaid challenging economic and market environment. Going forward, on the positive side India remains the fastest growing major economy in the World. The pace of GDP growth is together momentum in the medium term on the back of favorable global economies tailwinds, pickup in private investment and implementation of key policy reforms.

### **Working of Subsidiaries:**

The overall performance of 2 major subsidiary Companies in general were satisfactory considering the current weak economic environment prevailing in the global markets particularly in West Asia. Sakuma Exports Pte. Ltd., Singapore posted a turnover of USD 62,36,542 during the year as against USD 1,67,05,360 recorded in the previous year. A decline of 62.67% in top line on y-o-y basis. Net Profit after tax of this subsidiary for the year stands at USD 90,516 (Previous Year USD 55,061). This subsidiary clocked a turnover of AED 130,236,006 during the year (Previous Year AED 478,625,797). A decline of 72.79% with a decrease of 48.58% in Net Profit to AED 17,91,224 (Previous year AED 34,83,198).

## **6. DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013**

No material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of your Company i.e. 31<sup>st</sup> March, 2021 and date of this report i.e. 29<sup>th</sup> June, 2021.



## 7. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2021 was Rs. 23,45,59,430/-. During the year under review, your Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Promoter and Promoter Group are holding 14,51,36,237 shares equivalent to 61.88% of the total Issued and Paid-up Share Capital.

During the year under review, your Company has issued and allotted 2,13,00,000 Equity Shares to M/s. Sakuma Infrastructure and Realty Private Limited (Promoter Group) on preferential basis at a price of Rs. 6.25/- (including premium of Rs. 5.25/-) per share. Necessary approval has been taken from National Stock Exchange of India Limited and BSE Limited for the said preferential issue.

## 8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND

During the year 2020 – 21, unclaimed Dividend of Rs. 2,13,912/- was required to be transferred to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. The Company has transferred the said amount on 25<sup>th</sup> May, 2021 to the Investor Education and Protection Fund. The said amount represent Final Dividend for the financial year 2012 – 13 which remain unclaimed for a period of 7 years from its due date of payment.

## 9. TRANSFER OF EQUITY SHARES ON UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND

In line with the statutory requirements, your Company is in the process of transferring to the credit of the Investor Education and Protection Fund set up by the Government of India, equity shares in respect of which dividend had remained unpaid / unclaimed for a period of seven (7) consecutive years within the time lines laid down by the Ministry of Corporate Affairs.

## 10. DIRECTORS

### 10.1 Retirement by Rotation

Pursuant to Section 152 (6) of the Companies Act, 2013 and in terms of the Articles of Association of your Company, Ms. Shipra Malhotra (DIN: 01236811), Director, retires by rotation at the forthcoming Annual General Meeting. Being eligible, she offers herself for re-appointment.

### 10.2 Appointment and Cessation of Independent Director

Late Mr. Ashok Kumar Doda expired on 29<sup>th</sup> November, 2020. As a Independent Director of your Company, he played a pivotal role in the progress and development of your Company. His contribution to your Company will always be remembered and cherished. The Board placed on record their rich tributes for the unparalleled and precious contribution made by Late Mr. Ashok Kumar Doda to your Company.

Pursuant to Section 161 (1) of the Companies Act, 2013 and Articles of Association of your Company, Mr. Amit Amist Shanker (DIN: 05305256) was appointed as an Additional Director (Independent and Non-Executive) of your Company at the Board Meeting held on 13<sup>th</sup> February, 2021. In terms of provisions of Section 161 (1) of the Companies Act, 2013, Mr. Amit Amist Shanker would hold office up to the date of the ensuing Annual General Meeting. Your Company has received notice in writing from member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Amit Amist Shanker for the office of Director of your Company. It is proposed to appoint Mr. Amit Amist Shanker as an Independent Director under Section 149 of the Act for a period of 5 years from the conclusion of 16<sup>th</sup> Annual General Meeting till the conclusion of 21<sup>st</sup> Annual General Meeting. Accordingly, resolution has been proposed at Item No. 5 of the Notice of 16<sup>th</sup> Annual General Meeting.

### 10.3 Declaration by Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed both, under Sub-Section 6 of Section 149 of the Companies Act, 2013 and under Regulation 16 (1)(b) of the SEBI (LODR) Regulations, 2015 and pursuant to Regulation 25 of the said Regulations that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax advisory services and they hold highest standards of integrity.

Regarding proficiency, the Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the databank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, the Independent Directors of the Company have registered themselves with the IICA for the said purpose. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, certain Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (2) years from the date of inclusion of their names in the data bank. Those Independent Directors who have to undertake online proficiency self-assessment test will appear for the same.

#### **10.4 Familiarization Program for Independent Directors**

The Program intends to provide insights into your Company so that the Independent Directors can understand your Company's business in depth and the roles, rights, responsibility that they are expected to perform / enjoy in your Company to keep them updated on the operations and business of your Company thereby facilitating their active participation in managing the affairs of your Company. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, SEBI (LODR) Regulations, 2015 with regards to their roles, rights and responsibilities as Directors of your Company.

#### **10.5 Annual Performance Evaluation**

The annual performance evaluation of the Independent Directors and Board Committees i.e. Audit, Stakeholders Relationship and Nomination & Remuneration Committees was carried by the entire Board and the annual performance evaluation of the Chairman, Board as a whole, Non – Independent Directors was carried out by the Independent Directors.

The annual performance evaluation was carried out in accordance with the criteria laid down by the Nomination and Remuneration Committee of your Company and as mandated under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, as amended from time to time.

#### **10.6 Key Managerial Personnel**

The following persons have been designated as Key Managerial Personnel of your Company pursuant to Section 2(51) and Section 203 of the Act, read with Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014 framed thereunder:

1. Mr. Saurabh Malhotra – Chairman & Managing Director
2. Mr. Devesh Mishra – Chief Financial Officer
3. Mr. Dhiraj Khandelwal – Company Secretary & Compliance Officer

None of the Key Managerial Personnel has resigned during the year under review.

None of the Directors have attained the age of 75 years except Mr. Radhe Shyam. In terms of Regulation 17 (1) (c) of SEBI (LODR) Regulations, 2015, the approval of the members for his re-appointment by way of special resolution has been taken at the 14<sup>th</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2019.

#### **10.7 Remuneration Policy**

The Board has in accordance with the provisions of Section 178(3) of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management Employees. The detail of the same has been disclosed in the Corporate Governance Report.

#### **10.8 Board Meetings**

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

During the financial year your Company has held 6 (Six) Board Meetings which were held on 29<sup>th</sup> July, 2020; 14<sup>th</sup> September, 2020; 02<sup>nd</sup> October, 2020; 11<sup>th</sup> November, 2020; 18<sup>th</sup> December, 2020 and 13<sup>th</sup> February, 2021. The maximum interval between any two meetings exceeded 120 days on account of COVID 19. However, the said requirement was relaxed by the Ministry of Corporate Affairs and Securities and Exchange Board of India for the financial year 2020 – 21. As per Section 167 (1) (b), all the directors have attended at least one Board Meeting held during the financial year.



## 11. PARTICULARS OF EMPLOYEES

During the year, there was no employee in receipt of remuneration in excess of limit as prescribed in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as “Annexure A” and form part of this Report.

## 12. 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 31<sup>st</sup> March, 2021, 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 your Company as at 31<sup>st</sup> March, 2021 and of the profit of your 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 your 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.

## 13. INTERNAL CONTROL SYSTEM

Your Company maintains an adequate and effective Internal Control System commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with Management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your Company are adequately safeguarded against significant misuse or loss.

## 14. SUBSIDIARY COMPANIES

As on 31<sup>st</sup> March, 2021, your Company has following five subsidiaries:

1. Sakuma Exim DMCC
2. Sakuma Exports PTE Limited
3. Sakuma Exports (Ghana) Ltd – Step Down Subsidiary
4. Sakuma Exports Tanzania Pvt. Ltd – Step Down Subsidiary
5. GK Exim FZE W.L.L. – Step Down Subsidiary

### **Audited financial statement of your Company’s Subsidiaries**

The Statement containing the salient features of financial statement of Subsidiaries in **Form AOC-1** pursuant to Section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014 are given below:

(Rs. in Lakhs)

Sr. No.	Particulars	Sakuma Exim DMCC	Sakuma Exports PTE Limited	Sakuma Exports (Ghana) Ltd	Sakuma Exports Tanzania Pvt. Ltd	GK Exim W.L.L.
1.	Reporting Period	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar
2.	Reporting Currency	AED	USD	GHC	TZS	BHD
3.	Country	U.A.E	Singapore	Ghana	Tanzania	Bahrain
4.	Exchange Rate	19.905	73.505	0.00	0.00	193.89
5.	Share Capital	9.95	2,326.43	0.00	0.00	38.78
6.	Reserves and Surplus	12,395.75	1,763.37	0.00	0.00	(9.35)
5.	Total Assets	12,519.41	4,710.54	0.00	0.00	0.00
8.	Total Liabilities	12,519.41	4,710.54	0.00	0.00	0.00
9.	Investment other than Investment in subsidiary	0.00	0.00	0.00	0.00	0
10.	Turnover	26,372.39	4,553.37	0.00	0.00	0
11.	Profit Before Taxation	326.75	65.12	0.00	0.00	(2.29)
12.	Provision for Taxation	0.00	(1.33)	0.00	0.00	0.00
13.	Profit After Taxation	326.75	66.45	0.00	0.00	(2.29)
14.	Dividend Paid	0.00	0.00	0.00	0.00	0.00

#### 15. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

There are no companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the financial year 2020 – 21.

#### 16. DEPOSITS

Your Company has not accepted deposit from the public and members falling within the ambit of Section 73 and Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

#### 17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to the Audited Standalone Annual Financial Statements.

#### 18. RELATED PARTY TRANSACTIONS

A Related Party Policy has been adopted by the Board of Directors for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at your Company's website at the web link, <http://sakumaexportsltd.com/investors/corporate-policy/RelatedPartyTransactionsPolicy-Sakuma.pdf>. All transactions with related parties are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the RPTs, which are foreseeable and repetitive. A statement giving details of all RPTs are placed before the Audit Committee and the Board of Directors on a quarterly basis.

Further the members may note that your Company has not entered into the following kinds of related party transactions:

- Contracts/arrangement/transactions which are not at arm's length basis or in the ordinary course of business.
- Any Material contracts/arrangement/transactions [as per Regulation 23 of the SEBI (LODR) Regulations, 2015]

**19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

A Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act, 2013. The details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in CSR Report appended as “Annexure B” to 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:

**A. Conservation of Energy**

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

**B. Technology absorption, adaptation and innovation**

No expenditure has been incurred by your Company on technology absorption activities during the year under review.

**C. Foreign Exchange Earning & Outgo**

(₹ in Lakhs)

Particulars	2020-21	2019-20
<b>(a) Expenditure in Foreign Currency</b>		
Travelling Expenses	0.00	7.57
Ocean Freight	2,595.66	1,734.08
Import of Goods	0.00	53,285.87
<b>(b) Earnings in Foreign Currency</b>		
Export of Goods on FOB basis	1,01,036.32	1,10,335.16
Dividend received from Overseas subsidiary	0.00	215.74

**21. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

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

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

All the above risk have been discussed in the Management Discussion and Analysis Report. The Executive Chairman & Managing Director mitigate the risk with the help of their depth of knowledge of market, assistance of senior management and forecast based on various data available with your Company. Your Company has developed the analysis of market data which helps in decision making and to ensure the mitigation of the risk.

Your Company has not formed Risk Management Committee as it is not applicable under Regulation 21 of the SEBI (LODR) Regulations, 2015.

**22. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Over the years, your Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behavior. Whistle Blower Policy is the vigil mechanism instituted by your Company to report concerns about unethical behavior in compliance with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Board's Audit Committee oversees the functioning of this policy. Protected disclosures can be made by a whistle blower through several channels to report actual or suspected frauds and violation of your Company's Code of Conduct and / or Whistle Blower Policy. Details of the Whistle Blower Policy have been disclosed on your Company's website at [www.sakumaexportsltd.com/investors/corporate-policy/WhistleBlowerPolicy.pdf](http://www.sakumaexportsltd.com/investors/corporate-policy/WhistleBlowerPolicy.pdf).

**23. 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 your Company and its future operations.

**24. AUDITORS****24.1 Statutory Auditors**

Your Company's Auditors, M/s. M. L. Sharma & Co., Chartered Accountants, who retire at the forthcoming Annual General Meeting of your Company, are eligible for re-appointment. Necessary resolution for their re-appointment has been proposed at item no. 4 of the Notice of AGM. Necessary disclosure required to be made in terms of Regulation 36 (5) of SEBI (LODR) Regulations, 2015 have been given in the Explanatory Statement of the Notice of AGM forming part of Annual Report.

The statutory auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Statutory Auditors of your Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Statutory Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with your Company as well as declaring that they have not taken up any prohibited non-audit assignments for your Company. The Audit Committee reviews the independence of the statutory auditors and the effectiveness of the audit process. The statutory auditors or their representative attend the Annual General Meeting of your Company.

**24.2 Statutory Auditors' Observations**

The Report given by the Auditors on the Financial Statements of your Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**24.3 Secretarial Audit**

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. P. P. Shah & Co., Practicing Company Secretaries, as Secretarial Auditors for conducting Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2021.

The report of the Secretarial Auditor is attached as "Annexure C". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except provided at point 24.4 below.

**24.4 Qualifications in Secretarial Audit Report****A. 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 Rs. 65.84 Lacs for the year 2020 – 21 and previous years unspent balance of Rs. 67.90 Lacs. The total cumulative unspent amount is Rs. 133.74 Lacs, out of which the Company has spent a sum of Rs.67.90 Lacs during the financial year to charitable trusts for education and hospital.

**25. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditors have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers or employees, the details of which would need to be mentioned in this Report.

**26. COST RECORDS**

The provisions of Section 148 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 (hereinafter referred to as 'Rules') in respect of maintenance an audit of cost records are not applicable to Company.

**27. COMPLIANCE OF SECRETARIAL STANDARDS**

The Board of Directors affirms that your Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Companies Secretaries of India (SS1 and SS2), respectively relating to Meetings of the Board, its Committees and General Meeting, which have mandatory application during the year under review.



## 28. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT - 9 of your Company for the financial year ended 31<sup>st</sup> March, 2021 is annexed herewith as “Annexure D”.

## 29. CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The Audited Consolidated Annual Financial Statements of your Company for the financial year 2020 – 21 are prepared in compliance with the applicable provisions of the Companies Act, 2013, including Indian Accounting Standards specified under Section 133 of the Companies Act, 2013. The Audited Consolidated Annual Financial Statements together with the Auditors' Report thereon forms part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing salient features of the Financial Statements of each of the subsidiaries in the prescribed Form AOC – 1 are provided at Point 14 of the Boards Report which forms part of the Annual Report.

The Audited Annual Financial Statements of the subsidiaries are available for inspection by the Members at the Registered Office of your Company pursuant to the provisions of Section 136 of the Companies Act, 2013. Your Company shall provide free of cost, a copy of the Financial Statements of its subsidiary companies to the Members upon their request. The financial statements are also available on the website of your Company at [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com) under the 'Investors' section.

## 30. HUMAN RESOURCES

The relations of the employees of your Company have been cordial during the year. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening your Company's Policies and Systems. Your Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

## 31. ENVIRONMENT AND SAFETY

Your Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

## 32. 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.

## 33. GREEN INITIATIVES

In view of Covid 19 pandemic, the Ministry of Corporate Affairs vide its circular no. 17 / 2020 dated 13<sup>th</sup> April, 2020, circular no. 20 / 2020 dated 5<sup>th</sup> May, 2020 and circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and SEBI vide its circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 and no. SEBI/HO/CFD/CMD2/CIRIP/2021 /11 dated 15<sup>th</sup> January, 2021 has dispensed with the requirement of sending hard copy of full annual report to the shareholders.

Electronic copies of the Annual Report 2020-21 and Notice of the 37<sup>th</sup> Annual General Meeting are sent to all members whose email addresses are registered with your Company / Depository Participant(s). Members who have not registered their email address can do so by following the steps as mentioned in the notes of notice of 37<sup>th</sup> Annual General Meeting. Alternatively, they are requested to download the copy of the Annual Report from the website of the Company i.e. [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com) or from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com) or from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

Your Company provides e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to the Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015.

**34. MANAGEMENT DISCUSSION AND ANALYSIS**

As required under the Schedule V (B) of SEBI (LODR) Regulations, 2015, report on “Management Discussion and Analysis” is attached and form part of this Annual Report.

**35. CORPORATE GOVERNANCE**

The Board of Directors affirm their continued commitment to good corporate governance practices. During the year under review, the Company complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from the Company’s Secretarial Auditors, M/s. P. P. Shah & Co., Practicing Company Secretaries confirming the compliance is provided in the Report on Corporate Governance, which forms part of the Annual Report.

**36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through the supporting behaviours. Positive workplace environment and a great employee experience are integral part of our culture. Your Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment, your Company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.

Your Company has a Sexual Harassment Prevention and Grievance Handling Policy in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was raised and pending as on 01<sup>st</sup> April, 2020 and no complaint has been raised during the financial year ended 31<sup>st</sup> March, 2021.

**37. MANAGING DIRECTOR & CFO CERTIFICATION**

The Certificate from Mr. Saurabh Malhotra, Chairman and Managing Director and Mr. Devesh Mishra, CFO pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of your Company at its meeting held on 29<sup>th</sup> June, 2021. The certificate is attached and form part of this Report.

**38. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE**

Mr. Pradip Shah of M/s. P. P. Shah & Co., Practicing Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory Authority. The certificate is attached and form part of this Report.

**39. ANNUAL SECRETARIAL COMPLIANCE REPORT**

Mr. Pradip Shah of M/s. P. P. Shah & Co., Practicing Company Secretaries, has issued Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2021 pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 which covers a broad check on compliance with the applicable SEBI Regulations and circulars / guidelines issued thereunder on an annual basis. The said Report has been filed with National Stock Exchange of India Limited and BSE Limited on 20<sup>th</sup> May, 2021.

**40. INDIAN ACCOUNTING STANDARDS (IND-AS)**

Your Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing its Standalone and Consolidated Financial Statements.

**41. INSOLVENCY AND BANKRUPTCY CODE**

No application has ever been filed against the Company under the Insolvency and Bankruptcy Code, 2016.



**42. ONE TIME SETTLEMENT WITH BANKS**

The Company has not made any settlement with the banks or financial institutions.

**43. CAPITAL EXPENDITURE**

Capital Expenditure during the year, towards Tangible & Intangible Assets, amounted to Rs. 7.28 Lacs.

**44. PLEDGE OF SHARES**

As on 31<sup>st</sup> March, 2021, the following shares of the promoters have been pledged with the Banks and Financial Institutions:

Name of the Promoter	No. of Shares pledged	As a % of total shares held
Saurabh Malhotra	51,84,380	15.96
<b>Total</b>	<b>51,84,380</b>	<b>2.21</b> <b>(As a % of total share capital)</b>

**45. FEES PAID TO STATUTORY AUDITORS**

During the year ended 31<sup>st</sup> March, 2021, Your Company and its subsidiaries have paid a consolidated sum of Rs. 18.18 Lacs to the Statutory Auditor and all its entities.

**46. LISTING WITH STOCK EXCHANGES**

Your Company is listed with National Stock Exchange of India Limited and BSE Limited and your Company has paid the listing fees to each of the Exchanges.

**47. 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 your 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 your Company for their unstinted commitment and continued contribution to your Company.

**48. CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis describing your 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.

**For and on behalf of the Board of Directors  
of Sakuma Exports Limited**

Place: Mumbai  
Date: 29<sup>th</sup> June, 2021

Saurabh Malhotra  
Chairman & Managing Director  
DIN: 00214500

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. Indian Economic Overview:

Agriculture is the primary source of livelihood for about 58% of India's population. Gross Value Added by agriculture, forestry, and fishing was estimated at Rs. 19.48 lakh crore.

Total foodgrain production in the country is estimated to be a record 291.95 million tonnes, according to the second advance estimates for 2019-20. This is news to be happy about but as per the estimates of Indian Council for Agricultural Research (ICAR), demand for foodgrain would increase to 345 million tonnes by 2030.

In the midst of sluggish & negative economic sentiments across the world, India witnessed the small glimmers of hope in its agriculture sectors as it picked up small steam in the fourth quarter. Also, India being majorly an Agri based economy, recovery post the COVID-19 is expected to be relatively faster than most of the countries worldwide.

Increasing population, increasing average income and globalisation effects in India will increase demand for quantity, quality and nutritious food, and variety of food. Therefore, pressure on decreasing available cultivable land to produce more quantity, variety and quality of food will keep on increasing.

India is blessed with large arable land with 15 agro-climatic zones as defined by ICAR, having almost all types of weather conditions, soil types and capable of growing a variety of crops. India is the top producer of milk, spices, pulses, tea, cashew and jute, and the second-largest producer of rice, wheat, oilseeds, fruits and vegetables, sugarcane and cotton.

As for the Sugar Trade Sector, the Indian Sugar Mills Association (ISMA), estimates that the total acreage under sugarcane in the country is around 52.28 lakh hectares in 2020-21 SS against 48.41 lakh hectares in 2019-20 SS. The growth of about 8% production growth is mainly attributed to the increase in sugar cane area in Maharashtra and Karnataka, where sugarcane and sugar production had dropped due to drought in previous year.

As per the latest estimates of Indian Sugar Mills Association (ISMA), India is estimated to produce about 310 lakh tonnes of sugar in SS 2020-21 against the est. consumption of 250 lakh tonnes.

### 2. Global Business Environment

Globally, the economic growth has experienced a contraction owing to various factors, one of the factors being the economic impact of strained political relations between US and China. Further slow economic activity and liquidity challenges impacted the overall demand scenario in the industry. The projected global economic growth, albeit downgraded, was 2.9%.

The economic growth of emerging and developing countries are constrained by sluggish investment, and risks are tilted to the downside. These risks include rising trade barriers, renewed financial stress, and sharper-than-expected slowdowns in several major economies. Debt levels and subdued investment growth in developing economies are holding countries back from achieving their potential. The urgent need of the hour is that countries should make significant structural reforms to improve the business climate and attract investment. They also need to make debt management and transparency a high priority so that new debt adds to growth and investment.”

Growth among emerging market and developing economies is projected to fall to a four-year low of 4% in 2019 before recovering to 4.6% in 2020. A number of economies are coping with the impact of financial stress and political uncertainty. Those drags are anticipated to wane and global trade growth – which is projected to be the weakest in 2019 since the financial crisis a decade ago -- is expected to recover somewhat.

Growth in the East Asia and Pacific region is projected to slow down from 6.3% in 2018 to 5.9% in 2019-20. This is the first time since the 1997-98 Asian financial crisis that growth in the region has dropped below 6%. In China, growth is expected to decelerate from 6.6% in 2018-19 to 6.2% in 2019-20, predicated on a deceleration in global trade, stable commodity prices, supportive global financial conditions, and the ability of authorities to calibrate supportive monetary and fiscal policies to address external challenges and other headwinds. In the rest of the region growth is also expected to moderate to 5.1% in 2019, before rebounding modestly to 5.2% in 2020 and 2021 as global trade stabilizes.



Statement on the Management Discussions and Analysis and current year's outlook are Management's perception & understanding drawn from the regional and global macro-economic cues at the time of drawing this report. Actual results may be materially different from those expressed in the statements. Important factors which could influence the Company's operations include demand & supply conditions, availability of input and relative prices in the domestic & global markets, Change in Government policies, tax laws, economic development within the country & foreign countries in which the Company has business presence.

**i. Industry Structure and Development:**

The Company has 3 major business verticals namely Sugar, Edible Oil and Grain & Pulses. The Sugar business performed well on the back of consistent exports policy of Government of India. The Company has maintained its market share in the export business in spite of tough global markets conditions. Other business verticals were not remunerative vis-à-vis sugar business due to which contributions to the top & bottom lines of other business verticals were lower during the year compare to the previous year. Other factors which affected these segments were mainly price mismatch, slow demand coupled with tight liquidity, partial recessionary conditions and withdrawal of investments. The Company is looking out for more opportunities in other commodities to keep the trajectory of growth maintained in coming year.

**ii. Opportunities and Threats:**

These have the various bench marks and keep changing on the various domestic and global business outlooks.

**Opportunities:**

- a. Sugar and Ethanol policies by the government, leading healthy prices and margins in Sugar
- b. Strong global demand of Edible Oil and Grains to continue
- c. Capacity expansion and production efficiency
- d. Expertise in new products development.
- c. Good geographical reach and continued efforts to expand it.
- d. Have positional to expand on our own, lower dependency of others.

**Risks and Threats:**

- a. Ongoing pandemic, 3<sup>rd</sup> wave and lock-downs
- b. Increase in cost of supply chain and logistics
- c. Increase in inflation rate and cost of products
- d. Non availability of manpower, farmers
- e. Uncertainty of monsoon rain and threat of global warming. India agrarian economy is mainly dependent on the agriculture production which largely contribute to the farmers' income.
- f. Increasing global trade war and sanction
- g. Unstable Indian Rupee exchange rate against major foreign currencies.

The Company recognizes that above risks are an integral part of business and is committed to control & manages the risks in a proactive and efficient manner. The Company assesses various potential risk factors from time to time in the internal & external environment and incorporate risk mitigation in its strategy, business and operation plans using cost effective available tools to minimize its impact on the overall businesses.

**3. Segment –wise or product – wise performance:**

As mentioned in para 1, presently traders can function successfully only if they have agility to switch operations between products, markets & sectors i.e. from exports to imports & domestic market operations hence segment-wise performance will vary from time to time.

Your company is primarily engaged in the exports and imports exploiting the opportunities in bringing the expertise and economies of scale into the trading operations of major bulk commodities such as Sugar, Edible Oil, Pulses, Cotton and other agri commodities.

Specifically, your company is very much geared up and ready to focus on its expertise in sugar exports business as sugar exports is expected to bring immense opportunities for leading players like us for coming years on account of unsustainably high production surplus of sugar cane following the increase of high yield of sugar cane and increase in cane area in major sugarcane producing regions in Western and Northern India.

Table below shows the estimated sugar production and exports numbers for sugar season 2020-21 (Oct-20-SEPT-21).

<b>Particulars (2020-21)</b>	<b>Estimated Quantity (In Million Metric Tonnes)</b>
Opening Stock	10.50
Estimated Production	31.00
Estimated Consumption	25.00
Estimated Exports	05.00
Closing balance	11.50

Your company is expected to immensely benefit during the sugar exports program due to its ability to source sugar from regions of Uttar Pradesh, Maharashtra and Karnataka which will be producing the majority of exportable surplus sugar and execute large ticket size export orders.

Your company is in much better position to capture the opportunities of exports due to its expertise in efficiently maneuvering the stocks at various ports in West Coast India.

Also taking into consideration, the growth potential your company has been working towards diversifying its business activities and are also exploiting the third country trade opportunities fulfilling the demand of its global client base from goods from other origins.

#### 4. Outlook

Company continued to strive not only to maintain topline but also was successful in achieving higher growth by tapping new markets. The company's focus on exports helped attain better sales than previous years to maintain growth in this segment of business.

We expect the profitability ratios to improve in the coming years as profit margins of subsidiary companies are satisfactory in view of the global market scenario.

##### **Risk and Concerns:**

##### **a. 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.

##### **b. 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. Further, for the sake of economy, size of import contracts is too big to achieve back to back tie up with local buyers.

##### **c. 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 domestic trade delivery is released on receipt of full payment.



**d. 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.

**5. Internal control systems 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.

**6. Material development in Human Resources / Industrial Relations front, including number of people employed:**

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.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: 29<sup>th</sup> June, 2021**

**Saurabh Malhotra**  
**Chairman & Managing Director**  
**DIN: 00214500**

## ANNEXURE 'A' TO BOARD'S REPORT

### DISCLOSURES PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

#### PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule (5) (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Details
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	42.07 Times
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Key Managerial Personnel Mr. Saurabh Malhotra – Chairman & MD – NIL Mr. Dhiraj Khandelwal – CS – NIL Mr. Devesh Mishra – CFO – NIL
3.	The percentage increase in the median remuneration of employees in the financial year	NIL
4.	The number of permanent employees on the rolls of company as on 31 <sup>st</sup> March, 2021	46 Employees
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31 <sup>st</sup> March, 2021 is as per the Remuneration Policy of the Company

**ANNEXURE 'B' TO BOARD'S REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A brief outline of the Company's CSR policy:**

The Company has adopted CSR policy on 13<sup>th</sup> February, 2016. The said policy has been formulated as per Section 135 read with Schedule VII of the Companies Act, 2013. The said policy may be referred to, at your Company's website at the web link, <http://sakumaexportsltd.com/investors/corporate-policy/CSR-Policy.pdf>

**2. Composition of the CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. Saurabh Malhotra – Chairman	Chairman and Managing Director	1	1
2.	Ms. Shipra Malhotra – Member	Non-Executive Director	1	1
3.	Mr. Om Parkash Singal – Member	Independent Director	1	1

**3. Provide the weblink where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on website:**

Website: [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com)

**4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach report):**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	N.A.	N.A.	N.A.

**6. Average net profit of the Company under Section 135 (5)**

Financial Years	Net Profit Before Tax (Rs. in Lakhs)
2019 – 20	1,741.14
2018 – 19	5,406.23
2017 – 18	2,728.14
Total	9,875.51
Average	3,291.84
2%	<b>65.84</b>

**7.**

	Particulars	(Rs. In Lakhs)
a.	2% of average net profit of the Company as per Section 135 (5)	65.84
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
c.	Amount required to be set off for the financial year	NIL
d.	Total CSR obligation for the financial year (a+b-c)	65.84

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year	Amount Un-Spent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
	N.A.	N.A.	N.A.	N.A.	N.A.

## (b) Details of CSR amount spent against ongoing projects for the financial year:

(Rs. In Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S No	Name of Project	Items from list of activities from Sch VII of the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project	Amount spent in current FY	Amount transferred to Unspent CSR Account for the project as per Section 135 (6)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Regn No.
	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(Rs. In Lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S No	Name of Project	Items from list of activities from Sch VII of the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Regn No.
1	Shri Jagatbharti Education & Charitable Trust	Education	CFC Center, 4 Neelkanth park, Opp. Mamlatdar office, Chotila, Dist: Surendrnagar - 363520	Gujarat	Surendranagar	41,97,000	Direct	NA	NA
2	Masina Heart Institute	Medical	Sant Savata Mali Marg ,Near Gloria School Byculla East ,Mazgaon 400027 Mumbai	Maharashtra	Mumbai	20,00,000	Indirect	NA	NA



(1) S No	(2) Name of Project	(3) Items from list of activities from Sch VII of the Act	(4) Local Area (Yes/No)	(5) Location of the Project		(6) Amount spent for the Project	(7) Mode of Implementation – Direct (Yes/No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Regn No.
3	Criticam Medical System LLP	Medical	C/308, 3rd Floor, Morya House, Plot No.66/67, Andheri Link Road, Andheri (West) Mumbai	Maharashtra	Mumbai	4,93,000	Indirect	NA	NA
4	Janakalyan Foundation	Other	Mumbai	Maharashtra	Mumbai	1,00,000	Direct	NA	NA

Particulars		(Rs. In Lakhs)
(d)	Amount Spent in Administrative Overheads	NIL
(e)	Amount Spent on Impact Assessment	NIL
(f)	Total amount spent for the Financial Year: (8b+8c+8d+8e)	67.90
(g) Excess Amount for set off, if any		(Rs. In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135 (5)	65.84
(ii)	Total amount spent for the financial year	67.90
(iii)	Excess amount spent for the financial year [(ii) – (i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	NIL

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

S. No.	Preceding FY	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting FY	Amount transferred to any fund specified under Schedule VII as per Section 135 (6), if any			Amount remaining to be spent to succeeding financial years
				Name of the Fund	Amount	Date of Transfer	
NIL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset co created or acquired through CSR spent in the financial year:

(Asset-wise details)

S. No.	Particulars	Answers
(a)	Date of creation or acquisition of the capital asset	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135 (5):  
Not Applicable

Place: Mumbai  
Date: 29<sup>th</sup> June, 2021

Saurabh Malhotra  
Chairman of the Committee and Managing Director  
DIN: 00214500

**ANNEXURE 'C' TO BOARD'S REPORT**  
**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR-3**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

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

To,

The Members,

Sakuma Exports Limited

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 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, 2015;
  - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during audit period).**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008. **(Not Applicable to the Company during audit period).**
  - f) The Securities and 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 and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009. **(Not Applicable to the Company during audit period).**
  - h) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 2018. **(Not Applicable to the Company during audit period).**



6. Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:-
  - a. Foreign Trade Policy 2015 – 2020 issued by the Directorate General of Foreign Trade in respect of import and export.
  - b. Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 and Master Direction on Import of Goods and Services.
  - c. Foreign Exchange Management (Current Account Transaction) Rules, 2000 with respect to import of goods and Master Direction on Import of Goods and Services.

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.
- 2) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015].

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. 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 Rs. 65.84 Lacs for the year 2020 – 21 and previous years unspent balance of Rs. 67.90 Lacs. The total cumulative unspent amount is Rs. 133.74 Lacs, out of which the Company has spent a sum of Rs. 67.90 Lacs during the financial year to charitable trusts for education and to the hospital.

**We 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.

**We 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.

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

1. Public/Right/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

**We further report** following Corporate Action / Material Event during the audit period:

**A. Issue of equity shares on Preferential Basis:**

- During the financial year, the Company has issued 2,13,00,000 equity shares to Sakuma Infrastructure and Realty Private Limited, a member of the Promoter Group on preferential basis at a price of Rs. 6.25/- per equity share (Face Value: Re. 1/- and Securities Premium: Rs. 5.25/-) per equity share thereby aggregating to Rs. 13,31,25,000/- (Rupees Thirteen Crores Thirty One Lakhs Twenty Five Thousand Only) was raised by the Company. The price was calculated as per the method prescribed under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018.
- The Company had issued the equity shares on preferential basis in accordance with Section 42, 62 (1) (c) and other applicable provisions of Companies Act, 2013, Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018.
- The Company has obtained the in-principal approval from National Stock Exchange of India Limited (NSE) on 2<sup>nd</sup> December, 2020 and BSE Limited (BSE) on 9<sup>th</sup> December, 2020. The Company had taken the permission of the members vide special resolution passed at the 15<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> December, 2020. The application for listing of the said equity shares was received from NSE on 12<sup>th</sup> March, 2021 and BSE on 12<sup>th</sup> February, 2021. The trading permission for the said equity shares was received from NSE and BSE on 24<sup>th</sup> March, 2021, respectively. The said equity shares have been locked in as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Company has also complied with all the directions of NSE and BSE in respect of preferential issue of equity shares.

**B. Investigation by SEBI in the matter of Corporate Announcement made by the Company:**

- During the course of audit, we have found that SEBI had issued a letter dated 18<sup>th</sup> September, 2020 initiating Investigation in respect of Corporate Announcement made by the Company in the matter as explained below:  
SEBI informed that the Company on 6<sup>th</sup> September, 2018, after the market hours, intimated to the exchanges that:  
The meeting of the Board of Directors of the Company is scheduled to be held on Friday i.e. 14<sup>th</sup> September, 2018 inter-alia to consider and approve the following:
  - a. To consider the split off shares from the face value of Rs. 10 to a lower value.
  - b. To raise the funds through QIP I / QIB I / FPI.
- SEBI had sought various information from the Company i.e. sequence of events leading to such an announcement, details of all persons / promoters / directors and or employees who were having access to or in possession of unpublished price sensitive information, list of designated persons, etc.
- The Company had replied to SEBI at all occasions whenever they had requested for any information. The Company had sub-divided equity shares of the Company from face value of Rs. 10/- each to the face value of Re. 1/- each. Necessary special resolution was passed by the members at its Extra Ordinary General Meeting held on 23<sup>rd</sup> October, 2018. Necessary approval of NSE was obtained on 29<sup>th</sup> October, 2018 and BSE on 24<sup>th</sup> October, 2018.
- In respect of QIP, the Company had informed SEBI that due to un-favourable market conditions, the QIP issue was delayed. As the efforts were being made continuously in this direction, the issue was put on hold awaiting better market conditions. Since the approval of members in EGM was time bound and approval lapsed in due course, hence QIP was not done.
- After completing the investigation, SEBI issued a warning letter dated 6<sup>th</sup> April, 2021 stating that the decision to halt the QIP was also material information and needed to be intimated to the Exchanges. However, the Company has not disclosed / intimated the same to the Exchanges. Thus by not disclosing the decision to halt the QIP after initially announcing for raising fund through it on 6<sup>th</sup> September, 2018, the Company has violated Clause 2 of Para A of Part A of Schedule III r/w Regulation 30 (2) of SEBI (LODR) Regulations, 2015.



- The violation has been viewed seriously by SEBI. SEBI has advised to be careful in future and improve your compliance standards to avoid recurrence of such instances, failing which action as deemed fit, will be initiated against the Company in accordance with the provisions of SEBI Act, 1992 and Rules & Regulations framed thereunder.

**C. Investigation by SEBI in the matter of Insider Trading:**

- During the course of audit, we have found that SEBI had issued a letter dated 18<sup>th</sup> September, 2020 initiating Investigation in respect of Insider Trading activities in the matter as explained below:
- SEBI had conducted an investigation in the insider trading activities in the Company's scrip for the period beginning from 1<sup>st</sup> August, 2018 to 14<sup>th</sup> September, 2018.
- It was noted that Ms. Harsha Narvekar, Accounts Manager of the Company since 2009 had executed contra trades and earned a profit of Rs. 6,750.25.
- The Company had replied to SEBI at all occasions whenever they had requested for any information.
- As per Clause 1.8 & 1.22 of the Code of Conduct of the Company Ms. Harsha Narvekar is a Designated Employee as well as Specified Persons.
- As per Clause 6.1.v of Code of Conduct of the Company, all specified persons who buy or sell any number of shares of the Company shall not enter into any opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits of such trade are liable to be disgorged for remittance to SEBI for credit to IPEF administered under the Act.
- After completing the investigation, SEBI issued a warning letter dated 6<sup>th</sup> April, 2021 stating that Ms. Harsha Narvekar has violated Regulation 9 (1) read with Schedule B Clause 10 of SEBI (PIT) Regulations, 2015 and Clause 6.1.v of Code of Conduct of the Company.
- By execution contra trades within 6 months despite being 'Specified Person' Ms. Harsha Narvekar has violated Regulation 9 (1) read with Schedule B Clause 10 of SEBI (PIT) Regulations, 2015 and Clause 6.1v of Code of Conduct of the Company.
- Thus, as per schedule B clause 10 of SEBI (PIT) Regulations, 2015 and SEBI circular dated 23.07.2020: SEBI/HO/ISD/ISD/CIR/P/2020/135, the Company was directed to take appropriate action against Ms. Harsha Narvekar under the code of conduct of the Company including disgorgement of profit (Rs. 6,750.25) to SEBI-IPEF within stipulated time frame.
- The Company has collected Rs. 6,750.25 from Ms. Harsha Narvekar and deposited with SEBI - IPEF on 26<sup>th</sup> April, 2021. The Company has warned Ms. Harsha Narvekar to desist from taking such actions and follow Code of Conduct and seek pre-clearance of trades before taking any transaction, wherever necessary.

**For P. P. Shah & Co.,  
Company Secretaries**

Unique ICSI ID No.: P2009MH018300

**Pradip Shah  
Partner**

FCS No: 1483, COP No: 436

UDIN: F001483C000542375

Peer Review: 666/2020

**Date: 29<sup>th</sup> June, 2021**

**Place: Mumbai**

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
Sakuma Exports Limited

**Sub: Our report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For P. P. Shah & Co.,**  
**Company Secretaries**  
Unique ICSI ID No.: P2009MH018300

**Date: 29<sup>th</sup> June, 2021**  
**Place: Mumbai**

**Pradip Shah**  
**Partner**  
FCS No: 1483, COP No: 436  
UDIN: F001483C000542375  
Peer Review: 666/2020

**ANNEXURE 'D' TO BOARD'S REPORT****FORM NO. MGT – 9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31.03.2021

*[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS**

<b>CIN</b>	L51909MH2005PLC155765
<b>Registration Date</b>	31 <sup>st</sup> August, 2005
<b>Name of the Company</b>	SAKUMA EXPORTS LIMITED
<b>Category of the Company</b>	Company Limited by Shares
<b>Sub-Category of the Company</b>	Indian Non – Government Company
<b>Address of the Registered Office and Contact Details</b>	Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013 Tel. No.: 022 2499 9021/ 2499 9022 Fax No.: 022 2499 9024/ 2499 9027 Email : companysecretary@sakumaexportsltd.com
<b>Whether Listed Company</b>	Yes. Listed on National Stock Exchange of India Limited and BSE Limited
<b>Name, Address and Contact Details of Registrar and Transfer Agent, if any</b>	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059. Tel: 022 6263 8200 Fax: 022 6263 8299 Email: investor@bigshareonline.com

**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:

<b>Sr. No.</b>	<b>Name and Description of Main Products / Services</b>	<b>NIC Code of the Product / Service</b>	<b>% to total turnover of the Company</b>
1.	Import and Export Commodities Trading	46209	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>Sr. No.</b>	<b>Name and address of the Company</b>	<b>CIN / GLN</b>	<b>Holding /Subsidiary / Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1.	Sakuma Exim DMCC	DMCC 32027	Subsidiary	100%	2(87)
2.	Sakuma Exports PTE Limited	201302691Z	Subsidiary	100%	2(87)
3.	Sakuma Exports (Ghana) Ltd.	CB-1174	Step down Subsidiary of Sakuma Exim DMCC	100%	2(87)
4.	Sakuma Exports Tanzania Pvt. Ltd.	CI100993	Step Down Subsidiary of Sakuma Exports PTE Limited	100%	2(87)
5.	GK Exim FZE W.L.L.	1341671-1	Step Down Subsidiary of Sakuma Exim DMCC	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 (As on 01.04.2020)				No. of Shares held at the end of the year (As on 31.03.2021)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	89276587	0	89276587	41.86	89276587	0	89276587	38.06	-3.80
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	34559650	0	34559650	16.21	55859650	0	55859650	23.82	+7.61
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total(A) (1):</b>	<b>123836237</b>	<b>0</b>	<b>123836237</b>	<b>58.07</b>	<b>145136237</b>	<b>0</b>	<b>145136237</b>	<b>61.88</b>	<b>+3.81</b>
<b>(2) Foreign</b>									
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
<b>Sub- Total (A) (2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>123836237</b>	<b>0</b>	<b>123836237</b>	<b>58.07</b>	<b>145136237</b>	<b>0</b>	<b>145136237</b>	<b>61.88</b>	<b>+3.81</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	1751	0	1751	0.00	0	0	0	0.00	0.00
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) Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	-0.33
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1):</b>	<b>1751</b>	<b>0</b>	<b>1751</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	8702820	0	8702820	4.08	7823324	0	7823324	3.34	-0.74
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	27220038	5370	27225408	12.77	44610066	5370	44615436	19.02	+6.25
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	25501638	0	25501638	11.96	24237390	0	24237390	10.33	-1.63
<b>c) Others (specify)</b>									
i) NRI	1767914	0	1767914	0.83	2137243	0	2137243	0.91	+0.08
ii) OCBs	21227424	0	21227424	9.95	6344249	0	6344249	2.70	-7.25
iii) Clearing Members	1309330	0	1309330	0.61	472336	0	472336	0.20	-0.41
iv) HUF	3686908	0	3686908	1.73	3793215	0	3793215	1.62	-0.11
<b>Sub-Total (B)(2):</b>	<b>89416072</b>	<b>5370</b>	<b>89421442</b>	<b>41.93</b>	<b>89417823</b>	<b>5370</b>	<b>89423193</b>	<b>38.12</b>	<b>-3.81</b>
<b>Total Public Shareholding Public Group (B)= (B)(1)+(B)(2)</b>	<b>89417823</b>	<b>5370</b>	<b>89423193</b>	<b>41.93</b>	<b>89417823</b>	<b>5370</b>	<b>89423193</b>	<b>38.12</b>	<b>-3.81</b>
<b>Total (A) + (B)</b>	<b>213254060</b>	<b>5370</b>	<b>213259430</b>	<b>100.00</b>	<b>234554060</b>	<b>5370</b>	<b>234559430</b>	<b>100.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>213254060</b>	<b>5370</b>	<b>213259430</b>	<b>100.00</b>	<b>234554060</b>	<b>5370</b>	<b>234559430</b>	<b>100.00</b>	<b>0.00</b>



ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2020)			Shareholding at the end of the year (As on 31.03.2021)			% change in share-holding 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	
1.	Saurabh Malhotra	3,24,85,077	15.24	59.93	3,24,85,077	13.85	15.96	-1.39
2.	Kusum Chander Mohan Malhotra	4,64,31,190	21.77	0.00	4,64,31,190	19.80	0.00	-1.97
3.	Vanitha Malhotra	1,03,50,000	4.85	0.00	1,03,50,000	4.41	0.00	-0.44
4.	Shipra Malhotra	5,000	0.00	0.00	5,000	0.00	0.00	0.00
5.	Tanya Mediratta	5,320	0.00	0.00	5,320	0.00	0.00	0.00
6.	Sakuma Finvest Pvt. Ltd.	69,87,200	3.28	0.00	69,87,200	2.98	0.00	-0.30
7.	GMK System And Logistics Private Ltd.	9,00,000	0.42	0.00	9,00,000	0.39	0.00	-0.03
8.	Sakuma Infrastructure And Realty Private Limited	2,66,72,450	12.51	0.00	4,79,72,450	20.45	0.00	+7.94
	<b>Total</b>	<b>12,38,36,237</b>	<b>58.07</b>	<b>15.72</b>	<b>145136237</b>	<b>61.88</b>	<b>3.57</b>	<b>+3.81</b>

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

	Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the year (As on 31.03.2021)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Sakuma Infrastructure And Realty Private Limited</b>				
At the beginning of the year	2,66,72,450	12.51		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	+2,13,00,000 (Allotted on 18.12.2020)	+7.94	4,79,72,450	20.45
At the end of the year			<b>4,79,72,450</b>	<b>20.45</b>

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 (As on 01.04.2020)		Shareholding at the end of the year (As on 31.03.2021)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Al Malaki Foodstuff Trading LLC	14204228	6.66	6344249	2.70
2.	Chandurkar Investment Private Limited	3359870	1.58	3359870	1.43
3.	Rahil Shaikh	2265700	1.06	2271470	0.97
4.	Sangeetha S	2186890	1.03	2131336	0.91
5.	Pankaj Lata Nigam	1939423	0.91	1939423	0.83
6.	Money mart Securities Pvt Ltd	1749300	0.82	1854500	0.79
7.	Gaurav Bhartula Sharma	1528643	0.72	1528643	0.65
8.	Kamad Prakash Nigam	0	0.00	1463778	0.62
9.	Moksh Mercantile Private Limited	1453959	0.68	1412000	0.60
10.	Gouresh H Sinari HUF	1440400	0.68	1267670	0.54
11.	Anupama Gupta	473446	0.22	1190000	0.50

## v) Shareholding of Directors and Key Managerial Personnel

	Shareholding at the beginning of the year (As on 01.04.2020)		Cumulative Shareholding during the year (As on 31.03.2021)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A. DIRECTORS</b>				
At the beginning of the year	Promoter Directors Shareholding and their changes have been given in the earlier table. Mr. Radhe Shyam (Independent Director) holds 680530 equity shares at the beginning and at the end of the financial year; Mr. Om Parkash Singal (Independent Director) holds 100 equity shares at the beginning and at the end of the financial year. Mr. Vivek Grover (Non-Executive Non Independent Director) and Mr. Amit Amist (Independent Director) do not hold any shares in the Company at the beginning and at the end of the financial 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				
<b>B. KEY MANAGERIAL PERSONNEL</b>				
At the beginning of the year	Mr. Devesh Mishra, Chief Financial Officer and Mr. Dhiraj Khandelwal, Company Secretary and Compliance Officer do not hold any equity shares in the beginning and at the end of the financial 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				

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (Rs. in Lakhs)
<b>Indebtedness at the beginning of the financial year (01.04.2020)</b>				
i) Principal Amount	347.25	0.00	0.00	347.25
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>347.25</b>	<b>0.00</b>	<b>0.00</b>	<b>347.25</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	55,076.55	3,291.74	0.00	58,368.29
Reduction	54,926.25	3,291.74	0.00	58,217.99
<b>Net Change</b>	<b>150.30</b>	<b>0.00</b>	<b>0.00</b>	<b>150.30</b>
<b>Indebtedness at the end of the financial year (31.03.2021)</b>				
i) Principal Amount	497.55	0.00	0.00	497.55
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (Rs. in Lakhs)
		Saurabh Malhotra Chairman & MD		
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	108.00		108.00
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00		0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00		0.00
2.	Stock Options	0.00		0.00
3.	Sweat Equity	0.00		0.00
4.	Commission	0.00		0.00
	- as % of profit	0.00		0.00
	- others, specify	0.00		0.00
5.	Others, please specify	0.00		0.00
	<b>TOTAL (A)</b>			
	<b>Ceiling As Per The Act</b>	<b>Minimum Remuneration upto Rs. 14,00,000 per month</b>		<b>--</b>

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

Particulars of Remuneration	Ashok Kumar Doda*	Radhe Shyam	Om Parkash Singal	Amit Amist\$	Total Amount (In Rs.)
- Fee for attending Board / Committee Meetings	1,00,000	3,00,000	3,00,000	0.00	7,00,000
- Commission	-	-	-	-	-
- Others, please specify (Conveyance)	0.00	0.00	0.00	0.00	0.00
<b>Total (B)(1)</b>					<b>7,00,000</b>

\*Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020\$Appointed w.e.f. 13<sup>th</sup> February, 2021**2. Other Non-Executive Directors**

Particulars of Remuneration	Shipra Malhotra	Vivek Grover	Total Amount (In Rs.)
- Fee for attending Board / Committee Meetings	3,00,000	3,00,000	6,00,000
- Commission	-	-	-
- Others, please specify (Conveyance)	0.00	0.00	0.00
<b>Total (B)(2)</b>			<b>6,00,000</b>
<b>Total (B)= (B)(1)+(B)(2)</b>			<b>13,00,000</b>
<b>Overall Ceiling as per the Act</b>			<b>Up to Rs. 1,00,000 per meeting</b>

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sr. No.	Particulars of Remuneration	Name of KMP		Total Amount (In Rs.)
		Dhiraj Khandelwal	Devesh Mishra	
		Company Secretary	Chief Financial Officer	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5,84,189	16,50,000	0.00
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00	0.00	0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2.	Stock Options	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	<b>TOTAL (C)</b>	<b>5,84,189</b>	<b>16,50,000</b>	<b>0.00</b>

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			None		
Compounding					



## CORPORATE GOVERNANCE REPORT

*Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

For The Financial Year 31<sup>st</sup> March, 2021

The Directors' Report on the compliance of the Corporate Governance Code is given below.

### 1. CORPORATE GOVERNANCE

#### 1.1 Company's Philosophy on Corporate Governance

Corporate Governance is about commitment to values and ethical business conduct. We look upon good corporate governance practices as a key driver of sustainable corporate growth and long-term shareholders value creation. Good Corporate Governance is about enhancing value for all our stakeholders. The Company is committed to adopt best practices in corporate governance and disclosures. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, a timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our place of work, transparency in decision making process, fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices being followed since the inception have contributed to the Company's sustained growth. The Company also believes that its operations should ensure that the precious natural resources are utilized in a manner that contributes to the "Triple Bottom Line".

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.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV (Obligations of Listed Entity which has listed its Specified Securities) read with Schedule V (Annual Report) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

#### 1.2 The 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.

- a. **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.

- b. 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 & Remuneration Committee and Corporate Social Responsibility Committee. Each of these Committees has been mandated to operate within a given framework.
- c. Management Structure** – Management structure for running the business as a whole is in place with appropriate delegation of powers and responsibilities to the functional heads. The Managing Director is in overall control and responsible for day-to-day working of the Company. They give strategic directions, lay down policy guidelines and ensure implementation of decisions of the Board of Directors and its various committees.

## 2. BOARD OF DIRECTORS

### 2.1 Composition and Category of Directors

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

Name	Executive/ Non-Executive	Promoter/ Independent	Relationship with Directors
Mr. Saurabh Malhotra	Executive	Promoter	Son of Late Shree Chander Mohan Malhotra, Promoter and brother of Ms. Shipra Malhotra
Ms. Shipra Malhotra	Non-Executive	Promoter	Daughter of Late Shree Chander Mohan Malhotra, Promoter 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
Mr. Vivek Grover	Non-Executive	Non – Independent	Brother in law of Mr. Saurabh Malhotra, Managing Director of the Company
Mr. Amit Amist\$	Non-Executive	Independent	Not Related to any Directors

\*Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

\$Appointed w.e.f. 13<sup>th</sup> February, 2021

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 the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI Regulations.

#### Directors’ Profile:

The Board of Directors comprises of professionals of eminence and stature drawn from diverse fields. They collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board’s decision making process.

#### Mr. Saurabh Malhotra (DIN: 00214500), Chairman and Managing Director:

Mr. Saurabh Malhotra holds a Post Graduate diploma in Business Administration (Specialized in Finance) from Prin. L N Welingkar Institute of Management and Research. He is a Chairman and Managing Director of the Company. He has displayed the capacity of identifying and converting potentials into reality. Responsible for developing exports and imports of number of commodities, keep himself updated by participating in business related summits, seminars, conventions, conference and extensive travelling. He keenly follows the global market conditions on day to day basis to identify, conceptualize and develop business strategies of the Company. He has an experience of 20 years of managing the business.

He is the Chairman of Corporate Social Responsibility Committee.

He is not on the Board of any other company whose equity shares are listed on a Stock Exchange.



**Mr. Radhe Shyam (DIN: 00648805), Non-Executive Independent Director:**

Mr. Radhe Shyam is Master in Commerce, Certified Associate of Indian Institute of Bankers (CAIIB), Diploma in Industrial Finance. He is retired Chief General Manager of Reserve Bank of India and had an experience of 36 years as Officer in Reserve Bank of India in various positions (last 5 years as Regional Director / Chief General Manager). He held positions in Banking Operations and Supervision, Member of Faculty at Bankers Training College, General Manager in Charge of Mumbai Regional Office of Exchange Control Department, Administration / Miscellaneous.

He is a Chairman of Audit Committee and Nomination and Remuneration Committee and Member of Stakeholders Relationship Committee.

He is not related to the Chairman or any other Member of the Board.

He is not on the Board of any other company whose equity shares are listed on a Stock Exchange.

**Mr. Om Parkash Singal (DIN: 02585264), Non-Executive Independent Director:**

Mr. Om Parkash Singal is a, BA (Hon's), LLB, Certified Associate of Indian Institute of Bankers (CAIIB) and Fellow Members of Indian Institute of Bankers and Finance, ACS (Inter). He has been associated with the IDBI from April 1978 to December, 2004 and retired as Joint Legal Advisor and had experience of about 27 years on the legal aspects and various field of law like documentation, legal aspects of banking and corporate finance and litigation. He was also Faculty Member of RBI Bankers training college, NIBM, ICSI, and JNIGB etc. He had also experience in Commercial Bank About eight years. He is an advocate from 1969 and is Permanent Member of the Bombay Bar Association, Bombay High Court from February, 2005 till date. He was associated with M/s Singhanian & Partners (Solicitors & Advocates) and ESSAR Groups as Senior Legal Consultant for about seven years.

He is a Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

He is an independent Director of "Elegant Marbles And Grani Industries Limited" and he is the Chairman of it Audit Committee and member of other committee.

He is on the Board of "Elegant Marbles And Grani Industries Limited" whose equity shares are listed on a Stock Exchange.

**Mr. Ashok Kumar Doda (DIN: 00288563), Non-Executive Independent Director (upto 29<sup>th</sup> November, 2020):**

Mr. Ashok Kumar Doda is B. Tech. (Hons.) from IIT Mumbai; Middle Management Course from IIM, Ahmadabad; Management studies from University of Mumbai; Certified Associate of Indian Institute of Bankers (CAIIB). He has over 30 years of experience working with IDBI, India's apex Financial Institution, Member of Top Management team of IDBI for about 15 years, Brief stint as Class I Gazetted Officer in Government of India (selected through UPSC). During his career, he held several key positions like Executive Director in IDBI, Executive Trustee of Stressed Asset Stabilization Fund (SASF) of GOI, Chairman of the Board of IDBI Capital Markets Services Limited (ICMS), Chairman of Credit Committee, Investment Committee and other committees of IDBI.

He is a Chairman of Stakeholders Relationship Committee and Member of Audit Committee.

He is not related to the Chairman or any other Member of the Board.

He is not on the Board of any other company whose equity shares are listed on a Stock Exchange.

**Ms. Shipra Malhotra (DIN: 01236811), Non-Executive Non Independent Director:**

Mr. Shipra Malhotra is a Non-Executive and Non-Independent Director of our Company. She holds a master's degree in commerce from University of Bombay. She also holds an executive's master program in business administration from the Institute of Business Management Studies. She holds a diploma in the Montessori Teachers Training Course from Mumbai Montessori. She has been conducting seminars/workshops on soft skills in the corporate world.

She is a Member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

She is not on the Board of any other company whose equity shares are listed on a Stock Exchange.

**Mr. Vivek Madanlal Grover (DIN: 03594740), Non-Executive Non Independent Director:**

Mr. Vivek Grover is a Non-Executive and Non-Independent Director of our Company. He holds a bachelor's degree in chemical engineering from the University of Pune. He has an experience of more than two decades in the different are as of production and marketing, business development of pharmaceutical raw materials and chemicals. He has been previously associated with United Phosphorus Limited, Ria International India Private Limited and Parekh Platinum Limited.

He is not on the Board of any other company whose equity shares are listed on a Stock Exchange.

**Mr. Amit Amist Shanker (DIN: 05305256), Non-Executive Independent Director:**

Mr. Amit Amist is a Non-Executive and Non-Independent Director of our Company. He is a Bachelor of Arts from University of Delhi with specialization in Political Science. He is also a Law Graduate from GLC / CCS, Delhi. He has also done MBA in Marketing from Welingkar Institute of Management in the field of Marketing. Currently he is practicing as an Advocate with ASA Legal. He was also associated with Canara Robeco Asset Management Co Ltd as Executive Vice President

He is a Member of Audit Committee and Stakeholders Relationship Committee.

He is not related to the Chairman or any other Member of the Board.

**Confirmation as regards skills / competence / expertise of the Board of Directors**

The Board believes that the above-mentioned skills / competencies/expertise are required for the business of the Company and Directors of the Company possess these skills/competencies/expertise, which helps the Company to function effectively.

**Confirmation as regards independence of Independent Directors**

None of the Independent Directors serve as Independent Directors in more than seven (7) listed companies in line with the requirements of the SEBI Regulations. The said Independent Directors have also confirmed that they meet the criteria of independence as laid down under the Companies Act, 2013 and the SEBI Regulations, as amended.

Confirmation as regards independence of Independent Directors have been duly obtained from them and taken on record.

In the opinion of the Board, all the Independent Directors fulfill the criteria relating to their independence as specified in the SEBI Regulations and the Act and are independent of the Management.

During the financial year, no Independent Directors had resigned from the Board except Mr. Ashokkumar Doda who ceased to be Independent Director due to death on 29<sup>th</sup> November, 2020.

**2.2 Board Training and Induction**

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, function, duties and responsibilities expected of him / her as a Director of the Company. The Chairman & Managing Director 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 / her to effectively fulfill his / her role as a Director of the Company.

**2.3 Board Meetings held during the Year**

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
29 <sup>th</sup> July, 2020	6	6
14 <sup>th</sup> September, 2020	6	6
02 <sup>nd</sup> October, 2020	6	6
11 <sup>th</sup> November, 2020	6	6
18 <sup>th</sup> December, 2020	5	5
13 <sup>th</sup> February, 2021	6	6

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

Dates of Board Meetings	Saurabh Malhotra	Shipra Malhotra	Ashok Kumar Doda*	Radhe Shyam	Om Parkas Singal	Vivek Grover	Amit Amist §
29 <sup>th</sup> July, 2020	Present	Present	Present	Present	Present	Present	NA
14 <sup>th</sup> September, 2020	Present	Present	Present	Present	Present	Present	NA
02 <sup>nd</sup> October, 2020	Present	Present	Present	Present	Present	Present	NA
11 <sup>th</sup> November, 2020	Present	Present	Present	Present	Present	Present	NA
18 <sup>th</sup> December, 2020	Present	Present	NA	Present	Present	Present	NA
13 <sup>th</sup> February, 2021	Present	Present	NA	Present	Present	Present	Present
Total Attendance (out of 6 Board Meetings)	<b>6</b>	<b>6</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>1</b>
Attendance at Last AGM	<b>Present</b>	<b>Present</b>	<b>NA</b>	<b>Present</b>	<b>Present</b>	<b>Present</b>	<b>NA</b>

\*Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

§Appointed w.e.f. 13<sup>th</sup> February, 2021

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

Name of Directors	Date of Appointment	No. of Directorship held in Indian public limited Companies (including SEL)	**Number of Committee Memberships / Chairmanships (including SEL)	
			Chairman	Member
Mr. Saurabh Malhotra	31/08/2005	1	0	0
Ms. Shipra Malhotra	25/01/2007	1	0	1
Mr. Ashok Kumar Doda#	08/09/2005	1	0	0
Mr. Radhe Shyam	08/09/2005	1	2	0
Mr. Om Parkash Singal	05/11/2012	1	0	1
Mr. Vivek Grover	29/05/2017	1	0	0
Mr. Amit Amist§	13/02/2021	1	0	2

#Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

§Appointed w.e.f. 13<sup>th</sup> February, 2021

\*For calculating no. of Directorships, only Public Limited Companies (Listed and Unlisted) have been considered.

\*\*Further for calculating Committee Memberships and Committee Chairmanships, only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (Listed and Unlisted) have been considered.

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 SEBI Regulations 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.

### **D&O Insurance for Directors**

In line with the requirements of Regulation 24(10) of the SEBI Regulations, the Company is not required to take Directors and Officers Insurance (D&O) for all its Directors and Members of the Senior Management for such quantum and for such risks as determined by the Board, since it is not applicable to the Company.

## **3. 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 & Remuneration Committee and 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.

### **3.1 Audit Committee**

The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance; and reviews the Company's statutory and internal audit processes. More than two-thirds of the members of the committee, including the Chairman are Independent Directors. The committee is governed by a Charter, which is in line with the regulatory requirements mandated by the act and SEBI Regulations. All the members of the committee have the ability to read and understand the financial statements. The Chairman of the committee possesses professional qualifications in the field of Finance and Accounting.

Some of the important functions performed by the Committee are:

#### **3.1.1 Financial Reporting and Related Processes**

- Effective oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with the Management (i) the quarterly Un-Audited Financial Results and the Auditors' Limited Review Report thereon, (ii) 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 practices and reasons for such change, major accounting entries involving estimates based on exercise of judgment by the Management.
- Review the Management Discussion & Analysis of financial condition and results of the Company's operation.
- Review of Management internal control systems, improvements and weaknesses, if any, as observed by the Statutory Auditors.
- Review of the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the person heading the Department, reporting structure, coverage and frequency of internal audit.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control.
- Discuss with the Statutory Auditors, its judgment about the quality and appropriateness of the Company's accounting principles with reference to relevant Accounting Standards and the relevant Rules under the Act as amended from time to time.
- Scrutiny and review the investments and inter-corporate loans made by the Company.



### 3.1.2 Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's Accounting system and internal financial controls.
- Review and discuss with the Management on the Company's major financial risk exposures and steps taken by the Management to monitor and mitigate such risks.
- To oversee and review the functioning of the vigil mechanism implemented in the Company as a Whistle Blower Policy and to review the findings of investigations into cases of material nature, if any, and the actions taken in respect thereof. The scope of the vigil mechanism enables employees, Directors and other stakeholders to report on any cases of leakage of unpublished price sensitive information and consequent non-compliance with SEBI (Prohibition of Insider Trading Regulations) Regulations, 2015.
- To make the employees aware of the vigil mechanism to enable employees to report instances of leak of unpublished price sensitive information.
- Management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors.

### 3.1.3 Audit

- Review the scope of the Statutory Audit, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review and monitor the Auditors' independence and performance and effectiveness of the audit process.
- Discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Review and discuss 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, if necessary.
- Approve such additional services which are to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Act and payment for such services.
- Recommend to the Board the remuneration of the Statutory Auditors / Cost Auditors.
- Discussion with the Statutory Auditors / Internal Auditors on significant findings and follow-up thereon.
- Review the Annual Cost Audit Report submitted by the Cost Auditor.

### 3.1.4 Other Functions

- To approve the appointment, removal and terms of remuneration of the Internal Auditor and to approve the appointment of the Chief Financial Officer after assessing the qualifications and experience of the candidates.
- To grant omnibus approval to all related party transactions including any subsequent modifications thereto, grant of omnibus approvals for related party transactions which are repetitive in nature, 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 or shareholders, as the case may be.
- To review compliance with the provisions of the SEBI (Prohibition of Insider Trading Regulations) Regulations, 2015 as amended from time to time and to verify that the systems for internal control for prohibition of Insider Trading are adequate and are operating effectively.
- The scope and terms of reference of the Committee has been widened in line with the amendments made to the listing regulations which become applicable from the said date.

The composition of the Audit Committee as at 31<sup>st</sup> March, 2021 and details of the Members participation at the Meetings of the Committee are as under:

Dates of Meeting	Radhe Shyam*	Ashok Kumar Doda#@	Om Parkash Singal§	Amit Amist##%
29 <sup>th</sup> July, 2020	Present	Present	Present	NA
14 <sup>th</sup> September, 2020	Present	Present	Present	NA
11 <sup>th</sup> November, 2020	Present	Present	Present	NA
13 <sup>th</sup> February, 2021	Present	NA	Present	Present
Total (out of 4 meetings)	4	4	4	1

\*Chairman & Non – Executive Independent Director

#Member & Non – Executive Independent Director

§Member & Non – Executive Independent Director

@Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

%Appointed w.e.f. 13<sup>th</sup> February, 2021

The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 10<sup>th</sup> December, 2020.

All the Members on the Audit Committee are financially literate and possess sound knowledge in finance, accounting practice. The representative of the Statutory Auditors is permanent invitee to the Audit Committee Meetings. He has attended all Audit Committee Meetings held during the year at which the financial results / financial statements have been placed for review. The representative of the Cost Auditor is also invited to attend the Meeting of the Audit Committee at which the Cost Audit Report is tabled for discussion.

Also the Internal Auditors are invited to attend the Audit Committee Meetings.

The Minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

#### **Performance Review of the Audit Committee:**

The performance of the Audit Committee is assessed annually by the Board of Directors through a structured questionnaire which broadly covers Functions and Duties, Management Relations and Committee Meetings and Procedures. The performance of the Audit Committee were found satisfactory for the financial year 2020 – 21 and the same has been forwarded to Mr. Saurabh Malhotra, Chairman & Managing Director of the Company for record.

### **3.2 Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee comprises three Members out of which half of the Members are Independent Directors.

#### **3.2.1 Terms of Reference of the Committee**

- to approve transfer / transmission of shares / debentures and such other securities, as may be issued by the Company from time to time;
- to issue of duplicate share certificates for shares / debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;



- to issue and allot right shares / bonus shares pursuant to a out rights issue / bonus issue, subject to such approvals as may be required;
- to issue and allot debentures, bonds and other securities as approved by the Board of Directors, subject to such other approvals of the Regulators as may be required;
- to approve and monitor requests relating to 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
  - o transfer / transmission of shares, issue of duplicate share certificates for shares reported lost, defaced or destroyed, to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates;
  - o non receipt of annual reports, notices, non receipt of declared dividend, change of address for correspondence and other such issues and to monitor action taken thereon;
- to monitor Investor Relation activities of the Company and give guidance on the flow of information from the Company to the Investors;
- to monitor expeditious redressal of grievances of shareholders / security holder and all other matters incidental or related to issue of shares, debentures and other securities, if any of the Company.
- to review reports relating to grievances of investors, shareholding pattern and other reports, which are to be submitted to the Stock Exchanges periodically in line with the requirements of the SEBI Regulations;
- review of measures taken for effective exercise of voting rights by shareholders;
- reviewing the various measures and initiatives taken to reduce the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants /annual reports / statutory notices by the shareholders of the Company;
- review of adherence to the service standards adopted in respect of various services being rendered by the Registrar and Share Transfer Agent.
- review of transfer of unpaid / unclaimed dividend /shares to the Investor Protection Fund of the Government of India in line with the relevant Rules thereunder;
- any other matters as may be assigned to the Committee by the Board of Directors from time to time.

The composition of the Stakeholders' Relationship Committee as at 31<sup>st</sup> March, 2021 and details of the Members participation at the Meetings of the Committee are as under:

<b>Dates of Meeting</b>	<b>Ashok Kumar Doda<sup>*@</sup></b>	<b>Shipra Malhotra<sup>#</sup></b>	<b>Radhe Shyam<sup>§^*</sup></b>	<b>Amit Amist<sup>¶%</sup></b>
29 <sup>th</sup> July, 2020	Present	Present	Present	NA
14 <sup>th</sup> September, 2020	Present	Present	Present	NA
11 <sup>th</sup> November, 2020	Present	Present	Present	NA
13 <sup>th</sup> February, 2021	NA	Present	Present	Present
Total (out of 4 meetings)	<b>3</b>	<b>4</b>	<b>4</b>	<b>1</b>

\*Chairman & Non – Executive Independent Director

#Member & Non – Executive Promoter Director

§Member & Non – Executive Independent Director

@Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

^Appointed as Chairman of the Committee w.e.f. 13<sup>th</sup> February, 2021

¶Appointed w.e.f. 13<sup>th</sup> February, 2021

### 3.2.2 Compliance Officer

As required by the SEBI Regulations, the Company has appointed Mr. Dhiraj Khandelwal as Company Secretary cum Compliance Officer. Email address of Company Secretary cum Compliance Officer is companysecretary@sakumaexportsltd.com.

### 3.2.3 Complaints

During the financial year ended 31<sup>st</sup> March, 2021, no complaint was received from the shareholders. No complaints were pending as on 31<sup>st</sup> March, 2021. The complaints relate to non-receipt of annual report, dividend, share transfers, etc.

Opening as on 01 <sup>st</sup> April, 2020	NIL
Received during the year	NIL
Disposed of during the year	NIL
Closing as on 31 <sup>st</sup> March, 2021	NIL

### 3.3 Nomination and Remuneration Committee (NRC)

The Chairman of the Committee is an Independent Director and half of the Members on the Committee are Independent Directors.

#### 3.3.1 Terms of Reference

- Succession planning of the Board of Directors and Senior Management Personnel.
- Identifying and selecting candidates who are qualified for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential candidates for appointment as Key Managerial Personnel and to recommend to the Board of Directors their appointment and removal;
- Review the performance of the Board of Directors and Key Managerial Personnel based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short-term and long-term objectives of the Company. Accordingly, the Committee recommends to the Board, the remuneration in whatever form payable to the Senior Management including Key Managerial Personnel;
- To recommend to the Board of Directors the extension or continuance in office of the Independent Directors on the basis of the report of their performance evaluation;
- The functions of the Committee have been widened in line with the amendments made to SEBI Regulations.
- Specify the manner of carrying the performance evaluation of the Board, its Committees and individual Directors.

#### 3.3.2 Remuneration Policy

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 31<sup>st</sup> March, 2021 and the details of Members participation at the Meetings of the Committee are as under:

Date of Meeting	Radhe Shyam*	Om Parkash Singal <sup>#</sup>	Shipra Malhotra <sup>§</sup>
13 <sup>th</sup> February, 2021	Present	Present	Present
Total	1	1	1

\*Chairman & Non – Executive Independent Director

<sup>#</sup> Member & Non – Executive Independent Director

<sup>§</sup>Member & Non – Executive Promoter Director

### 3.4 Corporate Social Responsibility (CSR) Committee

Pursuant to the requirement of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy was adopted by the Board of Directors at its meeting held on 13<sup>th</sup> February, 2016. The said policy may be referred to, at your Company’s website at the web link <http://sakumaexportsltd.com/investors/corporate-policy/CSR-Policy.pdf>

The composition of the Corporate Social Responsibility Committee as at 31<sup>st</sup> March, 2021 and the details of Members’ participation at the Meetings of the Committee are as under:

Date of Meeting	Saurabh Malhotra*	Shipra Malhotra <sup>#</sup>	Om Parkash Singal <sup>§</sup>
13 <sup>th</sup> February, 2021	Present	Present	Present
Total	1	1	1

\*Chairman & Executive Director

<sup>#</sup>Member & Non – Executive Promoter Director

<sup>§</sup>Member & Non – Executive Independent Director

### 3.5 Risk Management Committee (Non-Mandatory)

The Company has not formed Risk Management Committee as it is not applicable under Regulation 21 of the SEBI (LODR) Regulations, 2015.

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

- a. Foreign Exchange risk
- b. Commodity Price risk
- c. Risk elements in business transactions
- d. Physical risk to cargo

All the above risk has been discussed in the Management Discussion and Analysis Report. The Executive Chairman & Managing Director mitigate the risk with the help of their depth of knowledge of market, assistance of senior management and forecast based on various data available with the Company. The Company has developed the analysis of market data which helps in decision making and to ensure the mitigation of the risk.

### 3.6 Policy for Selection and Appointment of Directors and their Remuneration

The Nomination and Remuneration Committee (NRC) has adopted a Policy which, inter alia, deals with the manner of selection of Managing Director other Directors, members of Senior Management and their remuneration. The said Policy has been outlined below:

### 3.6.1 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 NRC shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The NRC 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 NRC 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.

### 3.6.2 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.

### 3.6.3 Chairman & Managing Director - Criteria for Selection / Appointment

For the purpose of selection of the Chairman & Managing Director, the NRC recommends the Promoter Directors as 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 Chairman & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and the Executive Chairman & Managing Director within the overall limits prescribed under the Companies Act, 2013 and SEBI Regulations.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the 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.



### 3.6.4 Remuneration Policy for the Senior Management Employees

- In determining the remuneration of the Senior Management Employees including Key Managerial Personnel, the NRC 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-a-vis 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 NRC for its review and approval.

### 3.7 Independent Directors' Meeting

During the year under review, the Independent Directors met on 13<sup>th</sup> February, 2021, inter alia to discuss:

- evaluation of the performance of Non Independent 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 timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties; and

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 Managing Relationships, Leadership, Strategy Formulation and execution, financial planning / performance, Relationships with the Board, External Relations, Human Resources Management / Relations, Succession, Product / Service Knowledge, and Personal Qualities, etc.

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.

The Independent Directors have expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the Meetings and the openness and transparency with which the Management discusses various subject matters specified on the agenda of Meetings. The consolidated evaluation report of the Board, based on inputs received from the Directors was discussed at the Meeting of the Board held on 13<sup>th</sup> February, 2021.

### 3.8 Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the performance evaluation of the Independent Directors and Committees of the Board were carried out by the entire Board. The performance evaluation of the Board as a Whole, 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.

### 3.9 Details of Remuneration paid to all Directors

The aggregate remuneration paid to the Directors for the year ended 31<sup>st</sup> March, 2021 is as under:

(Rs. in Lakhs)

Name of Directors	Designation	Salary & Perquisites	Commission	Sitting Fees	Total Amount
Saurabh Malhotra	Chairman and Managing Director	108.00	0.00	0.00	108.00
Shipra Malhotra	Non – Executive Director	0.00	0.00	3.00	3.00
Ashok Kumar Doda*	Independent Director	0.00	0.00	1.00	1.00
Radhe Shyam	Independent Director	0.00	0.00	3.00	3.00
Om Parkash Singal	Independent Director	0.00	0.00	3.00	3.00
Vivek Grover	Non – Executive Director	0.00	0.00	3.00	3.00
Amit Amist\$	Independent Director	0.00	0.00	0.00	0.00

\*Ceased to be Director w.e.f. 29<sup>th</sup> November, 2020

\$Appointed w.e.f. 13<sup>th</sup> February, 2021

Note: The Company does not pay any 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. Saurabh Malhotra Chairman & Managing Director	5 years	1 <sup>st</sup> September, 2019	31 <sup>st</sup> August, 2024

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 <sup>st</sup> March, 2021	No. of shares held as on 31 <sup>st</sup> March, 2020
Shipra Malhotra	5000	5000
Ashok Kumar Doda	1000	1000
Radhe Shyam	680530	680530
Om Parkash Singal	100	100
Vivek Grover	0	0
Amit Amist	0	0

Details of Remuneration paid to the Directors are given above.

#### Details of Stock – Options

The Company has not issued any stock options.

## 4. SUBSIDIARY COMPANIES

The Company has two subsidiary, Sakuma Exim DMCC and Sakuma Exports Pte Ltd whose net worth exceeds 10% of consolidated net worth of the Holding Company in immediately preceding financial year and has generated 10% of the consolidated income of the Company during the previous financial year. Accordingly, Sakuma Exim DMCC is a material subsidiary of the Company. The Company has formulated a policy on Material Subsidiary. The said policy may be referred to, at your Company's website at the web link, <https://www.sakumaexportsltd.com/overseas-financial-results.html>

The other three subsidiary companies, Sakuma Exports PTE Limited, Sakuma Exports (Ghana) Ltd, Sakuma Exports Tanzania Pvt. Ltd. and one step down subsidiary GK Exim FZE W.L.L. are not material subsidiaries of the Company.



## 5. DISCLOSURES

### 5.1 Indian Accounting Standards (Ind As)

The Company has followed the relevant Accounting Standards notified by the Companies (India Accounting Standards) Rules, 2015 while preparing Financial Statements.

### 5.2 Regulations 17 to 27 & Regulation 46 of SEBI Regulations

The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Regulations.

### 5.3 Related Party Transactions

All transactions entered into by the Company during the year with related parties were in the ordinary course of business and on arm's length pricing basis. A Related Party Policy has been adopted by the Board of Directors for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at your Company's website at the web link, <http://sakumaexportsltd.com/investors/corporatepolicy/RelatedPartyTransactionsPolicy-Sakuma.pdf>. In line with the amended the SEBI Regulations, the policy has been amended suitably.

Where any materially significant related-party transaction is proposed, approval of the Members is obtained. During the financial year, The Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

### 5.4 Confirmation by the Board of Directors' acceptance of recommendation of mandatory committees

The Board of Directors confirmed that during the year, it has accepted all recommendations received from its Committees. None of the recommendations made by any of the Committees has been rejected by the Board.

### 5.5 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. SEBI had issued a warning letter to Ms. Harsha Narvekar, Accounts Manager who had executed contra trades and earned a profit of Rs. 6,750.25. The trade was in violation of SEBI (Prevention of Insider Trading) Regulations, 2015. In accordance with the letter, the said amount was disgorged from her and deposited with SEBI - IPEF on 26<sup>th</sup> April, 2021.

### 5.5 MD& CFO Certification

The Chairman & Managing Director and Chief Financial Officer have issued certificate pursuant to the provisions of the SEBI Regulations 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.

### 5.6 Code of Conduct for the Board Members and Senior Management

The Company had formulated a Code of Business Conduct for the employees, including the Directors, for dealing with all the stakeholders of the Company and the same was first adopted by the Board in its meeting held on 15<sup>th</sup> May, 2014. The Code inter alia covers conduct of employees, environment, health & safety, anti-trust / competition laws, anti-bribery & anti-corruption, proper accounting and internal controls. The updated Code is also available on the Company's official website at the web link <http://sakumaexportsltd.com/investors/corporate-policy/CodeofConduct-ForSeniorManagement.pdf>

Accordingly, a declaration from the Chairman and Managing Director that all Board Members and Senior Management personnel have duly complied with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2021 forms part of the Annual report.

### 5.7 Vigil Mechanism / Whistle Blower Policy

During the financial year 2017 – 18, in accordance with the Regulation 22 of the SEBI Regulations and pursuant to Section 177 (9) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, 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 Board hereby affirms that no person has been denied access to Audit Committee.

The Company's Whistle Blower Policy has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any, of such information.

### 5.8 Prevention of Insider Trading

Pursuant to SEBI Regulations, the Company has formulated the 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ('Code'), which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of the Company's shares by the Directors, designated employees and connected persons, while in possession of Unpublished Price Sensitive Information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The codes have been revised in line with the amendments to the Prohibition of Insider Trading Regulations, as amended from time to time.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations.

A structured digital database is being maintained by the Company's RTAs, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the Prohibition of Insider Trading Regulations.

The Board have also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations.

The Compliance Officer is appointed for ensuring implementation of the codes for fair disclosure and conduct.

The Board, designated persons and other connected persons have affirmed compliance with the Code.

### 5.9 Communication with the Members/ Shareholders

- The Company follows a robust process of communicating with its stakeholders and investors. For this purpose, it provides multiple channels of communications through dissemination of information on the on-line portal of the Stock Exchanges, Press Releases, the Annual Reports and by placing relevant information on its website.
- The un-audited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the SEBI Regulations. The aforesaid financial results are disseminated to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) where the Company's securities are listed, within thirty minutes from close of the Board meetings at which 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 Financial Results and the press releases of the Company are also placed on the Company's website [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com) and can be downloaded.
- In compliance with SEBI Regulations, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication is filed electronically on BSE's Online Portal – BSE Listing Centre and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited. The Company has complied with filing submissions through BSE's Online Portal and NSE's Online Portal.
- The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges. The Chairman and Managing Director has been empowered to decide on the materiality of information for the purpose of making disclosures to the stock exchanges.
- Facility has been provided by SEBI for investors to place their complaints / grievances on a centralised web-based complaint redress system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are centralised database of all complaints, on-line upload of Action Taken Reports (ATRs) by the concerned companies and on-line viewing by investors of actions taken on the complaints and their current status.

## 6. GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended: 31<sup>st</sup> March, 2021

### 6.1 Investor Services

Pursuant to the directive of SEBI, whereby all work related to share register in terms of both physical and electronic mode for maintenance had to be carried out at a single point, the Company has appointed M/s. Bigshare Services Private Limited as its Registrar & Share Transfer Agent, to handle its entire share related activities, both for physical shares and shares in demat form.

#### **Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri (East), Mumbai – 400 059.  
Tel: 022 62638200; Fax: 022 62638299  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### 6.2 Address for correspondence with Depositories

National Securities Depository Limited Trade World, A wing, 4 <sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel. No.: 022 2499 4200 Fax No.: 022 2497 6351 E-mail : <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a> Website : <a href="http://www.nsdl.co.in">www.nsdl.co.in</a>	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25 <sup>th</sup> Floor, N M Joshi Marg, Lower Parel, Mumbai – 400 013 Tel. No.: 022 2302 3333 Fax No.: 022 2300 2043 E-mail : <a href="mailto:helpdesk@cdslindia.com">helpdesk@cdslindia.com</a> Website : <a href="http://www.cdslindia.com">www.cdslindia.com</a>
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### 6.3 Registered Office & Correspondence Address

#### **Sakuma Exports Limited**

Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli,  
Mumbai – 400 013  
Tel. No.: 022 2499 9021 / 2499 9022  
Fax No.: 022 2499 9024 / 2499 9027

**Website:** [www.sakumaexportsltd.com](http://www.sakumaexportsltd.com)

**Contact Person:** Mr. Dhiraj Khandelwal, Company Secretary and Compliance Officer

**Email Address:** [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com)

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, updating of change of address, updation of bank details for electronic credit of dividend. 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 addressed to the Company.

Members who hold shares in physical form should address their requests to the Company for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewal / split / consolidation of share certificates, issue of duplicate share certificates and such requests 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 proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN cards.

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

#### 6.4 Plant Location

The Company does not have its own manufacturing or processing unit.

#### 6.5 Market Information

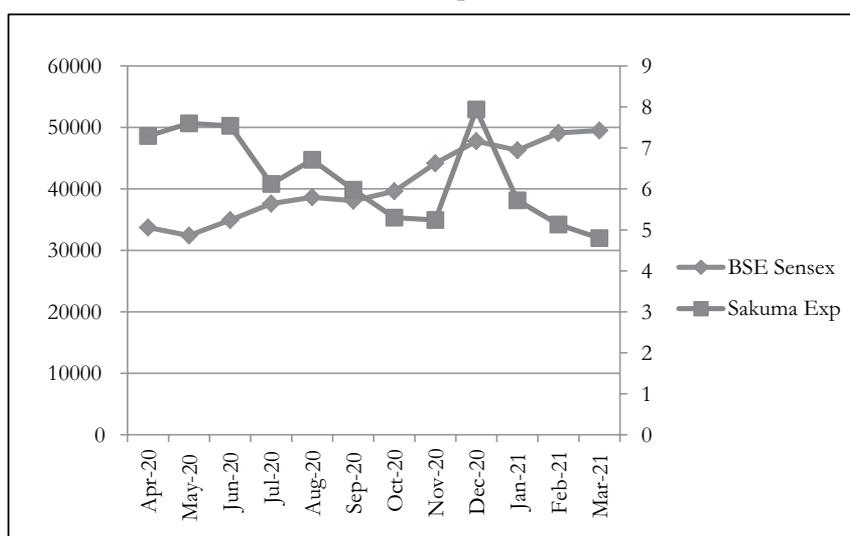
##### Listing on Stock Exchanges

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

Name & Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for CDSL (Dematerialised shares)
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	SAKUMA	INE 190H01016
BSE Limited PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532714	

**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](http://www.bseindia.com)))**

**Index Comparison**



**\*Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31<sup>st</sup> March, 2021:**  
(Source: [www.bseindia.com](http://www.bseindia.com))



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

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	* Spread (Rs.)	
								H-L	C-O
Apr-20	3.41	7.29	3.32	7.29	876260	3596	5484688	3.97	3.88
May-20	7.21	8.43	5.96	7.6	1130847	2133	8325661	2.47	0.39
Jun-20	7.98	9.72	7.22	7.54	2313672	6979	18696924	2.5	-0.44
Jul-20	7.81	7.98	5.81	6.12	1621378	6058	10794308	2.17	-1.69
Aug-20	6.12	7.14	5.87	6.71	1957513	4651	12830862	1.27	0.59
Sep-20	6.65	6.85	5.47	5.98	1406692	3022	8544715	1.38	-0.67
Oct-20	5.94	6.1	5.13	5.3	821654	2143	4706015	0.97	-0.64
Nov-20	5.26	5.55	4.65	5.24	1274942	2645	6622121	0.9	-0.02
Dec-20	5.25	8.09	5.1	7.94	4539298	7287	29383848	2.99	2.69
Jan-21	8.06	8.3	4.82	5.72	3187466	6804	22818588	3.48	-2.34
Feb-21	5.81	6.76	5	5.13	3121145	6808	18083539	1.76	-0.68
Mar-21	5.28	5.66	4.54	4.8	1913257	3641	9884272	1.12	-0.48

#### Annual Fees:

The Company has paid Annual Custody Fees for the year 2020 – 21 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

The Company has paid Annual Listing Fees for the year 2020 – 21 to the National Stock Exchange of India Limited and BSE Limited within the stipulated time.

#### 6.6 Shareholders' rights

A shareholder in a Company enjoys certain rights, which are as follows:

- To receive share certificates, on allotment or transfer as the case may be, in due time.
- To receive copies of the Annual Report, Balance Sheet and Profit and Loss Account and the Auditor's Report.
- To participate and vote in General Meetings either personally or through proxies.
- To receive dividends in due time, once approved in General Meetings or Board Meetings.
- To receive corporate benefits like rights and bonus etc. once approved.
- To apply to the National Company Law Tribunal to call or direct the Annual General Meeting.
- To inspect the minute books of the General Meetings and to receive copies thereof.
- To proceed against the Company by way of civil or criminal proceedings.
- To apply for the winding-up of the Company.
- To receive the residual proceeds.

The above-mentioned rights may not necessarily be absolute.

## 7. SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

### 7.1 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.

As per Regulation 40 of the SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can only be transferred in demat form with effect from 01<sup>st</sup> April, 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or its Registrar and Share Transfer Agent.

### 7.2 Nomination facility for shareholding

In terms of the provisions of Section 72 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 a nomination form (Form SH-13), from the Company's Registrar and Share Transfer Agent. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### 7.3 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 transferor(s), transferee(s), surviving joint holders / legal heirs be submitted to the Registrar and Share Transfer Agent while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### 7.4 Dividend

- **Payment of dividend through Automated Clearing House (ACH):**

The Company provides the facility for direct credit of dividend to the Members' Bank Account. SEBI Regulations also mandate companies to credit the dividend to the members electronically. Members are therefore urged to avail this facility to ensure safe and speedy credit of their dividend into their bank account through the Banks' "Automated Clearing House" mode.

Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company of the core banking account details allotted to them by their bankers. In cases where the core banking account details are not available, the Company will issue the demand drafts mentioning the existing bank details available with the Company.

- **Unclaimed Dividends:**

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years from the date, the dividend has become due for payment to the Investor Education & Protection Fund (IEPF) established by the Government. Accordingly, during the financial year 2020-21, unclaimed dividend pertaining to the financial year 2012 – 13 which was required to be transferred to IEPF was transferred on 25<sup>th</sup> June, 2021.

**For Equity Shareholders:**

Financial Year	Date of Declaration of Dividend	Last Date of claiming Unpaid Dividend
Final Dividend 2013 – 2014	28.08.2014	02.10.2021
Final Dividend 2014 – 2015	11.08.2015	15.09.2022
Interim Dividend 2015 – 2016	11.03.2016	15.04.2023
Final Dividend 2016 – 2017	26.09.2017	31.10.2024
Final Dividend 2017 – 2018	29.09.2018	03.11.2025
Final Dividend 2018 – 2019	24.09.2019	29.10.2026
Final Dividend 2019 – 2020	10.12.2020	14.01.2028



- Dividend History (last 5 Years)

Sr. No.	Financial Year	Final / Interim	Dividend %	Total Dividend (In Rs.)
1.	2019 – 20	Final	10%	2,13,25,943
2.	2018 – 19	Final	10%	2,13,25,943
3.	2017 – 18	Final	10%	2,13,25,943
4.	2016 – 17	Final	10%	1,64,25,943
5.	2015 - 16	Interim	10%	1,64,25,943

**7.5 Transfer of the ‘Shares’ into Investor Education and Protection Fund (IEPF) (in cases where dividend has not been paid or claimed for seven consecutive years or more)**

In terms of Section 124(6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid / unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company is in the process of transferring the required number of shares to the IEPF.

**7.6 Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF**

With effect from September 7, 2016, Investors/Depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under the erstwhile Companies Act, 1956 and/or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/guidelines stated below:

- Download the Form IEPF-5 from the website of IEPF (<http://www.iepf.gov.in>) for filing the claim for the refund of dividend / shares. Read the instructions provided on the website / instruction kit along with the e-form carefully before filing the form.
- After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the website. On successful uploading, an acknowledgement will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.
- Take a print out of the duly filled Form IEPF-5 and the acknowledgement issued after uploading the form.
- Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of e-form along with other documents as mentioned in the Form IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked “Claim for refund from IEPF Authority” / “Claim for shares from IEPF” as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.
- Claim forms completed in all respects will be verified by the concerned Company and on the basis of Company’s Verification Report, refund will be released by the IEPF Authority in favour of claimants’ Aadhar linked bank account through electronic transfer and / or the shares shall be credited to the demat account of the claimant, as the case may be.

The Nodal Officer of the Company for IEPF Refunds Process is Mr. Dhiraj Khandelwal whose e-mail id is [companysecretary@sakumaexportsltd.com](mailto:companysecretary@sakumaexportsltd.com).

**7.7 Dealing with securities which have remained unclaimed**

Regulation 39(4) of SEBI Regulations read with Schedule VI “Manner of dealing with Unclaimed Shares”, had directed Companies to dematerialize such shares which have been returned as “Undelivered” by the postal authorities and hold these shares in an “Unclaimed Suspense Account” to be opened with either one of the Depositories viz. NSDL or CDSL.

All corporate benefits on such shares viz. bonus, dividends etc. shall be credited to the unclaimed suspense account as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Act.

## 7.8 Pending Investors' Grievances

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

## 7.9 Dematerialization of Shares and Liquidity

As per notification issued by SEBI, with effect from 26<sup>th</sup> June, 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both NSDL and CDSL.

As on 31<sup>st</sup> March, 2021, 99.99% of the Company's total paid up capital representing 23,45,54,060 equity shares were held in dematerialized form and the balance 0.01% representing 5,370 equity shares were held in physical form.

## 7.10 Disclosure with respect to demat suspense account/unclaimed suspense account

As on 31<sup>st</sup> March, 2021, there are no outstanding shares lying in the demat suspense account/unclaimed suspense account.

## 7.11 Reconciliation of Share Capital Audit

As required by 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 31<sup>st</sup> March, 2021

Range (In Rupees)	No. of Shareholders	% to capital	Total Shareholding (In Rupees)	% to capital
1 – 5000	23,410	93.23	1,80,29,265	7.69
5001 – 10000	861	3.43	65,43,026	2.79
10001 – 20000	407	1.62	60,44,375	2.58
20001 – 30000	151	0.60	38,04,843	1.62
30001 – 40000	76	0.30	27,47,376	1.17
40001 – 50000	53	0.21	25,19,657	1.07
50001 – 100000	78	0.31	57,10,576	2.43
100001 & Above	76	0.30	18,91,60,312	80.65
<b>Total</b>	<b>25,112</b>	<b>100.00</b>	<b>23,45,59,430</b>	<b>100.00</b>

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 31<sup>st</sup> March, 2021 (Equity Shares)

	Category	No. of Shares Held	% Of Share Holding
<b>A.</b>	<b>Promoter (s) Holding</b>		
	Promoter (s)		
	- Indian Promoters	8,92,76,587	38.06
	- Group Companies	5,58,59,650	23.81
	<b>Sub – Total(A)</b>	<b>14,51,36,237</b>	<b>61.88</b>
<b>B.</b>	<b>Non-Promoters Holding</b>		
	<b>Institutional Investors</b>		



	Category	No. of Shares Held	% Of Share Holding
i.	Alternate Investment Funds	0	0.00
ii.	Banks, Financial Inst, Insurance Company (Central/State Govt	0	0.00
iii.	Inst/Non-Govt Inst) Foreign Portfolio Investors	0	0.00
	<b>Others</b>		
i.	Corporate Bodies	78,23,324	3.34
ii.	Indian Public	6,88,52,826	29.35
iii.	NRI	21,37,243	0.91
iv.	OCBS	63,44,249	2.70
v.	Clearing Members	4,72,336	0.20
vi.	HUF	37,93,215	1.62
	<b>Sub – Total (B)</b>	<b>8,94,23,193</b>	<b>38.12</b>
	<b>GRAND TOTAL (A+B)</b>	<b>23,45,59,430</b>	<b>100.00</b>

**Statement showing Shareholding of more than 1% of the Capital as on 31<sup>st</sup> March, 2021**

Sr. No.	Names of the shareholders	No. of Shares	% of Capital
<b>1.</b>	<b>Promoters</b>		
	Saurabh Malhotra	3,24,85,077	14,51,36,237 61.88
	Kusum Chander Mohan Malhotra	4,64,31,190	
	Sakuma Infrastructure and Realty Private Limited	4,79,72,450	
	Vanitha Malhotra	1,03,50,000	
	Shipra Malhotra	5,000	
	Tanya Mediratta	5,320	
	Sakuma Finvest Pvt Ltd	69,87,200	
	GMK System And Logistics Private Ltd	9,00,000	
	<b>Others</b>		
<b>2.</b>	Al Malaki Foodstuff Trading LLC	63,44,249	2.70
<b>3.</b>	Chandurkar Investment Private Limited	33,59,870	1.43
	<b>Total</b>	<b>15,48,40,356</b>	<b>66.01</b>

**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.

**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company does not have any exposure to commodity price risk. However, foreign exchange exposure risks have not been hedged by any derivative instrument or otherwise.

### 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
31.03.2018	13 <sup>th</sup> AGM	Note 1	29.09.2018 10.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
31.03.2019	14 <sup>th</sup> AGM	Note 2	24.09.2019 10.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
31.03.2020	15 <sup>th</sup> AGM	Note 3	10.12.2020 11.00 a.m.	Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013 (By Video Conference)

#### Note 1 :

- Special Resolution under Section 14 of the Companies Act, 2013 in respect of adoption of new set of Articles of Association of the Company.

#### Note 2:

- Special Resolution for re-appointment of Mr. Radhe Shyam as an Independent Director for a second consecutive term of 5 years.
- Special Resolution for re-appointment of Mr. Ashokkumar Doda as an Independent Director for a second consecutive term of 5 years.
- Special Resolution for re-appointment of Mr. Om Parkash Singal as an Independent Director for a second consecutive term of 5 years.
- Ordinary Resolution for re-appointment of Mr. Saurabh Malhotra as a Chairman and Managing Director for a further period of 5 years.

#### Note 3:

- Special Resolution for Issue of 2,13,00,000 equity shares on a preferential allotment / private placement basis.

#### Note 4:

- There were no resolutions passed through postal ballot last year.
- No resolutions are proposed to be passed through postal ballot.

**Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern: NIL**



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
Sakuma Exports Limited  
Aurus Chamber, A 301, Near Mahindra Tower,  
S S Amrutwar Lane, Worli, Mumbai – 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sakuma Exports Limited having CIN L51909MH2005PLC155765 and having registered office at Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400013 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Saurabh Malhotra	00214500	01/09/2010
2.	Shipra Malhotra	01236811	25/01/2007
3.	Radhe Shyam	00648805	08/09/2005
4.	Ashokkumar Doda*	00288563	08/09/2005
5.	Om Parkash Singal	02585264	05/11/2012
6.	Vivek Madanlal Grover	03594740	29/05/2017
7.	Amit Amist Shanker#	05305256	13/02/2021

\*Ceased to be Director (Independent) due to death w.e.f. 29<sup>th</sup> November, 2020

#Appointed as Additional Director (Independent) w.e.f. 13<sup>th</sup> February, 2021

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

Place: Mumbai  
Date: 29<sup>th</sup> June, 2021

**Pradip Shah**  
For P. P. Shah & Co.,  
Practicing Company Secretaries  
FCS No. 1483, C P No.: 436  
UDIN: F001483C000481930

## D E C L A R A T I O N S

### F I N A N C I A L C A L E N D A R 2 0 2 1 - 2 2

Board Meeting for consideration of Accounts for the financial year ended 31 <sup>st</sup> March, 2021 and recommendation of dividend	29 <sup>th</sup> June , 2021
Posting of Annual Reports	On or before 7 <sup>th</sup> September, 2021
Book Closure Dates	Wednesday 22 <sup>nd</sup> September 2021, to Wednesday 29 <sup>th</sup> September 2021(both days inclusive)
Last date for receipt of Proxy Forms	Not Applicable since the Company will convene e-AGM
Date, Time & Venue of the 16 <sup>th</sup> Annual General Meeting	29 <sup>th</sup> September, 2021 via Video conferencing at 11.00 a.m.
Dividend Payment Date	On or before 29 <sup>th</sup> October, 2021
Probable date of dispatch of warrants	Owing to COVID-19, in accordance with the circular issued by Ministry of Corporate Affairs, the warrants will be dispatched post lockdown when postal / courier services are normalized.
Board Meeting for consideration of unaudited quarterly results for the financial year ended 31 <sup>st</sup> March, 2022	Within Forty Five days from the end of the quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges
Audited results for the current financial year ending 31 <sup>st</sup> March, 2022	Within Sixty days from the end of the last quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges

**For and on behalf of the Board of Directors  
of Sakuma Exports Limited**

**Saurabh Malhotra  
Chairman & Managing Director  
DIN: 00214500**

**Place: Mumbai  
Date: 29<sup>th</sup> June, 2021**



## **CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2021.

**Place: Mumbai**  
**Date: 29<sup>th</sup> June, 2021**

**Saurabh Malhotra**  
**Chairman & Managing Director**  
**DIN: 00214500**

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We the undersigned, in our capacity as Managing Director and Chief Financial Officer of Sakuma Exports Limited (“the Company”) to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  2. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. 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.
- C. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Business Conduct as adopted by the Company.
- D. 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.
- E. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
1. significant changes, if any, in internal control over financial reporting during the year;
  2. 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
  3. 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 Sincerely

**Saurabh Malhotra**  
**Chairman & Managing Director**  
**DIN: 00214500**

**Devesh Mishra**  
**Chief Financial Officer**

**Place: Mumbai**  
**Date: 29<sup>th</sup> June, 2021**



## PRACTICING COMPANY SECRETARIES CERTIFICATE

(CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE)

To,

**The Members of Sakuma Exports Limited**

1. We, M/s. P. P. Shah & Co., Practicing Company Secretaries, the Secretarial Auditors of Sakuma Exports Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the financial year ended on 31<sup>st</sup> March, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Management’s Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor’s Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the secretarial and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the financial year ended 31<sup>st</sup> March, 2021.
6. We 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 P. P. Shah & Co.,**  
**Company Secretaries**  
Unique ICSI ID No.: P2009MH018300

**Date: 29<sup>th</sup> April, 2021;**  
**Place: Mumbai**

**Pradip Shah**  
**Partner**  
FCS No: 1483, COP No: 436  
UDIN:F001483C000703261  
Peer Review: 666/2020

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SAKUMA EXPORTS LIMITED

### Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of **SAKUMA EXPORTS LIMITED**, (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“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 31<sup>st</sup> March, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31<sup>st</sup> March, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matters	How our audit addressed the key audit matter
1. <b>Assessment of impairment of investment in subsidiaries,</b> (Refer Note 5 of the Standalone Ind AS Balance Sheet)	



Key Audit Matters	How our audit addressed the key audit matter
<p>As at 31<sup>st</sup> March, 2021 the Company balance sheet includes investment in subsidiaries &amp; associates of Rs. 2,224.53 lakhs,</p> <p>In accordance with Indian Accounting Standards (Ind-AS), the management has allocated these balances to their respective cash generating units (CGU) and tested these for impairment using a discounted cash flow model. The management compares the carrying value of these assets with their respective recoverable amount. A deficit between the recoverable amount and CGU's net assets would result in impairment. The inputs to the impairment testing model which have most significant impact on the model includes:</p> <ul style="list-style-type: none"> <li>a) Sales growth rate;</li> <li>b) Operating margin;</li> <li>c) Working capital requirements;</li> <li>d) Capital expenditure; and</li> <li>e) Discount rate applied to the projected cash flows.</li> </ul> <p>The impairment test model includes sensitivity testing of key assumptions.</p> <p>The annual impairment testing is considered a significant accounting judgment and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.</p>	<p>As a part of our audit we have, carried out the following procedures:</p> <ul style="list-style-type: none"> <li>a) We assessed the Company's methodology applied in determining the CGUs to which these assets are allocated.</li> <li>b) We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used;</li> <li>c) We also assessed the recoverable value by performing sensitivity testing of key assumptions used.</li> <li>d) We tested the arithmetical accuracy of the models</li> <li>e) Performed analysis of the disclosures related to the impairment tests and their compliance with Indian Accounting Standard (Ind-AS).</li> </ul>
<p><b>2. Revenue Recognition</b> (Refer to the accounting policies in Note 2 to the financial statements)</p> <p>Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year-end, therefore revenue recognition has been identified as a key audit matter.</p>	<ul style="list-style-type: none"> <li>a) Our audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers".</li> <li>b) We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers.</li> <li>c) We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms.</li> </ul>
	<ul style="list-style-type: none"> <li>d) We also performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.</li> <li>e) Audit procedures relating to revenue recognition were extended to a longer period to ensure that there is no impact on the revenue numbers reported based on the possible effects of pandemic relating to Covid-19.</li> </ul>

## Other Information

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended 31<sup>st</sup> March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 (the order); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss including the statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure - B**.
- (g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) 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:
- a. The company has disclosed the impact of pending litigations on its financial position in its financial statement – Refer Note no. 35.
  - b. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - c. There has been delay in transferring amounts of Unpaid Dividend for Financial Year 2012–13 and corresponding Equity Shares during the year which were required to be transferred, to the Investor Education and Protection Fund by Companies Incorporated in India.

**For M. L. Sharma & Co,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date :29<sup>th</sup> June, 2021**

**(CA S. M. Bandi)  
Partner  
Membership No. 109101  
UDIN: 21109101AAAABR1883**



## ANNEXURE “A” TO THE INDEPENDENT AUDITORS REPORT

**The Annexure referred to in our Report of even date to the Members of SAKUMA EXPORTS LIMITED on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2021, We report that:**

- 1a According to information and explanations given to us, The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1b As explained to us, the fixed assets of the company have been physically verified by the Management in a phased manner as per regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to this program, some of the fixed assets have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.
- 1c The Company does not own any immovable property (Except leasehold properties) accordingly provision of clause 1 (iii) of the order is not applicable to the Company.
- 2 The stock of Finished Goods, Goods-in-Process, Raw Materials and Stores & Spares parts have been physically verified during the year by the Management. In our opinion, the procedures of physical verification of the above Inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business. In respect of inventories lying with the third parties, these have substantially been confirmed by them.
- 3 The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 of the Act. In respect of loans granted to, guarantees or security in respect of any loan and Investments made in body corporate by the Company, the provisions of Section 186 of the Act has been complied with.
5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.
6. In our opinion and according to the information and explanations given to us the Company is not required to maintain cost records specified by the central government under section 148 (1) of the Companies Act, 2013.
- 7 a According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing provident fund dues, employees state insurance, income tax, goods and service tax, sales tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31<sup>st</sup> March, 2021 for a period exceeding six months from the date they became payable;
- 7 b According to the information and explanation given to us and the records of the Company examined by us, the Particulars of disputed statutory dues under various act as at 31<sup>st</sup> March, 2021 which have not been deposited with the appropriate authorities are as under:

Name of the Statute	Nature of dues	Amount (in Lakhs) (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	For A. Y. 2009-10	2.13	Jurisdictional AO
Income Tax Act, 1961	For A. Y. 2012-13	168.55	Jurisdictional AO
Income Tax Act, 1961	For A.Y. 2016-17	152.68	CPC
Income Tax Act, 1961	For A.Y. 2017-18	28.13	CPC
Income Tax Act, 1961	For A.Y. 2018-19	2.73	CPC

Name of the Statute	Nature of dues	Amount (in Lakhs) (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	TDS Defaults for various years	0.23	TDS Officer, Mumbai
The MVAT Tax Act, 2002	For F.Y. 2014-15	387.46 *	Deputy Commissioner of State Tax, CST
The MVAT Tax Act, 2002	For F.Y. 2015-16	243.08 *	Deputy Commissioner of State Tax, CST
The MVAT Tax Act, 2002	For F.Y. 2016-17	210.54 *	Deputy Commissioner of State Tax, CST

\* Including Interest and Penalty

8. According to information and explanations given to us the company has not defaulted in repayment of loans or borrowings to a financial institution or bank and company does not have any outstanding loans or borrowing from Government or dues to debenture holders during the year.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) however the term loans have availed by the company and were applied for the purposes for which those were raised.
10. According to the information and explanations given to us by the management, which has been relied upon by us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion, and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
13. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required under Ind AS "24", Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the and accordingly the provisions of clause 3 (xiv) of the order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the order is not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the order is not applicable to the Company.

**For M. L. Sharma & Co,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date :29<sup>th</sup> June, 2021**

**(CA S. M. Bandi)  
Partner  
Membership No. 109101  
UDIN: 21109101AAAABR1883**



## ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of SAKUMA EXPORTS LIMITED for the year ended 31<sup>st</sup> March, 2021. We report that:

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

We have audited the internal financial controls over financial reporting of SAKUMA EXPORTS LIMITED, (“the Company”) as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

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

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**For M. L. Sharma & Co,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date :29<sup>th</sup> June, 2021**

**(CA S. M. Bandi)  
Partner  
Membership No. 109101  
UDIN: 21109101AAAABR1883**



## Standalone Balance Sheet as at March 31, 2021

Particulars	Note No	(₹ in lakhs)	
		As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	456.94	634.70
(b) Right to use Asset		27.91	83.67
(c) Intangible assets	4	0.70	0.46
(d) Financial Assets			
(i) Investment in Subsidiaries	5	2,224.53	2,224.53
(ii) Investment - Others	6	2.60	2.60
(iii) Loans, Advances and Deposits	7	88.49	119.88
(e) Other Non - Current Assets	8	10.72	9.95
(f) Deferred Tax Assets (Net)	32d	109.30	79.66
		<b>2,921.20</b>	<b>3,155.45</b>
<b>2 Current assets</b>			
(a) Inventories	9	4,649.44	3,408.75
(b) Financial Assets			
(i) Trade receivables	10	10,337.31	75,366.75
(ii) Cash and cash equivalents	11	273.28	1,543.10
(iii) Balances with Banks other than (ii) above	12	228.04	3,801.14
(iv) Investment - Others	13	1,000.04	5,552.96
(v) Loans, Advances and Deposits	7	20.63	36.44
(vi) Other financial assets	14	430.86	378.11
(c) Other current assets	15	8,808.72	3,858.49
(d) Income Tax (Net of Provisions)	16	47.05	166.43
		<b>25,795.37</b>	<b>94,112.17</b>
<b>TOTAL - ASSETS (A)</b>		<b>28,716.56</b>	<b>97,267.62</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
(a) Equity Share Capital	17	2,345.59	2,132.59
(b) Other Equity	18	20,772.18	19,110.04
		<b>23,117.77</b>	<b>21,242.63</b>
<b>2 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Long Term Borrowings	19	225.41	290.76
(ii) Lease Liabilities		-	30.43
(b) Provisions	20	61.96	59.31
		<b>287.37</b>	<b>380.50</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	206.79	-
(ii) Trade payables	22		
(a) total outstanding dues of micro enterprises and small enterprises		120.03	37.56
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,103.50	63,611.47
(iii) Other financial liabilities	23	322.14	1,336.56
(b) Other current liabilities	24	2,549.83	10,647.55
(c) Current Provisions	20	9.13	11.35
		<b>5,311.42</b>	<b>75,644.49</b>
<b>TOTAL - EQUITY AND LIABILITIES (B)</b>		<b>28,716.56</b>	<b>97,267.62</b>
<b>Corporate Information &amp; Significant Accounting Policies</b>	1 & 2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

S M Bandi

Partner

M.No. 109101

Place : Mumbai

Date : 29th June 2021

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra

Chairman & Managing Director

DIN - 00214500

Dhiraj Khandelwal

Company Secretary

Devesh Mishra

Chief Financial Officer

## Standalone Statement of Profit and Loss for the year ended March 31, 2021

		(₹ in lakhs)		
Particulars	Note No	For the year ended March 31, 2021	For the year ended March 31, 2020	
1	Revenue from operations	25	1,03,631.99	1,50,074.64
2	Other income	26	420.65	1,259.79
3	<b>Total revenue (1+2)</b>		<b>1,04,052.64</b>	<b>1,51,334.43</b>
4	<b>Expenses</b>			
	(a) Purchases of Stock-in-trade		91,439.23	1,38,538.56
	(b) Changes in inventories of stock-in-trade	27	(1,240.69)	195.58
	(c) Employee benefits expense	28	488.41	524.28
	(d) Finance costs	29	354.06	236.76
	(e) Depreciation and amortisation expenses	30	240.90	127.00
	(f) Other expenses	31	11,757.36	9,971.11
	<b>Total expenses</b>		<b>1,03,039.27</b>	<b>1,49,593.29</b>
5	<b>Profit / (Loss) before exceptional items and tax (3 - 4)</b>		<b>1,013.37</b>	<b>1,741.14</b>
6	Exceptional items		-	-
7	<b>Profit / (Loss) before tax (5 + 6)</b>		<b>1,013.37</b>	<b>1,741.14</b>
8	<b>Tax expense:</b>	32		
	(a) Current tax		348.92	468.00
	(b) Prior period tax		-	168.87
	(b) Deferred tax		(45.52)	(24.01)
			<b>303.40</b>	<b>612.86</b>
9	<b>Profit / (Loss) for the Year (7 + 8)</b>		<b>709.96</b>	<b>1,128.28</b>
10	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified subsequently to statement of profit and loss</b>			
	Remeasurements gains/(losses) on defined benefit plans		10.16	(6.80)
	Income tax relating to above		(2.56)	(1.71)
	<b>Total Other Comprehensive Income transferred to P&amp;L</b>		<b>7.60</b>	<b>(5.09)</b>
	<b>Items that will be reclassified subsequently to statement of profit and loss</b>			
	Remeasurements gains/(losses) on cash flow hedge		6.22	(46.69)
	Income tax relating to above		(1.56)	(11.75)
			<b>4.66</b>	<b>(34.94)</b>
	<b>Total Other Comprehensive transferred to reserve</b>		<b>4.66</b>	<b>(34.94)</b>
11	<b>Total Comprehensive Income for the year(9+10)</b>		<b>717.56</b>	<b>1,123.19</b>
12	<b>Earnings per share (Face Value of ₹ 1/- each):</b>	34		
	(a) Basic		0.33	0.53
	(b) Diluted		0.33	0.53
	<b>Corporate Information &amp; Significant Accounting Policies</b>	1 & 2		

*The accompanying notes form an integral part of the standalone financial statements*

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants

FRN: 109963W

**S M Bandi**

Partner

M.No. 109101

Place : Mumbai

Date : 29th June 2021

**For and on behalf of the Board of Directors**

**Mr. Saurabh Malhotra**

Chairman & Managing Director

DIN - 00214500

**Dhiraj Khandelwal**

Company Secretary

**Devesh Mishra**

Chief Financial Officer



## Standalone Statement of Cash Flows for the year ended March 31, 2021

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from operating activities</b>		
Profit Before Tax	1,013.37	1,741.14
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation	240.90	127.00
Finance costs	354.06	236.76
Interest income	(72.05)	(182.70)
Provision for Doubtful Debts	151.63	66.98
Dividend income	-	(215.74)
Net (gain) / loss on sale of investments	(124.67)	(135.88)
<b>Operating profit / (loss) before working capital changes</b>	<b>1,563.24</b>	<b>1,637.56</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	(1,240.69)	195.58
Trade receivables	65,004.27	(8,288.61)
Loans, Advances and Deposits - Current	(20.63)	(34.13)
Loans, Advances and Deposits - Non Current	28.00	(8.52)
Other financial assets	(156.30)	199.98
Other current assets	(4,876.28)	(1,355.86)
Balances with Banks other than Cash and Cash Equivalents	3,573.10	(1,314.26)
Other non-current assets	(0.78)	(9.95)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>	-	
Trade payables	(61,408.57)	12,425.07
Other Financial liabilities	(975.22)	994.57
Other current liabilities	(8,097.72)	4,713.78
Provisions	2.65	27.40
Short-term provisions	(2.22)	2.18
	<b>(6,607.15)</b>	<b>9,184.79</b>
<b>Net income tax (paid) / refunds</b>	<b>(229.56)</b>	<b>(1,131.68)</b>
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(6,836.71)</b>	<b>8,053.11</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(7.62)	(462.09)
Current investments not considered as Cash and cash equivalents		
- Purchased	(90,696.94)	(57,857.00)
- Proceeds from sale	95,374.53	52,439.92
Interest received	60.77	167.02
Dividend received from Subsidiary	-	215.74
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>4,730.74</b>	<b>(5,496.41)</b>
<b>C. Cash flow from financing activities</b>		

(₹ in lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net increase / (decrease) in working capital borrowings	206.79	(2,499.50)
Proceeds / (Repayment) of other short-term borrowings	-	350.72
Finance cost	(408.05)	(223.16)
Net increase / (decrease) in Long Term borrowings	(65.35)	(58.38)
Proceeds from Issue of Shares	1,331.25	-
Dividends paid	(228.49)	(213.26)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>836.15</b>	<b>(2,643.58)</b>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,269.82)	(86.88)
Cash and cash equivalents at the beginning of the year	1,543.10	1,629.98
<b>Cash and cash equivalents at the end of the year</b>	<b>273.28</b>	<b>1,543.10</b>
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
<b>Cash and cash equivalents at the end of the year *</b>	<b>273.28</b>	<b>1,543.10</b>
* Comprises:		
(a) Cash on hand	3.60	0.71
(b) Balances with banks		
(i) In current accounts	269.67	542.39
(ii) In Deposit Accounts	-	1,000.00
	<b>273.28</b>	<b>1,543.10</b>

The accompanying notes form an integral part of the standalone financial statements.

**Notes:**

- (i) The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Accounting Standard (IND AS)7. “Cash Flow Statement”.

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants  
FRN: 109963W

**S M Bandi**  
Partner  
M.No. 109101

Place : Mumbai  
Date : 29th June 2021

**For and on behalf of the Board of Directors**

**Mr. Saurabh Malhotra**  
Chairman & Managing Director  
DIN - 00214500

**Dhiraj Khandelwal**  
Company Secretary

**Devesh Mishra**  
Chief Financial Officer

**Standalone Statement of Changes in Equity for the year ended March 31, 2021**

Equity Share Capital	Balance as at April 01, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Paid up Capital (Equity shares of Re. 1 each issued, subscribed and fully paid-up)	2,132.59	213.00	2,345.59

**OTHER EQUITY**

[₹ in Lakhs]

Particulars	Other equity					Total other equity
	Securities premium [refer note 18(b)]	Capital redemption reserve [refer note 18(a)]	Retained earnings [refer note 18(d)]	Items of Other Comprehensive Income [refer note 32(b)]	Cash Flow Hedging Reserve [refer note 18(c)]	
<b>As at April 1, 2020</b>	7,427.18	1,000.09	10,722.21	(4.50)	(34.94)	19,110.04
Profit for the year	-	-	709.96	-	-	709.96
Other comprehensive income	-	-	-	7.60	-	7.60
Premium received during the year	1,118.25	-	-	-	-	1,118.25
Others	-	-	-	-	39.58	39.58
<b>Total comprehensive income</b>	1,118.25	-	709.96	7.60	39.58	1,875.40
Payment of dividend	-	-	(213.26)	-	-	(213.26)
Effect of Leased Asset (Net off DTA)	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>8,545.43</b>	<b>1,000.09</b>	<b>11,218.91</b>	<b>3.10</b>	<b>4.64</b>	<b>20,772.18</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants

FRN: 109963W

**S M Bandi**

Partner

M.No. 109101

**For and on behalf of the Board of Directors****Mr. Saurabh Malhotra**

Chairman &amp; Managing Director

DIN - 00214500

Place : Mumbai

Date : 29th June 2021

Dhiraj Khandelwal

Company Secretary

Devesh Mishra

Chief Financial Officer

## Notes to the Standalone Financial Statements for the year ended March 31, 2021

### Particulars

#### 1 Corporate information

Sakuma Exports Limited (“The Company”), a Government of India recognised Star Trading House, is a public limited company domiciled in India and incorporated on August 31, 2005, CIN - L51909MH2005PLC155765. The registered office of the company is located at 301-A, Aurus Chambers, SS Amrutwar Lane, Near Mahindra Tower, Worli, Mumbai - 400013. The shares of the company are listed on Bombay Stock Exchange(BSE) and National Stock Exchange (NSE). The company is engaged in trading of Agro Commodities and caters to both domestic as well as international markets.

**Authorisation of Financial Statements:** The financial statements were authorised for issue in accordance with a resolution of the directors on June 29, 2021.

#### 2.1 Basis of accounting and preparation of financial statements

The financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the Act and rules thereunder.

The Financial Statements have been prepared under historical cost convention basis except

- a Certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).
- b. Defined Benefits plans –Plan assets measured at Fair Value

The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Summary of Significant Accounting Policies

#### 2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS, requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 2.3 Fair Value Remeasurements:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

#### 2.4 Cash Flow Statements:

Cash flows are reported using the indirect method, 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



## 2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any.

The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition of the concerned assets and are further adjusted by the amount of Input Credit of taxes availed wherever applicable.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet date are disclosed as “Capital work-in-progress”.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

The residual values are not more than 5% of the original cost of the Asset. The Property, plant and equipment’s residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

The Company has applied principles of Ind AS 16 retrospectively from date of acquisition and considered the same as deemed cost in accordance with Ind AS 101 First Time adoption. On transition to Ind-AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured as per IGAAP as the deemed cost of assets.

The estimated useful lives considered of Property, Plant and Equipment of the Company are as follows:

Wind Turbine Generators	22 Years
Leasehold Land	Shorter of lease period or estimated useful lives
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Computer software	3 Years
Vehicles	8 Years
Office Equipment	5 Years

## 2.6 Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

## 2.7 Depreciation and Amortisation

Depreciation of these assets commences when the assets are ready for their intended use. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act,2013 on a written down value basis except Lease Hold Land on which straight line basis depreciation is charged.

## 2.8 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.

### Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss. Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2016.

## 2.9 Leases

At inception of Contract, the Company assesses whether the Contract is or contains a Lease. A Contract is, or contains, a lease if the Contract conveys the right to Control the use of an identified asset for a period of time in exchange for Consideration. At inception or on reassessment of a contract that contains a lease Component, the Company allocates Consideration in the contract to each lease component on the basis of their relative standalone price

### As a Lessee

#### i) Right of use assets

The Company recognizes right of use assets at the commencement date of the lease. Right of use assets are measured at cost less any accumulated depreciation and impairment Losses and adjusted for any remeasurement of Lease Liabilities. The Cost of right to use assets include the amount of lease Liabilities recognized, initial direct cost incurred, Lease payments made at or before commencement date less any lease incentives received. Right of use assets are depreciated on a straight Line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company presents right to use assets that do not meet the definition of Investment property in “Property, Plant and Equipment”

#### ii) Lease Liabilities

At the Commencement date of the Lease, the Company recognizes Lease Liabilities measured at the present value of lease payments to be made over the Lease term. In Calculating the present Value of lease payments, the Company generally uses its incremental borrowing rate at the Lease Commencement date if the discount rate implicit in the lease is not readily determinable.

Lease payments included in the measurement of the Lease Liability are made up of fixed payments (including in substance, fixed) and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is re measured to reflect any reassessment or modification.

The Company presents lease Liabilities under Financial Liabilities in the Balance sheet.

The Company has elected to account for short term leases and Leases of Low Value assets using the exemption given under Ind AS 116, Leases. Instead of recognizing a right of use asset and Lease Liability, the payments in relation to these are recognized as an expense in the profit or loss on a straight Line basis over the Lease term or on another systematic basis if that basis is more representative of the pattern of the Company benefit.

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## 2.10 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 present location and condition.

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

## 2.11 Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.



## 2.12 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

### Current Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

## 2.13 Financial Assets

### (a) Initial recognition and measurement

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

### (b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

### (i) Debt Instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

**(ia) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

**(ib) Debt instruments at Fair value through profit or loss (FVTPL)**

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

**(ii) Equity Instruments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

**(c) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - The Company has transferred substantially all the risks and rewards of the asset, or
  - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**Income Recognition**

Interest Income from debt instruments is recognised using the effective interest rate method.



## 2.14 Financial Liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

### Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

The measurement of Financial liabilities depends on their classification, as described below:

#### (i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

#### (ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method (“EIR”).

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

## 2.15 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## 2.16 Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

### Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.17 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

### 2.18 (A) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

#### (a) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

#### (c) Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the Company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

#### (d) Contract Balances

##### (i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

##### (ii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

##### (iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.



**(iv) Refund liabilities**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**2.18 (B) Measurement of revenue**

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty and net of, any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, goods and service tax (GST) etc. Revenue is recorded net of Duties and Taxes. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

**2.18 (C) Other income**

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

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**2.19 Foreign currency Translations**

**Functional and presentation currency**

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

**Transactions and Balances**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

**Monetary Items**

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

**Non - Monetary Items**

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

**2.20 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 Ind AS 19.

Payment for present liability of future payment of gratuity is being made to approve gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the PNB Met Life Insurance Company Ltd. However, any deficit in plan assets managed by PNB Met Life Insurance as compared to the liability on the basis of an independent actuarial valuation is recognized as a liability. The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

### (c) Privilege leave entitlements

Privilege leave entitlements are recognized as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment, subject to terms and conditions of the scheme, the liability is recognized on the basis of an actual working based on balance days of accumulated leave.

### 2.21 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.

### 2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.23 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

### 2.24 Impairment of Non-financial assets

The carrying values of assets/cash generating unit 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 recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and therein 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 than an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss except in case of revalued assets.

### 2.25 Provisions

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.



## 2.26 Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

## 2.27 Significant accounting judgments, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise Judgement in applying the Company's accounting policies.

The estimates and judgements involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed .Detailed information about each of these estimates and judgements is included in relevant notes.

### Critical estimates and judgements

The areas involving critical estimates or judgements are:

- a. Estimation of current tax expenses and payable
- b. Estimated useful life of Intangible assets
- c. Estimation of defined benefit obligation
- d. Estimation of Provisions and Contingencies
- e. Estimation of Incremental Borrowing rate –Leases

## 2.28 Recent accounting pronouncement

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards.

The MCA notification for Schedule III- On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013.The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## Notes to the Standalone Financial Statements

### Note 3: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Leasehold Land	Windmill	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipment		Right to Use of Assets Leasehold Building	Total
						Computer & Computer Equipments	Others		
<b>Gross Carrying Amount</b>									
<b>As at March 31, 2020</b>	6.08	198.53	18.41	12.16	561.96	8.65	20.33	139.45	965.57
Additions	-	-	-	0.16	-	2.13	4.99	-	7.28
Deduction / Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>6.08</b>	<b>198.53</b>	<b>18.41</b>	<b>12.32</b>	<b>561.96</b>	<b>10.78</b>	<b>25.32</b>	<b>139.45</b>	<b>972.85</b>
<b>Accumulated Depreciation</b>									
<b>As at March 31, 2020</b>	2.66	81.46	7.24	5.74	73.18	7.66	13.48	55.78	247.20
Depreciation for the year	0.61	17.95	1.49	2.30	157.76	1.27	3.65	55.76	240.79
Deduction / Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>3.27</b>	<b>99.41</b>	<b>8.73</b>	<b>8.04</b>	<b>230.94</b>	<b>8.93</b>	<b>17.13</b>	<b>111.54</b>	<b>487.99</b>
<b>Net Book Value:</b>									
<b>As at March 31, 2021</b>	<b>2.81</b>	<b>99.12</b>	<b>9.68</b>	<b>4.28</b>	<b>331.02</b>	<b>1.85</b>	<b>8.19</b>	<b>27.91</b>	<b>484.86</b>
As at March 31, 2020	3.42	117.07	11.17	6.42	488.78	0.99	6.85	83.67	718.37

**Note:**

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 21 & 23.
- (ii) For Property, Plant and Equipment existing as on the date of transition to the Ind AS, the company has used Indian GAAP carrying value as the deemed cost.
- (iii) All Property, Plant and equipment are held in the name of the Company.



## Notes to the Standalone Financial Statements

## Note 4 : Intangible assets

(₹ in lakhs)

Particulars	Computer Software	Total
<b>Year Ended March 31, 2021</b>		
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Amount as at April 1, 2020	9.27	9.27
Additions during the year	0.35	0.35
<b>Closing Gross Carrying Amount</b>	<b>9.62</b>	<b>9.62</b>
<b>Accumulated Amortisation</b>		
Opening Accumulated Amortisation	8.81	8.81
Amortisation charge for the year	0.11	0.11
<b>Closing Accumulated Amortisation</b>	<b>8.92</b>	<b>8.92</b>
<b>Closing Net Carrying Amount</b>	<b>0.70</b>	<b>0.70</b>
<b>Year Ended March 31, 2020</b>		
<b>Gross Carrying Amount</b>		
Opening Gross Carrying Amount	9.27	9.27
Additions during the year	-	-
<b>Closing Gross Carrying Amount</b>	<b>9.27</b>	<b>9.27</b>
<b>Accumulated Amortisation and Impairment</b>		
Opening Accumulated Amortisation	8.28	8.28
Amortisation Charge for the year	0.53	0.53
<b>Closing Accumulated Amortisation and Impairment</b>	<b>8.81</b>	<b>8.81</b>
<b>Closing Net Carrying Amount</b>	<b>0.46</b>	<b>0.46</b>

\* Computer Software includes expenditure on computer software which is not an integral part of hardware

## Note - 5 : Investment in Subsidiaries

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investments (At cost):</b>		
Unquoted equity Shares Non-Trade		
(a) Shares of Sakuma Exim DMCC, UAE (50 (March 31, 2020 : 50) equity shares OF AED 1,000 each )	7.01	7.01
(b) Shares of Sakuma Exports Pte Limited, Singapore (402,530 (March 31, 2020 : 402,530) equity shares of USD 1 each)	2,217.52	2,217.52
<b>Closing Net Carrying Amount</b>	<b>2,224.53</b>	<b>2,224.53</b>

## Note - 6 : Investment Others

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment (At Cost)</b>		
<b>Unquoted</b>		
- Investment in Gold Bond [Refer note (i)]	2.60	2.60
<b>Total Investment Others</b>	<b>2.60</b>	<b>2.60</b>

## Note:

(i) The company is the registered holder of 100units of the Sovereign Gold bonds 2015-16 bearing interest at the rate of 2.75% p.a. payable at half yearly intervals every year.

## Notes to the Standalone Financial Statements

### Note 7 : Loans Advances & Deposits

(₹ in lakhs)

Particulars	As at March 31, 2021	
	Current	Non - Current
<b>Unsecured, considered Good</b>		
Security deposits - to related parties [ Refer Note (i) ]	-	84.78
Security deposits - to others [ Refer Note (i) ]	5.63	-
Loans and Advances to Employees	-	3.71
Less: Provision for doubtful deposits	-	-
	5.63	88.49
<b>Unsecured, considered Doubtful</b>		
Deposits with Others	15.00	13.94
Loans and Advances to Others	39.83	13.38
Less: Provision for doubtful deposits	(39.83)	(27.32)
	15.00	-
<b>Total Loans Advances &amp; Deposits</b>	20.63	88.49

Particulars	As at March 31, 2020	
	Current	Non - Current
<b>Unsecured, considered Good</b>		
Security deposits - to related parties	-	75.24
Security deposits - to others	33.28	4.84
Loans and Advances to Employees	3.16	39.80
	36.44	119.88
<b>Unsecured, considered Doubtful</b>		
Deposits with Others	-	13.94
Loans and Advances to Others	-	13.38
Less: Provision for doubtful deposits	-	(27.32)
	-	0.00
<b>Total Loans Advances &amp; Deposits</b>	36.44	119.88

### (i) Sub Classification of Loans & Advances

(₹ in lakhs)

Particulars	As at March 31, 2021	
	Current	Non - Current
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	15.00	-
Loans Receivables which have significant increase in Credit Risk; and	39.83	13.38
Loans Receivables - credit impaired	-	-
<b>Total</b>	54.84	13.38
Less: Allowance for Doubtful Loans	(54.84)	(13.38)
<b>Total Loans &amp; Advances</b>	-	-



## Notes to the Standalone Financial Statements

Particulars	As at March 31, 2020	
	Current	Non - Current
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	3.16	39.80
Loans Receivables which have significant increase in Credit Risk; and	-	13.38
Loans Receivables - credit impaired	-	-
<b>Total</b>	<b>3.16</b>	<b>53.18</b>
Less: Allowance for Doubtful Loans	-	(13.38)
<b>Total Loans &amp; Advances</b>	<b>3.16</b>	<b>39.80</b>

\* Refer Note no . 41 for information about credit risk and market risk factors.

## Note - 8 : Other Non Current Assets

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Fair Value of Plan Assets - Gratuity	10.72	9.95
<b>Unsecured considered doubtful</b>		
Advance receivable in kind or for value to be received	98.19	98.19
Less: Provision for doubtful balances	(98.19)	(98.19)
<b>Total Other Non Current Assets</b>	<b>10.72</b>	<b>9.95</b>

## Note 9 : Inventories

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Stock in Trade	4,649.44	3,408.75
<b>Total Inventories</b>	<b>4,649.44</b>	<b>3,408.75</b>

- For details of inventories given as security to lenders refer Note 21

## Note 10 : Trade receivables

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Trade Receivables considered good – Unsecured	10,337.31	75,366.75
Trade Receivables having significant increase in Credit Risk; and	46.78	38.54
Trade Receivables - credit impaired	-	-
Total	10,384.09	75,405.29
Less : Allowance for expected credit loss	(46.78)	(38.54)
<b>Total Trade Receivables</b>	<b>10,337.31</b>	<b>75,366.75</b>
Current Portion	10,337.31	75,366.75
Non - Current Portion	-	-

- (i) The above Trade Receivables are hypothecated to banks against Cash Credit and Packing Credit facilities. (Refer note no. 21)
- (ii) Refer Note no . 41 for information about credit risk and market risk factors.

## Notes to the Standalone Financial Statements

### Note 11 : Cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks - In current accounts	269.67	542.39
Cash on Hand	3.60	0.71
Deposits with Bank	-	1,000.00
<b>Total Cash and Cash Equivalents</b>	<b>273.28</b>	<b>1,543.10</b>

### Note 12 : Other Bank Balances (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
In Unclaimed Dividend Accounts	8.73	23.96
Balance with banks held as margin money deposits against guarantee	219.31	3,777.18
<b>Total Other Bank Balances</b>	<b>228.04</b>	<b>3,801.14</b>

### Note - 13 : Investment Others (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Investment (At Cost)</b>		
<b>Quoted</b>		
- Investment in Mutual Funds	1,000.04	5,552.96
Unquoted Investment	-	-
<b>Total Investments - Others</b>	<b>1,000.04</b>	<b>5,552.96</b>
Agregate amount of quoted investment at market value	1,000.04	5,552.96
Agregate amount of unquoted investments	-	-
Agregate amount of Impairment in value of Investments	-	-
Agregate amount of market Value	1,000.04	5,552.96

### Note 14 : Other Financial Assets (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income accrued But not Due	26.92	34.56
Claims Receivable	188.27	188.27
Margin Money on Derivative contracts	403.94	240.00
Less: Allowance for Doubtful Receivables	(188.27)	(84.72)
<b>Total Other Financial Assets</b>	<b>430.86</b>	<b>378.11</b>



## Notes to the Standalone Financial Statements

## Note 15 : Other Current Assets

(₹ in lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Unsecured, considered good		
(a) Advance recoverable in cash or kind	6,334.40	1,793.29
(b) Prepaid expenses	18.18	29.05
(c) Advance to Employees	6.86	1.19
(d) Security Deposit to Others	690.40	690.40
(e) Balances with government authorities -		
- Export Incentives Receivable	66.71	63.78
- Sales tax Deposit	37.22	-
- GST Authorities	1,643.25	1,276.57
(f) GST Credit Receivable	5.50	4.21
(f) Fair Value of Forward Contract	6.22	
<b>Total Other Current Assets</b>	<b>8,808.72</b>	<b>3,858.49</b>

## Note 16 : Current Tax Asset (Net)

(₹ in lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Advance Tax (Net of Provisions)	47.05	166.43
<b>Total Current Tax Asset (Net)</b>	<b>47.05</b>	<b>166.43</b>

## Note - 17 : Equity Share Capital &amp; Other Equity

## (a) Equity Share Capital

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Authorised</b>		
40,00,00,000 equity shares of ₹ 1 each (4,00,00,000 equity shares of ₹ 1 each)	4,000.00	4,000.00
	4,000.00	4,000.00
<b>Issued, Subscribed and Fully Paid Up</b>		
23,45,59,430 equity shares of ₹ 1 each (21,32,59,430 equity shares of ₹ 1 each)	2,345.59	2,132.59
	2,345.59	2,132.59

## b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares		Equity Shares	
	As at March 31, 2021		As at March 31, 2020	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	213,259,430	2,132.59	213,259,430	2,132.59
Shares Issued during the year [Refer Note (i)]	21,300,000	213.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	234,559,430	2,345.59	213,259,430	2,132.59

- (i) During the year ended March 31, 2021, the company made preferential allotment aggregating to Rs. 13,31,25,000/- through issuance of 2,13,00,000 Equity Shares, fully paid up at the price of Rs. 6.25/- per equity share (Including Premium of Rs. 5.25 per share). The shares have been allotted on December 18, 2020

## Notes to the Standalone Financial Statements

### c) Terms / rights attached to equity shares

- (i) The Company has one class of equity shares having par value of ₹1 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 except in case of Interim Dividend.
- (ii) 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.

### d) Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholder	Equity Shares			
	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Kusum Chander Mohan Malhotra	46,431,190	19.80%	46,431,190	21.77%
Mr. Saurabh Malhotra	32,485,077	13.85%	32,485,077	15.23%
M/s Sakuma Infrastructure and Realty Pvt Ltd	47,972,450	20.45%	26,672,450	12.51%
AL Malaki Foodstuff Trading LLC	14,204,228	6.06%	14,204,228	6.66%

- (e) 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 18 : Other Equity

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
(a) Capital Redemption Reserve [Refer note (i)]	1,000.09	1,000.09
(b) Securities Premium [Refer note (ii)]	8,545.43	7,427.18
(c) Cash Flow Hedging Reserve	4.64	(34.94)
(d) Retained Earnings [Refer note (iii)]	11,222.01	10,717.71
<b>Total Other Equity</b>	<b>20,772.18</b>	<b>19,110.04</b>

#### (a) Capital Redemption Reserve [Refer note (i)]

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Opening Balance	1,000.09	1,000.09
Add: Transfer From General Reserve	-	-
<b>Closing Balance</b>	<b>1,000.09</b>	<b>1,000.09</b>

#### (b) Securities Premium [Refer note (ii)]

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Opening Balance	7,427.18	7,427.18
Add: Received during the period	1,118.25	-
<b>Closing Balance</b>	<b>8,545.43</b>	<b>7,427.18</b>



## Notes to the Standalone Financial Statements

**(c) Cash Flow Hedging Reserve** (₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Opening Balance	(34.94)	-
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	39.58	(34.94)
<b>Closing Balance</b>	<b>4.64</b>	<b>(34.94)</b>

**(d) Retained Earnings [Refer note (iii)]** (₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Opening Balance	10,717.708	9,818.38
Add : Total Comprehensive Income for the year after tax	717.565	1,123.19
Add: Transitional Adjustment of Ind AS 116 - 'Lease'	-	(16.30)
Less: DTA on above	-	5.70
Less : Dividend distributed to equity shareholders (₹ 1 per share)	(213.260)	(213.26)
Less : Tax on dividend distributed	-	-
<b>Closing Balance</b>	<b>11,222.01</b>	<b>10,717.71</b>

**Notes:**

- (i) The Company has transferred amount from Statement of profit or loss to capital redemption reserve on redemption of preference shares issued by the company.
- (ii) Securities premium is created on the premium on issue of shares. This same will be utilised in accordance with the provisions of the Companies Act 2013.
- (iii) Retained earnings represents profits that the Company has earned till March 31, 2021, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (iv) Cash Dividends paid on equity shares declared and paid

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Final dividend for the year ended March 31, 2020 of ₹ 0.1 per share (March 31, 2019 of ₹ 1 per share)	213.26	213.26
<b>Closing Balance</b>	<b>213.26</b>	<b>213.26</b>

**(v) Proposed dividend on Equity Shares** (₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Final Cash dividend for the year ended on March 31, 2021: ₹ 0.05 per share (March 31, 2020: ₹ 0.1 per share)	117.28	213.26
<b>Closing Balance</b>	<b>117.28</b>	<b>213.26</b>

- (vi) The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend and are not recognised as a liability (including dividend distribution tax thereon) in the year in which it is proposed.

## Notes to the Standalone Financial Statements

### Note 19 : Long Term Borrowings

(₹ in lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Car Loan (Refer note below)	225.41	290.76
<b>Closing Balance</b>	<b>225.41</b>	<b>290.76</b>

#### Nature of Security

The Company has taken a car loan from Axis Bank during the financial year carrying interest @ 8.65% per annum. The loan is secured against the Hypothecation of the subject car.

### Note 20 : Provisions

(₹ in lakhs)

Particulars	As at March 31, 2021	
	Current	Non - Current
Provision For Compensated Absences	-	-
Provision For Bonus	1.48	-
Directors Remuneration Payable	3.38	-
Provision For Gratuity	4.26	61.96
<b>Total Employee Benefit Obligations *</b>	<b>9.13</b>	<b>61.96</b>

Particulars	As at March 31, 2020	
	Current	Non - Current
Provision For Compensated Absences	3.11	-
Provision For Bonus	6.23	-
Directors Remuneration Payable	-	-
Provision For Gratuity	2.01	59.31
<b>Total Employee Benefit Obligations *</b>	<b>11.35</b>	<b>59.31</b>

\* Also refer Note No 38 of Employee Benefits

### Note 21 : Current Borrowings

(₹ in lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Secured</b>		
<b>From banks</b>		
Cash Credit : BOM	206.79	-
<b>Total Current Borrowings</b>	<b>206.79</b>	<b>-</b>

The Company has entered into sole banking arrangement with Bank of Maharashtra . The credit facilities comprises of Cash Credit and Packing credit which is secured against Hypthecation of Inventory, Books debts and Current Assests of the company alongwith the collateral security against Fixed Assets (other than vehicles and Leasehold Land) .

Credit facilitie for Bank of Maharashtra is repayable on demand and carries interest of 10.30% p.a. i.e one year Maximum Cost of Lending Rate (MCLR) of the bank +2.50%+BSS 0.5%



## Notes to the Standalone Financial Statements

### Note 22 : Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
(a) total outstanding dues of micro enterprises and small enterprises	120.03	37.56
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
- From Related Parties	-	-
- From Others		
- For Goods	527.71	62,480.11
- For Others	1,575.79	1,131.36
<b>Total Trade Payables</b>	<b>2,223.53</b>	<b>63,649.03</b>

- (i) The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSMED Act.

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the year	120.03	37.56
Interest due on the above amount	-	-
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Act, 2006	-	-
Amounts of payment made to the suppliers beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

\* Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

- (ii) Trade payables are non-interest bearing and normally settled within 120 days.

## Notes to the Standalone Financial Statements

### Note 23 : Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2021	
	Current	Non - Current
Unclaimed dividends	8.73	-
Current Maturities of Long Term Borrowings	65.35	-
Lease Liability	30.43	-
Other Provisions	217.63	-
<b>Total Other Financial Liabilities</b>	<b>322.14</b>	<b>-</b>

Particulars	As at March 31, 2020	
	Current	Non - Current
Unclaimed dividends	23.96	-
Current Maturities of Long Term Borrowings	59.96	-
Lease Liability	55.66	30.43
Other Provisions	1,196.98	-
<b>Total Other Financial Liabilities</b>	<b>1,336.56</b>	<b>30.43</b>

### Note 24 : Other Current Liabilities

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Advance From Customers	1,801.22	9,827.52
Statutory Dues to Government	58.21	82.94
Fair Value of Forward Contracts	-	46.69
Claims Payable	690.40	690.40
<b>Total Other Current Liabilities</b>	<b>2,549.83</b>	<b>10,647.55</b>

### Note 25 : Revenue From Operations

(₹ in lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Sale of Traded Goods	1,03,489.66	1,50,000.36
Other Operating Revenue	142.33	74.28
<b>Total Revenue from Continuing Operations</b>	<b>1,03,631.99</b>	<b>1,50,074.64</b>

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Sugar	1,03,501.27	1,06,721.47
Oil	-	21,234.49
Other Commodities	130.72	22,118.68
<b>Total Revenue from Continuing Operations</b>	<b>1,03,631.98</b>	<b>1,50,074.64</b>



## Notes to the Standalone Financial Statements

**A. Disaggregation Revenue Information** (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>i. Revenue based on Geography</b>		
Revenue from Operations within the Country	11,900.42	40,893.16
Revenue from Operations outside the Country	91,731.57	1,09,181.48
<b>Total</b>	<b>1,03,631.99</b>	<b>1,50,074.64</b>
<b>ii. Timing of Revenue Recognition</b>		
Goods Transferred at a point in time	1,03,631.99	1,50,074.64
Services transferred over time	-	-
<b>Total</b>	<b>1,03,631.99</b>	<b>1,50,074.64</b>

**B. Segment Reconciliation** (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Agro Products	1,03,501.27	1,50,010.81
Sale Others	130.72	63.83
<b>Total</b>	<b>1,03,631.99</b>	<b>1,50,074.64</b>

**C. Contract Balances** (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Trade Receivables	10,337.31	75,366.75
Advance From Customers	1,801.22	9,827.52

**D. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted prices**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue as per Contracted Prices	1,03,658.85	1,51,830.65
Less : Sales Returns, Discounts, Rebate etc	(26.86)	(1,756.01)
<b>Total Revenue from Continuing Operations</b>	<b>1,03,631.99</b>	<b>1,50,074.64</b>

**Note 26 : Other Income and Other Gains/(Losses)** (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income	72.05	182.70
Dividend income:		
- From Subsidiaries	-	215.74
Net gain on sale of Investments:	124.67	135.88
Mark-to-market gain on forward contracts	180.58	428.16
Other non-operating income (net of expenses directly attributable to such income)	43.35	297.31
<b>Total Other Income and Other Gains/(Losses)</b>	<b>420.65</b>	<b>1,259.79</b>

## Notes to the Standalone Financial Statements

### Note 27 : Changes in inventories of finished goods, Stock - in -Trade (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Opening Balances</b>		
Finished Goods	3,408.75	3,604.33
<b>Total Opening Balances</b>	3,408.75	3,604.33
<b>Closing Balances</b>		
Finished Goods	4,649.44	3,408.75
<b>Total Closing Balances</b>	4,649.44	3,408.75
<b>Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress</b>	<b>(1,240.69)</b>	195.58

### Note 28 : Employee benefits expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages, Bonus Etc.	351.31	389.76
Contribution To Provident Fund & Other Funds	7.57	8.30
Gratuity Expenses (Also Refer Note No 38 of Employee Benefits )	14.29	12.66
Staff Welfare Expenses	7.24	20.56
Directors Remuneration	108.00	93.00
<b>Total Employee Benefits Expenses</b>	<b>488.41</b>	524.28

### Note 29 : Finance costs (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest</b>		
Interest Expenses on Borrowings	110.53	116.89
Other Finance Cost	243.53	119.87
<b>Finance Cost expensed in Profit or Loss</b>	<b>354.06</b>	236.76

### Note 30 : Depreciation and amortisation expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Property, Plant and Equipment	240.79	126.47
Amortisation of Intangible Assets	0.11	0.53
<b>Total Depreciation and amortisation expenses</b>	<b>240.90</b>	127.00



## Notes to the Standalone Financial Statements

## Note 31 : Other expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	2.71	4.74
Rent including lease rentals	16.46	17.72
Repairs and maintenance - Buildings	5.24	4.92
Repairs and maintenance - Machinery	24.81	26.07
Repairs and maintenance - Others	1.01	2.36
Insurance	70.16	44.53
Rates and taxes	-	6.17
Communication	7.68	15.23
Travelling and conveyance	28.74	69.77
Freight and forwarding	5,153.95	3,438.41
Business promotion	3.41	11.04
Legal and professional	149.17	114.17
Payments to auditors [Refer Note 31a below]	12.85	19.40
Terminal and Handling Charges	693.26	202.84
Other Clearing Charges	496.33	252.89
Transport Charges	4,228.92	4,967.33
Warehouse Charges	174.63	38.86
Demurrage & Detention Charges	44.69	44.41
Brokerage on trading in Commodities & Securities Exchange	252.94	292.28
Lodging & Boarding	28.65	30.26
Corporate Social Responsibilities Expenses [Refer Note 31b below]	67.90	43.00
Directors Sitting Fees	13.50	9.00
Provision for doubtful debts and other advances	151.63	66.98
Miscellaneous Expenses	128.71	248.73
<b>Total Other expenses</b>	<b>11,757.36</b>	<b>9,971.11</b>

## Note 31(a) : - Details of Payment to Auditors

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Payment to Auditors</b>		
<b>As Auditor :</b>		
Audit Fees	7.00	7.00
Tax Audit Fees	1.50	1.50
<b>In other capacities :</b>		
Certification and Other Matters	4.35	10.90
<b>Total Payment to Auditors</b>	<b>12.85</b>	<b>19.40</b>

## Notes to the Standalone Financial Statements

### (b) Details of Corporate Social Responsibility(CSR) Expenditure: (₹ in lakhs)

Particulars	2020-2021	2019-2020
Amount required to be spent as per Section 135 of the Act	133.73	110.90
Amount Spent during the year on		
(i) Construction / acquisition of an asset	-	-
(ii) On Purpose other than (i) above	67.90	43.00
Excess Amount Spent during the Year		-
Excess Amount Carried Forward to next year to adjust the same against Future Obligations ( Shown under Current Assets in Note No 9)	-	-
Amount debited in the statement of Profit & Loss Account	67.90	43.00

### Note 32 : Tax Expenses

#### (a) Amounts recognised in profit or loss (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax expense (A)</b>		
Current year	348.92	468.00
Short / ( Excess ) Provision of Taxation of Earlier Years	-	168.87
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	(45.52)	(24.01)
<b>Tax expense recognised in the income statement (A+B)</b>	<b>303.40</b>	<b>612.86</b>

#### (b) Amounts recognised in other comprehensive income (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Items that will not be reclassified to profit &amp; loss</b>		
Remeasurements of the defined benefit plans	10.16	(6.80)
Income Tax on Above	(2.56)	1.71
	<b>7.60</b>	<b>(5.09)</b>

#### (c) Reconciliation of effective tax rate (₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Profit before tax</b>	<b>1,013.37</b>	<b>1,741.14</b>
Tax using the domestic tax rate (Current year 25.168% and Previous Year 25.168%)	255.04	438.21
<b>Tax effect of :</b>		
Tax effect of non deductible expenses	134.12	62.11
Income Tax Incentives	-	-
Deductions under various sections of Income Tax Act	(35.44)	(58.70)
Tax at concessional rate than stated above	-	37.02
Others	(4.80)	(10.64)
<b>Tax expenses as per Statement of Profit &amp; Loss</b>	<b>348.92</b>	<b>468.00</b>
<b>Effective tax rate</b>	<b>32.80%</b>	<b>26.88%</b>



## Notes to the Standalone Financial Statements

### (d) Movement in deferred tax balances

Particulars	As at April 1, 2020 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in OCI	As at March 31, 2021 Deferred Tax Asset / (Liabilities)
<b>Deferred tax Asset/(Liabilities)</b>				
Property, Plant & Equipment	(13.20)	1.84	-	(11.36)
Amortisation of leased asset	3.67	(2.01)	-	1.66
Restatement of Hedge Items	11.75	-	(10.16)	1.59
Remeasurements of defined benefit plans	15.43	1.24	-	16.67
Provision for Doubtful Debts and Advances	62.01	38.73	-	100.74
<b>Deferred Tax Assets/(Liabilities) - Net</b>	<b>79.66</b>	<b>39.80</b>	<b>(10.16)</b>	<b>109.30</b>

Particulars	As at April 1, 2019 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in Equity	Credit / (Charge) in OCI	As at March 31, 2020 Deferred Tax Asset / (Liabilities)
<b>Deferred tax Asset/(Liabilities)</b>					
Property, Plant & Equipment	(27.00)	13.80	-	-	(13.20)
Amortisation of leased asset	-	(2.03)	5.70	-	3.67
Restatement of Hedge Items		-		11.75	11.75
Remeasurements of defined benefit plans		15.43			15.43
Provision for Doubtful Debts and Advances	63.49	(1.48)	-	-	62.01
<b>Deferred Tax Assets/(Liabilities) - Net</b>	<b>36.49</b>	<b>25.72</b>	<b>5.70</b>	<b>11.75</b>	<b>79.66</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

### Note No. 33: Operating Leases

- i) The Company's lease asset primarily consist of leases for land and buildings for offices. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.
- (ii) The following is the summary of practical expedients elected on initial application:
  - (a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
  - (b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
  - (c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
  - (d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
  - (e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

## Notes to the Standalone Financial Statements

(iii) Following is carrying value of right of use assets recognised on date of transition and the movements thereof :

	(₹ in lakhs)	
Particulars	2020-21 Amount	2019-20 Amount
Transition impact on account of adoption of Ind AS 116 “Leases” (refer Note iii)		
Opening Balance	83.67	139.45
<b>Total Right of Use on the date of transition</b>	<b>83.67</b>	<b>139.45</b>
Additions during the year	-	-
Deletion during the year	-	-
Depreciation of Right of use assets (refer note 24)	55.76	55.78
<b>Closing Balance</b>	<b>27.91</b>	<b>83.67</b>

(iv) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021:

	(₹ in lakhs)	
Particulars	2020-21 Amount	2019-20 Amount
Transition impact on account of adoption of Ind AS 116 “Leases”		
Opening Balance	86.09	135.49
Additions during the year	-	-
Finance cost accrued during the year	7.34	13.60
Deletions	-	-
Payment of Lease Liabilities	(63.00)	(63.00)
<b>Closing Balance</b>	<b>30.43</b>	<b>86.09</b>
With respect to non - cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	31.50	63.00
For a period later than one year and not later than five years	-	31.50
For a period later than five years	-	-
<b>Total</b>	<b>94.50</b>	<b>157.50</b>

(v) The maturity analysis of lease liabilities are disclosed in Note 41

(vi) Rental expense recorded for short-term leases was ₹ 16.46 lakhs for the year ended March 31, 2021

(vii) The difference between the lease obligation recorded, as of March 31, 2019, under Ind AS 17 (disclosed under Note 34(E) of annual standalone financial statements forming part of 2019 Annual Report) and the value of the lease liability as of April 1, 2019, is on account of use of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

(viii) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



## Notes to the Standalone Financial Statements

### Note 34 : Earnings per equity share:

(₹ in lakhs)

Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Earnings Per share has been computed as under :</b>		
Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)	717.56	1,123.19
Total Average No of shares Outstanding during the year	234,559,430	213,259,430
Weighted Average No of shares Outstanding during the year	219,328,471	213,259,430
Earnings per Share -Basic & Diluted ( Face Value of ₹ 1/- per Share)	0.33	0.53

### Note 35 Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(i) Contingent liabilities</b>		
<b>Direct and indirect taxation matters</b>		
Income tax	354.45	354.45
Sales tax	841.08	-
Claims against the Company not acknowledged as debts	186.22	666.28

### Note 36 Segment Reporting

The company and its Chief Operating Decision Maker (CODM) reviews agro business as the only segment and takes decision based on the demand and supply in agro business. Thus, as per Ind AS 108, the business activities falls within a single primary segment i.e. trading in Agri Products and accordingly segment reporting is not applicable.

## Notes to the Standalone Financial Statements

### Note 37 Related party Disclosures

The related parties as per the terms of Ind AS - 24, "Related Party Disclosures". Specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2015) are disclosed below -

Note	Particulars		
Names of Related parties and description of the relationship			
	Description of relationship	Names of related parties	
(i)	<b>Related Parties where Control exists</b>		
	Subsidiaries	Sakuma Exim DMCC (UAE) (Wholly Owned Subsidiary) Sakuma Exports Pte Ltd (Singapore) (Wholly Owned Subsidiary)	
	Step-Down Subsidiaries	Sakuma Exports (Ghana) Limited (Subsidiary of Sakuma Exports Pte Ltd) Sakuma Exports (Tanzania) Private Limited (Subsidiary of Sakuma Exports Pte Ltd)	
	Key Management Personnel (KMP)	G.K Exim FZE (Subsidiary of Sakuma Exim DMCC) Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director)* Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) Mr. Amit Amist Shanker (Non-Executive Director)#	
	Relatives of KMP	Mrs. Kusum Malhotra Mrs. Vanita Malhotra	
	Companies in which Directors, KMP or their relatives are interested	Sakuma Finvest Private Limited  GMK System and Logistics Private Limited Sakuma Infrastructure and Realty Private Limited C.K.K Exports Private Limited Marwar Consultancy Private Limited Sukriti Trading LLP LT Sagar Coastal Transport Private Limited MS Port Terminal Private Limited	
	(ii)	<b>Related Parties with whom transactions have taken place during the year</b>	
		Subsidiaries	Sakuma Exim DMCC (UAE) Sakuma Exports Pte Ltd (Singapore)
		Key Management Personnel (KMP)	Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director) Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) Mr. Amit Amist Shanker (Non-Executive Director)
		Relatives of KMP	Mrs. Kusum Malhotra
	Companies in which Directors, KMP or their relatives are interested	Sakuma Infrastructure and Realty Private Limited  C.K.K Exports Private Limited	

\*Ceased to be director w.e.f 29th November 2020 due to death.

# Appointed w.e.f 13th February 2021.



## Notes to the Standalone Financial Statements

### (iii) Details of related party transactions during the year ended March 31, 2021

Relationship	Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Subsidiary	Sales	1,694.23	-
Subsidiary	Advance received	169.06	-
Subsidiary	Dividend Income	-	215.74
Key Management Personnel	Director's Sitting Fees	10.50	7.50
Relatives of KMP		3.00	1.50
Relatives of KMP	Rent paid	10.71	10.71
Companies in which Directors, KMP or their relatives are interested		52.29	52.29
Key Management Personnel		Director's Remuneration	108.00
Relatives of KMP	Deposit taken	-	1,850.00
Relatives of KMP	Repayment of Deposit	-	1,850.00
Companies in which Directors, KMP or their relatives are interested	Subscription of Shares	1,331.25	-
Companies in which Directors, KMP or their relatives are interested	Interest Paid	19.41	-
Companies in which Directors, KMP or their relatives are interested	Loan Taken	3,277.40	-
Companies in which Directors, KMP or their relatives are interested	Loan Repaid	3,277.40	-

### (iv) Details of balances outstanding of the Related Parties

Relationship	Outstanding Balance	As at March 31, 2021	As at March 31, 2020
Relatives of KMP	Security Deposit	15.30	15.30
Companies in which Directors, KMP or their relatives are interested		74.70	74.70
Companies in which Directors, KMP or their relatives are interested	Interest Payable	3.81	-
Key Management Personnel	Director's Remuneration Payable	3.38	-
Subsidiary	Advance Received	169.06	-

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The company has not recorded any impairment of receivables relating to the amounts owned by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party exists.

The remuneration to the key managerial personnel does not include the provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

Managerial remuneration is computed as per the provisions of section 197 of the Companies Act, 2013.

## Notes to the Standalone Financial Statements

### Note 38 Post-retirements benefit plan

#### Note Particulars

(i) **Defined contribution plans**

The group has recognised and included in Note 29 “Contribution to Provident and other funds” expenses towards the defined contribution plan as under:

₹ in lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to Provident fund (Government)	7.57	8.30

(ii) **Defined benefit plans**

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

#### Gratuity

The group has a defined benefit gratuity plan which is funded with an Insurance group in the form of qualifying Insurance policy. The group's defined benefit gratuity plan is a salary plan for employees which requires contributions to be made to a separate administrative fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years of service gets a gratuity on separation @ 15 days of last drawn salary for each completed year of service rounded to nearest integer. The scheme is funded with an insurance group in the form of qualifying insurance policy.

The Management have appointed PNB MetLife to manage its funds. The management aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

In case of death, while in service, the gratuity is payable irrespective of vesting. The group makes annual contribution to the group gratuity scheme administered by PNB MetLife through its gratuity funds.

The disclosure in respect of the defined Gratuity plan are given below:

₹ in lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Net Assets / (Liability) of Defined Benefit Plans -</b>		
Present Value of Funded obligation	62.23	61.32
Fair value of plan assets	10.72	9.95
<b>Net Asset / (Liability) recognised</b>	<b>(51.51)</b>	<b>(51.37)</b>
<b>(b) Change in present value of the defined benefit obligation are as follows -</b>		
Opening Defined Benefit Obligation	61.32	44.91
Service cost for the year	10.53	9.95
Past service cost	-	-
Interest cost for the year	4.46	3.56
Benefits paid	(2.22)	(2.54)
Actuarial losses (gains)	(7.85)	5.44
<b>Closing defined benefit obligation</b>	<b>66.24</b>	<b>61.32</b>
<b>(c) Changes in Fair value of Plan Assets during the year -</b>		
Opening fair value of plan assets	9.94	13.00
Expected return	0.69	0.83
Benefits paid	(2.22)	(2.54)
Actuarial gains and (losses)	2.30	(1.35)
<b>Closing balance of fund</b>	<b>10.72</b>	<b>9.94</b>



## Notes to the Standalone Financial Statements

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(d) Expenses recognised during the period -</b>		
In Income Statement	14.49	12.66
In Other Comprehensive Income	(9.84)	6.80
<b>Total Expenses recognised during the period</b>	<b>4.65</b>	<b>19.46</b>
<b>(e) Amount recognised as expenses the Statement of Profit and Loss</b>		
Current Service Cost	10.53	9.95
Net Interest on net Defined Liability/(Asset)	3.76	2.71
<b>Total</b>	<b>14.29</b>	<b>12.66</b>
<b>(f) Amount recognised as other comprehensive income the Statement of Profit and Loss</b>		
Actuarial gains and (losses)	(7.84)	5.44
Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above	(1.02)	1.36
<b>Total</b>	<b>(8.86)</b>	<b>6.80</b>
<b>(g) Actual return on plan assets -</b>		
Expected return on plan assets	0.69	0.84
Actuarial gain / (loss) on plan assets	2.30	(1.36)
<b>Actual return on plan assets</b>	<b>2.99</b>	<b>(0.52)</b>

(h) The principal assumptions used in determining gratuity and leave encashment for the group's plan are shown below:

### **Description of Risk Exposures -**

Valuations are performed on certain basic set of predetermined assumptions and other regulatory frame work which may vary overtime. Thus, the group is exposed to various risks in providing the above gratuity benefit which are as follows:

#### **Interest Rate risk**

The plan exposes the group to the risk of all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

#### **Salary Escalation Risk**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

#### **Regulatory Risk**

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20 lakhs).

## Notes to the Standalone Financial Statements

### Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rates (per annum)	6.80%	6.80%
Expected return on plan assets	6.80%	6.80%
Salary growth rate (per annum)	7.00%	7.00%
Attrition Rate	5% to 1%	5% to 1%
Mortality	Indian Assured Lives Mortality (2012-2014) Ult.	Indian Assured Lives Mortality (2006-2008) Ult.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### (i) Sensitivity Analysis of Defined Benefit Obligation with reference to Key Assumptions

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Discount Rate</b>		
One percent increase	58.77	53.70
One percent decrease	75.09	70.52
<b>Salary Escalation Rate</b>		
One percent increase	74.98	70.41
One percent decrease	58.72	53.65
<b>Withdrawal Rate</b>		
One percent increase	66.18	61.18
One percent decrease	66.28	61.48

The group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance group carries out a fund valuation based on the latest employee data provided by the group. Any deficit in the assets arising as a result of such valuation is funded by the group.

The following payments are expected contributions to the defined benefit plan in future years:

### Expected(Undiscounted) Benefit Payments in Future Years

(Projections are for current members and their currently accumulated benefits)

Particulars	As at March 31, 2021	As at March 31, 2020
Year 1	4.26	2.01
Year 2	2.09	2.25
Year 3	2.01	1.91
Year 4	1.94	1.85
Year 5	1.87	2.15
Year 6 to 10	14.10	8.50
<b>Total</b>	<b>26.27</b>	<b>18.67</b>



## Notes to the Standalone Financial Statements

### Note 39 Hedging Activities and Derivatives

#### Derivatives designated as hedging instruments

The Group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per Ind AS 109.

#### Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

### Note 40 Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not valued at fair value if the carrying amount is a reasonable approximation of the fair value.

(₹ in Lakhs)

As at March 31, 2020	Carrying Value				Fair Value			
	Mandatorily at FVTPL	FVTOCI - designated as such	At amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current Assets</b>								
Investment in Subsidiaries	-	-	2,224.53	2,224.53	-	-	-	-
Investment - Others	-	-	2.60	2.60	-	-	-	-
Loans, Advances and Deposits	88.49	-	-	88.49	-	88.49	-	88.49
<b>Current Assets</b>								
Trade receivables	-	-	10,337.31	10,337.31	-	-	-	-
Cash and cash equivalents	-	-	273.28	273.28	-	-	-	-
Balances with Banks other than above	-	-	228.04	228.04	-	-	-	-
Investments-Others	1,000.04	-	-	1,000.04	1,000.04	-	-	1,000.04
Loans, Advances and Deposits	-	-	20.63	20.63	-	-	-	-
Other financial assets	-	-	430.86	430.86	-	-	-	-
<b>Total Financial Assets</b>	<b>1,088.53</b>	<b>-</b>	<b>13,517.24</b>	<b>14,605.76</b>	<b>1,000.04</b>	<b>88.49</b>	<b>-</b>	<b>1,088.53</b>
<b>Financial Liabilities</b>								
<b>Non-Current Liabilities</b>								
Borrowings	-	-	225.41	225.41	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	-	-
<b>Current Liabilities</b>								
Borrowings	-	-	206.79	206.79	-	-	-	-
Trade payables	-	-	2,223.53	2,223.53	-	-	-	-
Lease Liabilities	30.43	-	-	30.43	-	30.43	-	30.43
Other financial liabilities	-	-	291.71	291.71	-	-	-	-
<b>Total Financial Liabilities</b>	<b>30.43</b>	<b>-</b>	<b>2,947.45</b>	<b>2,977.87</b>	<b>-</b>	<b>30.43</b>	<b>-</b>	<b>30.43</b>

## Notes to the Standalone Financial Statements

₹ in lakhs

As at March 31, 2020	Carrying Value				Fair Value			
	Mandatorily at FVTPL	FVTOCI - designated as such	At amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non Current Assets</b>								
Investment in Subsidiaries	-	-	2,224.53	2,224.53	-	-	-	-
Investment - Others	-	-	2.60	2.60				
Loans, Advances and Deposits	115.04	-	4.84	119.88	-	115.04	-	115.04
<b>Current Assets</b>								
Trade receivables	-	-	75,366.75	75,366.75	-	-	-	-
Cash and cash equivalents	-	-	1,543.10	1,543.10	-	-	-	-
Investment - Others	5,552.96	-	-	5,552.96	5,552.96	-	-	5,552.96
Balances with Banks other than above	-	-	3,801.14	3,801.14	-	-	-	-
Loans, Advances and Deposits	-	-	36.44	36.44	-	-	-	-
Other financial assets	-	-	378.11	378.11	-	-	-	-
<b>Total Financial Assets</b>	<b>5,668.00</b>	<b>-</b>	<b>83,357.51</b>	<b>89,025.51</b>	<b>5,552.96</b>	<b>115.04</b>	<b>-</b>	<b>5,668.00</b>
<b>Financial Liabilities</b>								
<b>Non-Current Liabilities</b>								
Borrowings	-	-	290.76	290.76	-	-	-	-
Lease Liabilities	30.43	-	-	30.43	-	30.43	-	30.43
<b>Current Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	63,649.03	63,649.03	-	-	-	-
Lease Liabilities	55.66	-	-	55.66	-	55.66	-	55.66
Other financial liabilities	-	-	1,280.90	1,280.90	-	-	-	-
<b>Total Financial Liabilities</b>	<b>86.09</b>	<b>-</b>	<b>65,220.69</b>	<b>65,306.78</b>	<b>-</b>	<b>86.09</b>	<b>-</b>	<b>86.09</b>

During the reporting period ended March 31, 2021 and March 31, 2020, there have been no transfers between Level 1 and Level 2 fair value measurements.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables less than 1 year, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## Notes to the Standalone Financial Statements

### Note 41 Financial Risk Management

#### Risk Management Framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors through its risk management committee reviews and agrees policies for managing each of these risks, which are summarised below.

The Company's has exposure to the following risks arising from financial instruments:

- (i) Market Risk
- (ii) Commodity Price Risk
- (iii) Credit Risk
- (iv) Liquidity Risk
- (v) Excessive risk Concentration

#### (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2021.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020 including the effect of hedge accounting.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a short term working capital loans which are reviewed on yearly basis. The following table provides a break-up of Company's fixed and floating rate borrowing:

## Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	290.76	350.72
Floating rate borrowings	206.79	-
<b>Total Borrowings</b>	<b>497.56</b>	<b>350.72</b>

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Increase / decrease in basis points	Effect on profit before tax
<b>March 31, 2021</b>		
₹ 206.79	+/- 100 bps	-0.21/0.21
<b>March 31, 2020</b>		
NIL	+/- 100 bps	NIL

Note: The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year.

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

### Derivatives designated as hedging instruments

The Company uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per Ind AS 109.

### Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

(Amount in USD in lakhs)

Unhedged Foreign Currency Exposure	As at March 31, 2021	As at March 31, 2020
FCY Receivables	358.41	1,022.16
FCY Payables	(16.70)	(937.45)
<b>Net FCY Receivables / (Payables)</b>	<b>341.71</b>	<b>84.71</b>
Financial Hedge	341.76	84.17
<b>Unhedged Foreign Currency Exposure</b>	<b>(0.05)</b>	<b>0.54</b>



## Notes to the Standalone Financial Statements

### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	(₹ in Lakhs)	
	Change in Currency	Effect on profit before tax
<b>March 31, 2021</b>		
Recognized net receivables / (payables)	+ 1 /- 1	+ 0.05 /- 0.05
<b>March 31, 2020</b>		
Recognized net receivables / (payables)	+ 1 /- 1	+ 0.54 /-0.54

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### (ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Generally the company operates on advance against delivery order principle except for merchant trade transactions wherein the sales is executed on credit terms up to six months. Also, Export customers are secured against Letter of Credit, bank guarantees and payments against documents. Credit risk on receivables is also mitigated by securing the same against security deposit, letter of credit and advance payment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

#### Ageing of Account receivables

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
0 - 90 days	8,716.22	75,148.94
91 - 180 days	840.10	-
181 - 270 days	341.31	-
270 - 365 days	-	-
More than 365 days	486.46	256.35
	<b>10,384.09</b>	75,405.29

#### Other financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval as per the Investment policy. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## Notes to the Standalone Financial Statements

### (iii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company prepares cash flow on a daily basis to monitor liquidity. Any shortfall is funded out of short term loans. Any surplus is invested in liquid mutual funds and short term bank deposits. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

#### Liquidity exposure as at March 31, 2021

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
<b>Financial Assets</b>				-
<b>Non-Current Assets</b>				
Investment in Subsidiaries	-	-	2,224.53	2,224.53
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	88.49	-	88.49
<b>Current Assets</b>				-
Trade receivables	10,337.31	-	-	10,337.31
Cash and cash equivalents	273.28	-	-	273.28
Balances with Banks other than above	228.04	-	-	228.04
Investment - Others	1,000.04	-	-	
Loans, Advances and Deposits	20.63	-	-	20.63
Other financial assets	430.86	-	-	430.86
<b>Total Financial Assets</b>	<b>12,290.15</b>	<b>91.09</b>	<b>2,224.53</b>	<b>14,605.76</b>
<b>Financial Liabilities</b>				-
<b>Non-Current Liabilities</b>				
Borrowings	-	225.41	-	-
Lease Liabilities	-	-	-	-
<b>Current Liabilities</b>				
Borrowings	206.79	-	-	206.79
Trade payables	2,223.53	-	-	2,223.53
Other financial liabilities	322.14	-	-	322.14
<b>Total Financial Liabilities</b>	<b>2,752.46</b>	<b>225.41</b>	<b>-</b>	<b>2,752.46</b>



## Notes to the Standalone Financial Statements

Liquidity exposure as at March 31, 2020

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
<b>Financial Assets</b>				-
<b>Non-Current Assets</b>				
Investment in Subsidiaries	-	-	2,224.53	2,224.53
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	119.88	-	119.88
<b>Current Assets</b>				-
Trade receivables	75,366.75	-	-	75,366.75
Investment - Others	5,552.96			
Cash and cash equivalents	1,543.10	-	-	1,543.10
Balances with Banks other than above	3,801.14	-	-	3,801.14
Loans, Advances and Deposits	36.44	-	-	36.44
Other financial assets	378.11	-	-	378.11
<b>Total Financial Assets</b>	<b>86,678.50</b>	<b>122.48</b>	<b>2,224.53</b>	<b>89,025.51</b>
<b>Financial Liabilities</b>				
<b>Non-Current Liabilities</b>				
Borrowings	-	-	290.76	-
Lease Liabilities	-	30.43	-	-
<b>Current Liabilities</b>				
Borrowings	59.96	-	-	59.96
Trade payables	63,649.03	-	-	63,649.03
Other financial liabilities	1,280.90	-	-	1,280.90
<b>Total Financial Liabilities</b>	<b>64,989.89</b>	<b>30.43</b>	<b>290.76</b>	<b>64,989.89</b>

### (iv) Excessive risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

## Notes to the Standalone Financial Statements

### 42 Capital Risk Management

For the purpose of the Company capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	497.56	350.72
Trade Payables	2,223.53	63,649.03
Less: Cash and Cash Equivalents	(273.28)	(1,543.10)
<b>Net Debt</b>	<b>2,447.81</b>	<b>62,456.65</b>
Total Equity	23,117.77	21,242.63
<b>Total Equity and Net Debt</b>	<b>25,565.58</b>	<b>83,699.28</b>
<b>Gearing Ratio</b>	<b>0.10</b>	<b>0.75</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

### Note 43 Other Accompanying Notes

- 1) The Figures have been rounded off to the nearest lakhs of Rupees upto two decimal Places.
- 2) Previous Years Figures have been regrouped / rearranged where ever necessary to make them Comparable with the Current year Figures
- 3) Note 1 to 43 Forms an Intergral Part of the Financial Statements

As per our report of even date

**For M.L.SHARMA & CO.**  
Chartered Accountants  
FRN: 109963W

**S M Bandi**  
Partner  
M.No. 109101  
Date : 29th June 2021

**For and on behalf of the Board of Directors**

**Mr. Saurabh Malhotra**  
Chairman & Managing Director  
DIN - 00214500

**Dhiraj Khandelwal**  
Company Secretary

**Devesh Mishra**  
Chief Financial Officer



## INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF

SAKUMA EXPORTS LIMITED

### Report on the Consolidated IND AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **SAKUMA EXPORTS LIMITED** (“the Holding Company), and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Company” or “the Group”), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, the Consolidated Statement of Profit & Loss (Including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the financial statements including a Summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31<sup>st</sup> March 2021, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended 31<sup>st</sup> March, 2021. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matters	How our audit addressed the key audit matter
1. Revenue Recognition (Refer to the accounting policies in Note 2 to the Ind AS Financial statements)	

Key Audit Matters	How our audit addressed the key audit matter
Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year-end, therefore revenue recognition has been identified as a key audit matter.	<p>a) Our audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers".</p> <p>b) We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers.</p> <p>c) We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms.</p> <p>d) We also performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.</p> <p>e) Audit procedures relating to revenue recognition were extended to a longer period to ensure that there is no impact on the revenue numbers reported based on the possible effects of pandemic relating to Covid-19.</p>

### Other Information

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

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

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

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



The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the each entity.

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31<sup>st</sup> March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of **Three** subsidiaries, whose financial statements reflects total assets of Rs. 17,272.82 Lakhs (before eliminating inter-company balances) as at 31<sup>st</sup> March 2021, total revenues of Rs. 31,012.12 Lakhs (before eliminating inter-company balances) total net profit after tax of Rs. 390.92 Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. 390.92 Lakhs (before eliminating inter-company balances) and net cash inflow (outflow) of Rs. (958.71 Lakhs) (before eliminating inter-company balances) for the year ended on that date, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

We did not audit the financial information of **One** subsidiary, whose financial information reflects total assets of Rs. 0.01 lakhs (before eliminating inter-company balances) as at 31<sup>st</sup> March 2021, total revenue of Rs. NIL (before eliminating inter-company balances), total net profit/(loss) after tax of Rs. NIL (before eliminating inter-company balances), total comprehensive income of Rs. NIL (before eliminating inter-company balances) and net cash outflow of Rs. NIL for the year ended on that date, as considered in the consolidated financial statements, whose financial information have not been audited by us.

These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

- (a) We/the other auditor whose report we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.



- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies and its covered under the Act, are disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**';
- (g) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and:
  - i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated Ind AS financial position of the Group. Refer Note No. 35 to the Consolidated Ind AS financial statements;
  - ii. Provision has been made in the Consolidated Ind AS financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
  - iii. There has been delay in transferring amounts of Unpaid Dividend for Financial Year 2012–13 and corresponding Equity Shares during the year which were required to be transferred, to the Investor Education and Protection Fund by Companies Incorporated in India.

**For M. L. Sharma & Co.,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date: 29<sup>th</sup> June, 2021**

**(CA S. M. Bandi)  
Partner  
Membership No. 109101  
UDIN: 21109101AAAABS2405**

**THE ANNEXURE – “A” REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAKUMA EXPORTS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021. WE REPORT THAT:**

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

In conjunction with our audit of the consolidated Ind AS financial statement of the Company as of and for the year ended 31<sup>st</sup> March, 2021, We have audited the internal financial controls over financial reporting of **SAKUMA EXPORTS LIMITED** (“the Holding Company”) and its subsidiaries which are incorporated in India, as of that date.

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

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company and its subsidiary companies which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For M. L. Sharma & Co.,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date: 29<sup>th</sup> June, 2021**

**(CA S. M. Bandi)  
Partner  
Membership No. 109101  
UDIN: 21109101AAAABS2405**



## Consolidated Balance Sheet as at March 31, 2021

Particulars	Note No	(₹ in lakhs)	
		As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	456.94	634.70
(b) Right to use Asset		27.91	83.67
(c) Intangible assets	4	0.70	0.46
(d) Financial Assets			
(i) Investment - Others	5	2.60	2.60
(ii) Loans, Advances and Deposits	6	88.49	119.88
(e) Other Non - Current Assets	7	10.72	9.95
		<b>587.36</b>	<b>851.26</b>
<b>2 Current assets</b>			
(a) Inventories	8	4,649.44	3,408.75
(b) Financial Assets		-	
(i) Trade receivables	9	26,853.60	92,013.71
(ii) Cash and cash equivalents	10	324.04	2,552.56
(iii) Balances with Banks other than (ii) above	11	228.04	3,801.14
(iv) Investment - Others	12	1,000.04	5,552.96
(v) Loans, Advances and Deposits	6	23.64	41.16
(vi) Other financial assets	13	430.86	378.11
(c) Other current assets	14	8,854.46	3,963.35
(d) Income Tax (Net of Provisions)	15	47.05	163.73
		<b>42,411.17</b>	<b>111,875.47</b>
<b>TOTAL - ASSETS (A)</b>		<b>42,998.53</b>	<b>112,726.73</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
(a) Equity Share Capital	16	2,345.59	2,132.59
(b) Other Equity	17	32,569.02	30,979.20
		<b>34,914.61</b>	<b>33,111.79</b>
<b>2 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Long Term Borrowings	18	225.41	290.76
(ii) Lease Liabilities		-	30.43
(b) Deferred tax liabilities (net)	32d	2,358.00	2,416.56
(c) Provisions	19	61.96	59.31
		<b>2,645.37</b>	<b>2,797.06</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	206.79	-
(ii) Trade payables	21		
(a) total outstanding dues of micro enterprises and small enterprises		635.88	37.56
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,172.18	64,179.00
(iii) Other financial liabilities	22	327.44	1,441.88
(b) Other current liabilities	23	2,087.12	11,148.09
(c) Current Provisions	24	9.13	11.35
(d) Income Tax Provisions (Net)	25	-	
		<b>5,438.55</b>	<b>76,817.88</b>
<b>TOTAL - EQUITY AND LIABILITIES (B)</b>		<b>42,998.53</b>	<b>112,726.73</b>
<b>Corporate Information &amp; Significant Accounting Policies</b>	<b>1 &amp; 2</b>		

The accompanying notes form an integral part of the consolidated financial statements  
As per our report of even date

**For M.L.SHARMA & CO.**  
Chartered Accountants  
FRN: 109963W

**For and on behalf of the Board of Directors**

**S M Bandi**  
Partner  
M.No. 109101

**Mr. Saurabh Malhotra**  
Chairman & Managing Director  
DIN - 00214500

Place : Mumbai  
Date : 29th June 2021

**Dhiraj Khandelwal**  
Company Secretary

**Devesh Mishra**  
Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(₹ in lakhs)

Particulars	Note No	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>1 Revenue from operations</b>	25	132,840.98	254,603.67
2 Other income	26	507.02	1,040.45
3 Total revenue (1+2)		133,348.00	255,644.12
<b>4 Expenses</b>			
(a) Purchases of Stock-in-trade		117,330.93	240,650.53
(b) Changes in inventories of stock-in-trade	27	(1,240.69)	195.58
(c) Employee benefits expense	28	580.99	721.99
(d) Finance costs	29	474.89	241.90
(e) Depreciation and amortisation expenses	30	240.90	131.96
(f) Other expenses	31	14,555.83	11,257.80
<b>Total expenses</b>		131,942.85	253,199.76
<b>5 Profit / (Loss) before exceptional items and tax (3 - 4)</b>		1,405.15	2,444.36
6 Exceptional items		-	-
<b>7 Profit / (Loss) before tax (5 + 6)</b>		1,405.15	2,444.36
<b>8 Tax expense:</b>	32		
(a) Current tax		347.58	470.74
(b) Prior period tax		-	168.87
(c) Deferred tax		(45.52)	(24.01)
		302.06	615.60
<b>9 Profit / (Loss) for the Year (7 + 8)</b>		1,103.09	1,828.76
<b>10 Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to statement of profit and loss</b>			
Remeasurements gains/(losses) on defined benefit plans		10.16	(6.80)
Income tax relating to above		(2.56)	1.71
Total Other Comprehensive Income transferred to P&L		7.60	(5.09)
<b>Items that will be reclassified subsequently to statement of profit and loss</b>			
Remeasurements gains/(losses) on cash flow hedge		6.22	(46.69)
Income tax relating to above		(1.57)	11.75
Net Balance of Cash Flow Hedge		4.66	(34.94)
Net Balance Transferred to Other Equity		(4.66)	34.94
<b>Items that will be reclassified subsequently to statement of profit and loss</b>			
FCIR balance related to OCI		502.43	946.07
Income Tax relating to above		(86.22)	(162.35)
Net Balance of FCIR		416.21	783.72
Net Balance of FCIR transferred to Other Equity		(416.21)	(783.72)
<b>Total Other Comprehensive transferred to reserve</b>		7.60	(5.09)
<b>11 Total Comprehensive Income for the year(9+10)</b>		1,110.69	1,823.67
<b>12 Earnings per share (Face Value of ₹ 1/- each):</b>	34		
(a) Basic		0.51	0.86
(b) Diluted		0.51	0.86
<b>Corporate Information &amp; Significant Accounting Policies</b>	1 & 2		

The accompanying notes form an integral part of the consolidated financial statements  
As per our report of even date

**For M.L.SHARMA & CO.**  
Chartered Accountants  
FRN: 109963W

**S M Bandi**  
Partner  
M.No. 109101

Place : Mumbai  
Date : 29th June 2021

For and on behalf of the Board of Directors

**Mr. Saurabh Malhotra**  
Chairman & Managing Director  
DIN - 00214500

**Dhiraj Khandelwal**  
Company Secretary

**Devesh Mishra**  
Chief Financial Officer



## Consolidated Statement of Cash Flows for the year ended March 31, 2021

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from operating activities</b>		
Profit Before Tax	1,405.15	2,444.36
<b><u>Adjustments to reconcile profit before tax to net cash flows:</u></b>		
Depreciation and amortisation	240.90	131.96
Claims Filed during the Year not Received (Net)	-	-
Finance costs	474.89	241.90
Interest income	(72.05)	(182.70)
Provision for Doubtful Debts	151.63	66.98
Net unrealised exchange (gain) / loss	(491.81)	1,022.74
Net (gain) / loss on sale of investments	(124.67)	(135.88)
<b>Operating profit / (loss) before working capital changes</b>	<b>1,584.04</b>	<b>3,589.36</b>
<b><u>Changes in working capital:</u></b>		
<b><u>Adjustments for (increase) / decrease in operating assets:</u></b>		
Inventories	(1,240.69)	195.58
Trade receivables	65,151.86	(10,682.60)
Loans, Advances and Deposits - Current	(22.31)	(35.57)
Loans, Advances and Deposits - Non Current	31.39	(8.52)
Other financial assets	(156.30)	199.98
Other current assets	(4,817.16)	(378.39)
Balances with Banks other than Cash and Cash Equivalents	3,573.10	(1,314.26)
Other non-current assets	(0.78)	(9.95)
<b><u>Adjustments for increase / (decrease) in operating liabilities:</u></b>		
Trade payables	(61,408.50)	11,974.08
Other Financial liabilities	(1,075.23)	1,023.43
Other current liabilities	(9,060.97)	5,163.11
Provisions	2.65	27.40
Short-term provisions	(2.22)	2.18
Lease Liabilities	-	-
	<b>(7,441.12)</b>	<b>9,745.84</b>
<b>Net income tax (paid) / refunds</b>	<b>(233.46)</b>	<b>(1,134.41)</b>
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(7,674.58)</b>	<b>8,611.43</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(7.62)	(462.09)
Right to use assets		
Current investments not considered as Cash and cash equivalents		
- Purchased	(90,696.94)	(57,857.00)
- Proceeds from sale	95,374.53	52,439.92
Subscription to equity shares in Subsidiary	-	-
Interest received	60.77	167.02
Dividend received on Investments	-	-
Dividend received from Subsidiary	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>4,730.74</b>	<b>(5,712.15)</b>

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>C. Cash flow from financing activities</b>		
Net increase / (decrease) in working capital borrowings	206.79	(2,499.50)
Proceeds / (Repayment) of other short-term borrowings	-	350.72
Finance cost	(528.88)	(228.30)
Net increase / (decrease) in Long Term borrowings	(65.35)	(58.38)
Proceeds from Issue of Shares	1,331.25	
Dividends paid	(228.49)	(213.26)
Tax on dividend	-	-
Net cash flow from / (used in) financing activities (C)	715.33	(2,648.72)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(2,228.52)	250.56
Cash and cash equivalents at the beginning of the year	2,552.56	2,302.00
<b>Cash and cash equivalents at the end of the year</b>	<b>324.04</b>	<b>2,552.56</b>

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
<b>Cash and cash equivalents at the end of the year *</b>	<b>324.04</b>	<b>2,552.56</b>
* Comprises:		
(a) Cash on hand	8.38	6.32
(b) Balances with banks		
(i) In current accounts	315.66	1,546.24
(ii) In Deposit Accounts	-	1,000.00
	<b>324.04</b>	<b>2,552.56</b>

The accompanying notes form an integral part of the consolidated financial statements

**Notes:**

- (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants

FRN: 109963W

**S M Bandi**

Partner

M.No. 109101

Place : Mumbai

Date : 29th June 2021

**For and on behalf of the Board of Directors**

**Mr. Saurabh Malhotra**

Chairman & Managing Director

DIN - 00214500

**Dhiraj Khandelwal**

Company Secretary

**Devesh Mishra**

Chief Financial Officer

**Consolidated Statement of Changes in Equity for the year ended March 31, 2021**

(₹ in lakhs)

Equity Share Capital	Balance as at April 01, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Paid up Capital (Equity shares of Re. 1 each issued, subscribed and fully paid-up)	2,132.59	213.00	2,345.59

**OTHER EQUITY -**

(₹ in lakhs)

Particulars	Other equity						Total other equity
	Securities premium [refer note 17(B)(b)]	Capital redemption reserve [refer note 17(B)(a)]	Retained earnings [refer note 17(B)(d)]	Items of Other Comprehensive Income [refer note 31(b)]	Cash Flow Hedging Reserve [refer note 17(B)(c)]	Foreign Currency Translation Reserve [refer note 17(B)(e)]	
As at April 1, 2020	7,427.19	1,000.09	21,650.57	10.21	(34.94)	926.08	30,979.20
Profit for the year	-	-	1,103.09	-	-	-	1,103.09
Other comprehensive income	-	-	-	7.60	-	(502.43)	(494.83)
Others	1,118.25	-	-	-	39.58	84.99	1,242.82
Total comprehensive income	1,118.25	-	1,103.09	7.60	39.58	(417.44)	1,851.08
Payment of dividend	-	-	(213.26)	-	-	-	(213.26)
Effect of Leased Asset (Net off DTA)	-	-	-	-	-	-	-
Transfer from Retained Earnings	-	-	(48.01)	-	-	-	(48.01)
<b>As at March 31, 2021</b>	<b>8,545.44</b>	<b>1,000.09</b>	<b>22,492.39</b>	<b>17.81</b>	<b>4.64</b>	<b>508.64</b>	<b>32,569.02</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants

FRN: 109963W

**S M Bandi****Partner****M.No. 109101****Place : Mumbai****Date : 29th June 2021****For and on behalf of the Board of Directors****Mr. Saurabh Malhotra****Chairman & Managing Director****DIN - 00214500****Dhiraj Khandelwal****Company Secretary****Devesh Mishra****Chief Financial Officer**

## Notes forming part of the Consolidated financial statements

### 1 Group information

Sakuma Exports Limited, a Government of India recognised Star Trading House, is a public limited company domiciled in India and incorporated on August 31, 2005, CIN - L51909MH2005PLC155765. The registered office of the Company is located at 301-A, Aurus Chambers, S.S. Amrutwar Lane, Near Mahindra Tower, Worli, Mumbai - 400013. The shares of the company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company along with its subsidiaries ("The Group") is primarily engaged in the trading of Agro Commodities. The Consolidated financial statements were authorised for issue in accordance with a resolution of the directors on June 29, 2021.

#### 2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the Act and rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis except :

- a. Certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).
- b. Defined Benefits plans –Plan assets measured at Fair Value

The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Basis of Consolidation

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Consolidated financial statements of the Group incorporate the assets, liabilities, equity, income, expenses and cash flows of the company and its subsidiaries and are presented as those of a single economic entity. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders



The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

### **Consolidation Procedure**

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### **2.3 Fair Value Remeasurements:**

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The group used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

### **2.4 Cash Flow Statements:**

Cash flows are reported using the indirect method, 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 and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

### **2.5 Property, Plant and Equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any.

The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition of the concerned assets and are further adjusted by the amount of Input Credit of taxes availed wherever applicable.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet date are disclosed as “Capital work-in-progress”.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

The residual values are not more than 5% of the original cost of the Asset. The Property, plant and equipment’s residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

The group has applied principles of Ind AS 16 retrospectively from date of acquisition and considered the same as deemed cost in accordance with Ind AS 101 First Time adoption. On transition to Ind-AS, the group has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured as per IGAAP as the deemed cost of assets.

The estimated useful lives considered of Property, Plant and Equipment of the group are as follows:

<b>Block of Assets</b>	<b>Useful Life</b>
Wind Turbine Generators	22 Years
Leasehold Land	Shorter of lease period or estimated useful lives
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Computer software	3 Years
Vehicles	8 Years
Office Equipment	5 Years

## **2.6 Intangible Assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

## **2.7 Depreciation and amortisation**

Depreciation of these assets commences when the assets are ready for their intended use. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a written down value basis except Lease Hold Land on which straight line basis depreciation is charged.

## **2.8 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.

## **2.9 Leases**

At inception of Contract, the Company assesses whether the Contract is or contains a Lease. A Contract is, or contains, a lease if the Contract conveys the right to Control the use of an identified asset for a period of time in exchange for Consideration. At inception or on reassessment of a contract that contains a lease Component, the Company allocates Consideration in the contract to each lease component on the basis of their relative standalone price

### **As a Lessee**

#### **i) Right of use assets**

The Group recognizes right of use assets at the commencement date of the lease. Right of use assets are measured at cost less any accumulated depreciation and impairment Losses and adjusted for any remeasurement of Lease Liabilities. The Cost



of right to use assets include the amount of lease Liabilities recognized, initial direct cost incurred, Lease payments made at or before commencement date less any lease incentives received. Right of use assets are depreciated on a straight Line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group presents right to use assets that do not meet the definition of Investment property in “Property, Plant and Equipment”

## ii) Lease Liabilities

At the Commencement date of the Lease , the Group recognizes Lease Liabilities measured at the present value of lease payments to be made over the Lease term .In Calculating the present Value of lease payments , the Group generally uses its incremental borrowing rate at the Lease Commencement date if the discount rate implicit in the lease is not readily determinable.

Lease payments included in the measurement of the Lease Liability are made up of fixed payments (including in substance, fixed) and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses .It is re measured to reflect any reassessment or modification.

The Group presents lease Liabilities under Financial Liabilities in the Balance sheet.

The Group has elected to account for short term leases and Leases of Low Value assets using the exemption given under Ind AS 116, Leases .Instead of recognizing a right of use asset and Lease Liability, the payments in relation to these are recognized as an expense in the profit or loss on a straight Line basis over the Lease term or on another systematic basis if that basis is more representative of the pattern of the Group benefit.

## iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## 2.10 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 present location and condition.

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

## 2.11 Cash & Cash Equivalents

The group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

## 2.12 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

### Current Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

**Current tax assets and liabilities are offset only if, the group:**

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

**Deferred tax assets and liabilities are offset only if:**

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

**2.13 Financial Assets****(a) Initial recognition and measurement**

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

**(b) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial assets. The group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**(i) Debt Instruments**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

**(ia) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

**(ib) Debt instruments at Fair value through profit or loss (FVTPL)**

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

**(ii) Equity Instruments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the group decides to classify the same either as at FVOCI or FVTPL. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

**(c) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the group's Balance Sheet) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - The group has transferred substantially all the risks and rewards of the asset, or
  - The group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**(d) Impairment of financial assets**

The group measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**(e) Income Recognition**

Interest Income from debt instruments is recognised using the effective interest rate method.

**2.14 Financial Liabilities**

**(a) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

**(b) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

- (i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

(ii) **Financial Liabilities measured at amortised cost**

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method (“EIR”).

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

**(c) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

**2.15 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**2.16 Fair Value of Financial Instruments**

In determining the fair value of its financial instruments, the group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

**Fair Value Hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**2.17 Classification of Assets and Liabilities as Current and Non-Current:**

All assets and liabilities are classified as current or non-current as per the group’s normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

**2.18 Revenue recognition**

**A. Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.



The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

**(a) Sale of Goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, and consideration payable to the customer (if any).

**(b) Variable Consideration**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale provide customers with discounts. The discounts give rise to variable consideration.

**(c) Discounts**

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the Group applies accumulated experience using the most likely method. The Group determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 7 days to 120 days.

**(d) Contract Balances**

**(i) Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**(ii) Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

**(iii) Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Group performs under the contract.

**(iv) Refund liabilities**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**(B) Measurement of revenue**

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty and net of, any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, goods and service tax (GST) etc. Revenue is recorded net of Duties and Taxes. Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

**(C) Other income**

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

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**2.19 Foreign currency Translations****(a) Functional and presentation currency**

The financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.

**(b) Transactions and Balances**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

**(c) Monetary Items**

Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.

- Monetary assets (including loans to subsidiaries) and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year-end rates and the corresponding effect is given to the respective account.
- Exchange differences arising on account of fluctuations in the rate of exchange are recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.

**(d) Non - Monetary Items**

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

**2.20 Employee benefits**

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

**(a) Defined contribution plans**

The group'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 Ind AS 19.

Payment for present liability of future payment of gratuity is being made to approve gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the PNB Met Life Insurance group Ltd. However, any deficit in plan assets managed by PNB Met Life Insurance as compared to the liability on the basis of an independent actuarial valuation is recognized as a liability. The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

**(c) Privilege leave entitlements**

Privilege leave entitlements are recognized as a liability, in the calendar year of rendering of service, as per the rules of the group. As accumulated leave can be availed and/or encashed at any time during the tenure of employment, subject to terms and conditions of the scheme, the liability is recognized on the basis of an actual working based on balance days of accumulated leave.

**2.21 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.

**2.22 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**2.23 Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

**2.24 Impairment of Non-financial assets**

The carrying values of assets/cash generating unit 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 recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and therein 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 than an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss except in case of revalued assets.

**2.25 Provisions**

The group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## **2.26 Contingent Liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

## **2.27 Significant accounting judgments, estimates and assumptions:**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise Judgement in applying the Company's accounting policies.

The estimates and judgements involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed .Detailed information about each of these estimates and judgements is included in relevant notes.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- a. Estimation of current tax expenses and payable
- b. Estimated useful life of Intangible assets
- c. Estimation of defined benefit obligation
- d. Estimation of Provisions and Contingencies
- e. Estimation of Incremental Borrowing rate –Leases

## **2.28 Recent accounting pronouncement**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards.

The MCA notification for Schedule III- On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



## Notes forming part of the Consolidated financial statements

## Note 3: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Leasehold Land	Windmill	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipment		Right to Use of Assets Leasehold Building	Total
						Computer & Computer Equipments	Others		
<b>Gross Carrying Amount</b>									
As at March 31, 2020	6.08	198.53	18.41	12.16	561.96	8.65	20.33	139.45	965.57
Additions	-	-	-	0.16	-	2.13	4.99	-	7.28
Deduction / Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>6.08</b>	<b>198.53</b>	<b>18.41</b>	<b>12.32</b>	<b>561.96</b>	<b>10.78</b>	<b>25.32</b>	<b>139.45</b>	<b>972.85</b>
<b>Accumulated Depreciation</b>									
As at March 31, 2020	2.66	81.46	7.24	5.74	73.18	7.66	13.48	55.78	247.20
Depreciation for the year	0.61	17.95	1.49	2.30	157.76	1.27	3.65	55.76	240.79
Deduction / Adjustment	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>3.27</b>	<b>99.41</b>	<b>8.73</b>	<b>8.04</b>	<b>230.94</b>	<b>8.93</b>	<b>17.13</b>	<b>111.54</b>	<b>487.99</b>
<b>Net Book Value:</b>									
<b>As at March 31, 2021</b>	<b>2.81</b>	<b>99.12</b>	<b>9.68</b>	<b>4.28</b>	<b>331.02</b>	<b>1.85</b>	<b>8.19</b>	<b>27.91</b>	<b>484.86</b>
<b>As at March 31, 2020</b>	<b>3.42</b>	<b>117.07</b>	<b>11.17</b>	<b>6.42</b>	<b>488.78</b>	<b>0.99</b>	<b>6.85</b>	<b>83.67</b>	<b>718.37</b>

**Note:**

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 18 & 20.
- (ii) For Property, Plant and Equipment existing as on the date of transition to the Ind AS, the company has used Indian GAAP carrying value as the deemed cost.
- (iii) All Property, Plant and equipment are held in the name of the Company.

## Notes forming part of the Consolidated financial statements

### Note 4 : Intangible assets

		₹ in Lakhs	
Particulars	Computer Software	Total	
<b>Year Ended 31st March, 2021</b>			
Gross Carrying Amount			
Opening Gross Carrying Amount as at 1st April, 2020	9.27	9.27	
Additions during the year	0.35	0.35	
<b>Closing Gross Carrying Amount</b>	<b>9.62</b>	<b>9.62</b>	
Accumulated Amortisation			
Opening Accumulated Amortisation	8.81	8.81	
Amortisation charge for the year	0.11	0.11	
<b>Closing Accumulated Amortisation</b>	<b>8.92</b>	<b>8.92</b>	
<b>Closing Net Carrying Amount</b>	<b>0.70</b>	<b>0.70</b>	
<b>Year Ended 31st March, 2020</b>			
Gross Carrying Amount			
Opening Gross Carrying Amount	9.27	9.27	
Additions during the year	-	-	
Closing Gross Carrying Amount	9.27	9.27	
Accumulated Amortisation and Impairment			
Opening Accumulated Amortisation	8.28	8.28	
Amortisation Charge for the year	0.53	0.53	
<b>Closing Accumulated Amortisation and Impairment</b>	<b>8.81</b>	<b>8.81</b>	
<b>Closing Net Carrying Amount</b>	<b>0.46</b>	<b>0.46</b>	

\* Computer Software includes expenditure on computer software which is not an integral part of hardware

### Note - 5 : Investment Others

		(₹ in lakhs)	
Particulars	As at 31st March 2021	As at 31st March 2020	
<b>Investment (At Cost)</b>			
<b>Unquoted</b>			
- Investment in Gold Bond [Refer note (i)]	2.60	2.60	
<b>Total Investment Others</b>	<b>2.60</b>	<b>2.60</b>	

#### Note:

- (i) The company is the registered holder of 100 units of the Sovereign Gold bonds 2015-16 bearing interest at the rate of 2.75% p.a. payable at half yearly intervals every year.



## Notes forming part of the Consolidated financial statements

## Note 6 : Loans, Advances and Deposits

(₹ in lakhs)

Particulars	As at 31st March, 2021	
	Current	Non - Current
<b>Unsecured, considered Good</b>		
Security deposits - to related parties [ Refer Note (i) ]	-	84.78
Security deposits - to others [ Refer Note (i) ]	7.53	-
Loans and Advances to Employees	-	3.71
Loans and Advances to Others	1.10	-
Less: Provision for doubtful deposits	-	-
	<b>8.63</b>	<b>88.49</b>
<b>Unsecured, considered Doubtful</b>		
Deposits with Others	15.00	13.94
Loans and Advances to Others	39.83	13.38
Less: Provision for doubtful deposits	(39.83)	(27.32)
	<b>15.00</b>	<b>-</b>
<b>Total Loans, Advances and Deposits</b>	<b>23.64</b>	<b>88.49</b>

(₹ in lakhs)

Particulars	As at 31st March, 2020	
	Current	Non - Current
<b>Unsecured, considered Good</b>		
Security deposits - to related parties [ Refer Note (i) ]	-	75.24
Security deposits - to others [ Refer Note (i) ]	36.87	4.84
Loans and Advances to Employees	3.16	39.80
Loans and Advances to Others	1.13	-
Less: Provision for doubtful deposits	-	-
	<b>41.16</b>	<b>119.88</b>
<b>Unsecured, considered Doubtful</b>		
Deposits with Others	-	13.94
Loans and Advances to Others	-	13.38
<b>Less: Provision for doubtful deposits</b>	-	(27.32)
	<b>-</b>	<b>-</b>
<b>Total Loans, Advances and Deposits</b>	<b>41.16</b>	<b>119.88</b>

## Notes forming part of the Consolidated financial statements

### i) Subclassification of Loans and Advances (₹ in lakhs)

Particulars	As at 31st March, 2021	
	Current	Non - Current
Loan Receivables considered good - Secured		
Loan Receivables considered good - Unsecured		
Loan Receivables which have significant increase in Credit Risk and Loan Receivables- Credit Impaired	39.83	13.38
<b>Total</b>	<b>39.83</b>	<b>13.38</b>
Less- Allowance for Doubtfull Loans		(13.38)
<b>Total Loans and Advances</b>	<b>39.83</b>	<b>-</b>

(₹ in lakhs)

Particulars	As at 31st March, 2020	
	Current	Non - Current
Loan Receivables considered good - Secured		
Loan Receivables considered good - Unsecured	3.16	39.80
Loan Receivables which have significant increase in Credit Risk and Loan Receivables- Credit Impaired	-	13.38
<b>Total</b>	<b>3.16</b>	<b>53.18</b>
Less- Allowance for Doubtfull Loans	-	(13.38)
<b>Total Loans and Advances</b>	<b>3.16</b>	<b>39.80</b>

\* Refer Note-41 for information about credit risk and market risk factor

### Note - 7 : Other Non Current Assets (₹ in lakhs)

Particulars	As at	As at
	31st March 2021	31st March 2020
Fair Value of Plan Assets - Gratuity	10.72	9.95
Unsecured considered doubtful		
Advance receivable in kind or for value to be received	98.19	98.19
Less: Provision for doubtful balances	(98.19)	(98.19)
<b>Total Other Non Current Assets</b>	<b>10.72</b>	<b>9.95</b>

### Note 8 : Inventories (₹ in lakhs)

Particulars	As at	As at
	31st March 2021	31st March 2020
Stock in Trade	4,649.44	3,408.75
<b>Total Inventories</b>	<b>4,649.44</b>	<b>3,408.75</b>

- For details of inventories given as security to lenders refer Note 20



## Notes forming part of the Consolidated financial statements

### Note 9 : Trade receivables

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
Trade Receivables considered good – Secured [Refer Note (i)]	-	-
Trade Receivables considered good – Unsecured	26,853.60	92,013.71
Trade Receivables having significant increase in Credit Risk; and	46.78	38.54
Trade Receivables - credit impaired	-	-
<b>Total</b>	<b>26,900.38</b>	<b>92,052.25</b>
<b>Less : Allowance for expected credit loss</b>	<b>(46.78)</b>	<b>(38.54)</b>
<b>Total Trade Receivables</b>	<b>26,853.60</b>	<b>92,013.71</b>
<b>Current Portion</b>	<b>26,853.60</b>	<b>92,013.71</b>
<b>Non - Current Portion</b>	<b>-</b>	<b>-</b>

(i) The above Trade Receivables are hypothecated to banks against Cash Credit and Packing Credit facilities. (Refer note no. 20)

(ii) Refer Note no. 41 for information about credit risk and market risk factors.

### Note 10 : Cash and cash equivalents

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
Balances with Banks - In current accounts	315.66	1,546.24
Cash on Hand	8.38	6.32
Deposits with Bank	-	1,000.00
<b>Total Cash and Cash Equivalents</b>	<b>324.04</b>	<b>2,552.56</b>

### Note 11 : Other Bank Balances

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
In Unclaimed Dividend Accounts	8.73	23.96
Balance with banks held as margin money deposits against guarantee	219.31	3,777.18
<b>Total Other Bank Balances</b>	<b>228.04</b>	<b>3,801.14</b>

## Notes forming part of the Consolidated financial statements

### Note - 12 : Investment Others

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Investment (At Cost)</b>		
<b>Quoted</b>		
- Investment in Mutual Funds	1,000.04	5,552.96
Unquoted Investment		
<b>Total Investments - Others</b>	<b>1,000.04</b>	<b>5,552.96</b>
Agregate amount of quoted investment at market value	1,000.04	5,552.96
Agregate amount of unquoted investments	-	-
Agregate amount of Impairment in value of Investments	-	-
Agregate amount of market Value	1,000.04	5,552.96

### Note 14 : Other Current Assets

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
(a) Advance recoverable in cash or kind	6,371.04	1,891.57
(b) Prepaid expenses	27.28	35.63
(c) Advance to Employees	6.86	1.19
(d) Security Deposit to Others	690.40	690.40
(e) Balances with government authorities -		
- Export Incentives Receivable	66.71	63.78
- Sales tax Deposit	37.22	-
- GST Authorities	1,643.25	1,276.57
(f) GST Credit Receivable	5.50	4.21
(f) Fair Value of Forward Contract	6.62	-
<b>Total Other Current Assets</b>	<b>8,854.86</b>	<b>3,963.35</b>

### Note 15 : Current Tax Asset (Net)

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Advance Tax (Net of Provisions)	47.05	163.73
<b>Total Current Tax Asset (Net)</b>	<b>47.05</b>	<b>163.73</b>



## Notes forming part of the Consolidated financial statements

### Note - 16 : Equity Share Capital & Other Equity

#### (a) Equity Share Capital

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
<b>Authorised</b>		
40,00,00,000 equity shares of ₹ 1 each (4,00,00,000 equity shares of ₹ 1 each)	4,000.00	4,000.00
Issued, Subscribed and Fully Paid Up		
23,45,59,430 equity shares of ₹ 1 each (2,13,25,9430 equity shares of ₹ 1 each)	2,345.59	2,132.59
	<b>2,345.59</b>	<b>2,132.59</b>

#### b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

Particulars	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	213,259,430	2,132.59	213,259,430	2,132.59
Shares Issued during the year [Refer Note (i)]	21,300,000	213.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	234,559,430	2,345.59	213,259,430	2,132.59

(i) During the year ended March 31, 2021, the company made preferential allotment aggregating to Rs. 13,31,25,000/- through issuance of 2,13,00,000 Equity Shares, fully paid up at the price of Rs. 6.25/- per equity share (Including Premium of Rs. 5.25 per share). The shares have been allotted on December 18, 2020

#### c) Terms / rights attached to equity shares

- (i) The Company has one class of equity shares having par value of ₹1 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 except in case of Interim Dividend.
- (ii) 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.

#### d). Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholder	Equity Shares			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Kusum Chander Mohan Malhotra	46,431,190	19.80%	46,431,190	14.58%
Mr. Saurabh Malhotra	32,485,077	13.85%	32,485,077	15.14%
M/s Sakuma Infrastructure and Realty Pvt Ltd	47,972,450	20.45%	26,672,450	12.51%
AL Malaki Foodstuff Trading LLC	14,204,228	6.06%	14,204,228	6.71%

(e) 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 Consolidated financial statements

### Note 17 : Other Equity

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
(a) Capital Redemption Reserve [Refer note (i)]	1,000.09	1,000.09
(b) Securities Premium [Refer note (ii)]	8,545.43	7,427.18
(c) Cash Flow Hedging Reserve	4.64	(34.94)
(d) Retained Earnings [Refer note (iii)]	22,510.21	21,660.78
(e) Foreign Translation Reserve	508.64	926.08
<b>Total Other Equity</b>	<b>32,569.01</b>	<b>30,979.20</b>

## (a) Capital Redemption Reserve [Refer note (i)]

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
Opening Balance	1,000.09	1,000.09
Add: Transfer From General Reserve	-	-
<b>Closing Balance</b>	<b>1,000.09</b>	<b>1,000.09</b>

## (b) Securities Premium [Refer note (ii)]

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
Opening Balance	7,427.18	7,427.18
Add: Received during the period	1,118.25	-
<b>Closing Balance</b>	<b>8,545.43</b>	<b>7,427.18</b>

## (c) Cash Flow Hedging Reserve

(₹ in lakhs)

Particulars	As at	
	31st March 2021	31st March 2020
Opening Balance	(34.94)	-
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	39.58	(34.94)
<b>Closing Balance</b>	<b>4.64</b>	<b>(34.94)</b>



## Notes forming part of the Consolidated financial statements

### (d) Retained Earnings [Refer note (iii)]

Particulars	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Opening Balance	21,660.79	20,218.62
Add : Total Comprehensive Income for the year after tax	1,110.69	1,823.67
Add: Leased Asset / Liability on Deposit	-	(16.30)
Less: DTA on above	-	5.70
Less : Dividend distributed to equity shareholders (₹1 per share)	(213.26)	(213.26)
Less : Tax on dividend distributed	-	-
Less: Deferred Tax Liability on Net worth	(48.01)	(157.65)
<b>Closing Balance</b>	<b>22,510.21</b>	<b>21,660.78</b>

### (e) Foreign Translation Reserve

Particulars	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Opening Balance	926.08	(36.82)
Add / (Less): Net Effect of foreign exchange rate variations	(312.06)	1,154.74
Less: Transfer to other comprehensive income	(502.43)	(946.07)
Less: Deferred Tax Liability on Equity	(19.16)	(29.49)
Add: Transfer from Other Comprehensive Income	416.22	783.72
<b>Closing Balance</b>	<b>508.64</b>	<b>926.08</b>

Notes:

- (i) The Company has transferred amount from Statement of profit or loss to capital redemption reserve on redemption of preference shares issued by the company.
- (ii) Securities premium is created on the premium on issue of shares. This same will be utilised in accordance with the provisions of the Companies Act 2013.
- (iii) Retained earnings represents profits that the Company has earned till March 31, 2021, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (iv) Cash Dividends paid on equity shares declared and paid

Particulars	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Final dividend for the year ended March 31, 2020 of ₹ 0.1 per share (March 31, 2019 of ₹ 0.1 per share)	213.26	213.26
<b>Closing Balance</b>	<b>213.26</b>	<b>213.26</b>

## Notes forming part of the Consolidated financial statements

### (v) Proposed dividend on Equity Shares

Particulars	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Final Cash dividend for the year ended on March 31, 2021: ₹ 0.05 per share (March 31, 2020: ₹ 0.1 per share)	117.28	213.26
<b>Closing Balance</b>	<b>117.28</b>	<b>213.26</b>

(vi) The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend and are not recognised as a liability (including dividend distribution tax thereon) in the year in which it is proposed.

### Note 18 : Long Term Borrowings

Particulars	(₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Car Loan	225.41	290.76
<b>Closing Balance</b>	<b>225.41</b>	<b>290.76</b>

#### Nature of Security

The Company has taken a car loan from Axis Bank during the financial year carrying interest @ 8.65% per annum. The loan is secured against the Hypothecation of the subject car.

### Note 19 : Provisions

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision For Gratuity	61.96	59.31
<b>Total Employee Benefit Obligations *</b>	<b>61.96</b>	<b>59.31</b>

\* Also refer Note No 37 of Employee Benefits

### Note 20 : Current Borrowings

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Secured		
From banks		
Cash Credit : BOM	206.79	-
<b>Total Current Borrowings</b>	<b>206.79</b>	<b>-</b>

The Company has entered into sole banking arrangement with Bank of Maharashtra. The credit facilities comprises of Cash Credit and Packing credit which is secured against Hypthecation of Inventory, Books debts and Current Assests of the company alongwith the collateral security against Fixed Assets (other than vehicles and Leasehold Land) .

Credit facilitie for Bank of Maharashtra is repayable on demand and carries interest of 10.30% p.a. i.e one year Maximum Cost of Lending Rate (MCLR) of the bank +2.50%+BSS 0.5%



## Notes forming part of the Consolidated financial statements

### Note 21 : Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
(a) total outstanding dues of micro enterprises and small enterprises	635.88	37.56
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
- From Related Parties	-	-
- From Others		
- For Goods	596.39	63,023.46
- For Others	1,575.79	1,155.54
<b>Total Trade Payables</b>	<b>2,808.06</b>	<b>64,216.56</b>

- (i) The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSMED Act.

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the year	635.88	37.56
Interest due on the above amount	-	-
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Act, 2006	-	-
Amounts of payment made to the suppliers beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under this Act	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

\* Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

- (ii) Trade payables are non-interest bearing and normally settled within 120 days.

## Notes forming part of the Consolidated financial statements

### Note 22 : Other financial liabilities

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Unclaimed dividends	8.73	23.96
Current Maturities of Long Term Borrowings	65.36	59.96
Lease Liability	30.43	55.66
Other Provisions	222.94	1,302.30
<b>Total Other Financial Liabilities</b>	<b>327.45</b>	<b>1,441.88</b>

### Note 23 : Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Advance From Customers	1,233.62	10,328.07
Statutory Dues to Government	58.21	82.94
Fair Value of Forward Contracts	-	46.69
Claims Payable	690.40	690.40
Other Liabilities	104.89	(0.01)
<b>Total Other Current Liabilities</b>	<b>2,087.12</b>	<b>11,148.09</b>

### Note 24 : Current Provisions

Particulars	(₹ in lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision for Bonus	1.48	6.23
Provision for compensated absences	-	3.11
Provision for Gratuity	4.27	2.01
Directors Remuneration Payable	3.38	-
<b>Total Other Current Provisions</b>	<b>9.13</b>	<b>11.35</b>

### Note 25 : Revenue From Operations

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Traded Goods	132,698.66	254,499.64
Other Operating Revenue	142.32	104.03
<b>Total Revenue from Continuing Operations</b>	<b>132,840.98</b>	<b>254,603.67</b>



## Notes forming part of the Consolidated financial statements

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sugar	132,710.26	150,396.74
Oil	-	43,973.23
Other commodities	130.72	60,233.70
<b>Total Revenue from Continuing Operations</b>	<b>132,840.98</b>	<b>254,603.67</b>

## A. Disaggregation Revenue Information

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i. Revenue based on Geography		
Revenue from Operations within the Country	11,900.41	40,893.16
Revenue from Operations outside the Country	120,940.57	213,710.51
<b>Total</b>	<b>132,840.98</b>	<b>254,603.67</b>

## ii. Timing of Revenue Recognition

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Goods Transferred at a point in time	132,840.98	254,603.67
Services transferred over time	-	-
<b>Total</b>	<b>132,840.98</b>	<b>254,603.67</b>

## B. Segment Reconciliation

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Agro Products	132,710.26	254,539.84
Sale Others	130.72	63.83
<b>Total</b>	<b>132,840.98</b>	<b>254,603.67</b>

## C. Contract Balances

(₹ in lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Trade Receivables	26,853.60	92,013.71
Advance From Customers	1,233.62	10,328.07

## Notes forming part of the Consolidated financial statements

D. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted prices

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue as per Contracted Prices	132,867.84	256,362.13
Less : Sales Returns, Discounts, Rebate etc	(26.86)	(1,758.46)
<b>Total Revenue from Continuing Operations</b>	<b>132,840.98</b>	<b>254,603.67</b>

### Note 26 : Other Income and Other Gains/(Losses)

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income	72.05	182.70
Net gain on sale of Investments:	124.67	135.88
Mark-to-market gain on forward contracts	180.58	424.03
Other non-operating income (net of expenses directly attributable to such income)	129.72	297.84
<b>Total Other Income and Other Gains/(Losses)</b>	<b>507.02</b>	<b>1,040.45</b>

### Note 27 : Changes in inventories of finished goods, Stock - in -Trade

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Balances		
Finished Goods	3,408.75	3,604.33
<b>Total Opening Balances</b>	<b>3,408.75</b>	<b>3,604.33</b>
Closing Balances		
Finished Goods	4,649.44	3,408.75
<b>Total Closing Balances</b>	<b>4,649.44</b>	<b>3,408.75</b>
<b>Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress</b>	<b>(1,240.69)</b>	<b>195.58</b>

### Note 28 : Employee benefits expenses

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages, Bonus Etc.	436.35	568.12
Contribution To Provident Fund & Other Funds	7.57	8.30
Gratuity Expenses (Also Refer Note No 36 of Employee Benefits )	14.29	12.66
Staff Welfare Expenses	8.96	39.91
Directors Remuneration	113.82	93.00
<b>Total Employee Benefits Expenses</b>	<b>580.99</b>	<b>721.99</b>



## Notes forming part of the Consolidated financial statements

### Note 29 : Finance cost

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest		
Interest Expenses on Borrowings	110.53	116.89
Other Finance Cost	364.36	125.01
<b>Finance Cost expensed in Profit or Loss</b>	<b>474.89</b>	<b>241.90</b>

### Note 30 : Depreciation and amortisation expenses

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on Property, Plant and Equipment	185.14	76.18
Amortisation of Intangible Assets	55.76	55.78
<b>Total Depreciation and amortisation expenses</b>	<b>240.90</b>	<b>131.96</b>

### Note 31 : Other expenses

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	4.72	5.05
Rent including lease rentals	30.19	36.74
Repairs and maintenance - Buildings	5.24	4.92
Repairs and maintenance - Machinery	24.81	26.07
Repairs and maintenance - Others	1.01	2.36
Insurance	70.71	44.53
Rates and taxes	-	6.17
Communication	13.15	22.15
Travelling and conveyance	31.98	82.09
Freight and forwarding	7,637.99	4,419.20
Business promotion	3.41	11.08
Legal and professional	163.76	60.59
Payments to auditors [Refer Note 31a below]	24.69	34.67
Terminal and Handling Charges	693.26	202.84
Other Clearing Charges	496.33	252.89
Transport Charges	4,228.92	4,967.33
Warehouse Charges	174.63	38.86
Demurrage & Detention Charges	44.69	44.41
Brokerage on trading in Commodities & Securities Exchange	252.94	384.81
Lodging & Boarding	28.65	30.26
Corporate Social Responsibilities Expenses [Refer Note 31b below]	67.90	43.00
Directors Sitting Fees	13.50	9.00
Mark-to-market gain on forward contracts	0.34	
Bad Debts Written off	-	108.67
Provision for doubtful debts and other advances	151.63	66.98
Miscellaneous Expenses	391.37	353.14
<b>Total Other expenses</b>	<b>14,555.83</b>	<b>11,257.80</b>

## Notes forming part of the Consolidated financial statements

### (a) Details of Payment to Auditors

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Payment to Auditors		
As Auditor		
Audit Fees	18.84	22.27
Tax Audit Fees	1.50	1.50
In other capacities		
Other Matters	4.35	10.90
<b>Total Payment to Auditors</b>	<b>24.69</b>	<b>34.67</b>

### (b) Details of Corporate Social Responsibility (CSR) Expenditures

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Amount required to be spent as per Section 135 of the Act	133.73	110.90
Amount Spent during the year on		
(i) Construction / acquisition of an asset	-	-
(ii) On Purpose other than (i) above	67.90	43.00
Excess Amount Spent during the Year	-	-
Excess Amount Carried Forward to next year to adjust the same against Future Obligations ( Shown under Current Assets in Note No 9)	-	-
Amount debited in the statement of Profit & Loss Account	67.90	43.00

### Note. 32 Tax Expenses

Particulars	Year Ended	
	31st March 2021	31st March 2020
Current Tax Expenses (A)		
Current Tax Expenses (A)	347.58	470.74
Current Year	-	168.88
Short / Excess Provision of Taxation of Earlier Year		
Deffered Tax Expenses		
Origination and reversal of temporary Differences	(45.52)	(24.01)
<b>Tax Expenses recognised in income statement (A+B)</b>	<b>302.06</b>	<b>615.61</b>

### b) Amount recognised in other comprehensive income

Particulars	Year Ended	
	31st March 2021	31st March 2020
Items that will not be reclassified subsequently to statement of profit and loss		
Remeasurements gains/(losses) on defined benefit plans	10.16	(6.80)
Income tax relating to above	(2.56)	1.71
<b>Total</b>	<b>7.60</b>	<b>(5.09)</b>



## Notes forming part of the Consolidated financial statements

### c) Reconciliation of Effective Tax Rate ‘

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Profit before Tax	1,405.15	2,444.36
Tax using the domestic tax rate ( Current year 25.168 and previous year 34.94%)		
Tax Effect of:-	353.65	615.20
Tax effect of non deductible expenses	129.33	62.11
Tax Exemption under various laws	-	(174.25)
Income Exempt from Income Tax Laws	(99.95)	-
Deduction under various section of Income Tax Act	(35.44)	(58.70)
Tax at concessional rate than stated above	-	37.02
Others.	-	(10.64)
Tax Expenses as per Statement of Profit and Loss	347.58	470.74
Effective tax rate	24.74%	19.26%

### (d) Movement in Deffered Tax balances

Particulars	As at April 1, 2020 Deferred Tax Asset / (Liabilities)	Credit / Charges in Statement of Profit and Loss	Credit Charge in Equity	Credit Charge in OCI	As at March 31, 2021 Deferred Tax Asset / (Liabilities)
Deffered Tax Assests/ Liabilities					-
Property Plant and Equipments	(13.20)	1.84			(11.36)
Amortisation of leased Assest	3.67	(2.01)	-		1.66
Restatement of Hedge Items	11.75			(10.16)	1.59
Remeasurements of defined benefits plans	15.43	1.24			16.67
Provision for Doubtfull debts and Advances	62.01	38.73			100.74
DTL FCTR	(184.03)		10.33	76.13	(97.57)
DTL on Fair Value of Investments	(2,312.19)		(57.54)		(2,369.73)
	<b>(2,416.56)</b>	<b>39.8</b>	<b>(47.21)</b>	<b>65.97</b>	<b>(2,358.00)</b>

Particulars	As at April 01, 2019 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in Equity	Credit / (Charge) in OCI	As at March 31, 2020 Deferred Tax Asset / (Liabilities)
Deferred tax Asset/(Liabilities)					
Property, Plant & Equipment	(27.00)	13.80	-	-	(13.20)
Amortisation of leased asset	-	(2.03)	5.70		3.67
Restatement of Hedge Items	-	-	-	11.75	11.75
Remeasurements of defined benefit plans	-	15.43	-	-	15.43
Provision for Doubtful Debts and Advances	63.49	(1.48)	-	-	62.01
DTL on FCTR	-	-	(34.01)	(150.03)	(184.03)
DTL on fair value of Investments	(2,105.46)	-	(206.73)	-	(2,312.19)
<b>Deferred Tax Assets/(Liabilities) - Net</b>	<b>(2,068.97)</b>	<b>25.72</b>	<b>(235.04)</b>	<b>(138.28)</b>	<b>(2,416.56)</b>

## Notes forming part of the Consolidated financial statements

- i) The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- ii) The Group has opted for reduced tax rate as per Section 115BAA of the Income Tax Act, 1961 (introduced by the Taxation Laws (Amended) Ordinance, 2019) for the current financial year. Accordingly the Group has recognised Provision for Income Tax for the year and re-measured its Deferred tax Liability basis at the rate prescribed in the said section.

### Note No. 33: Operating Leases

- i) The Company's lease asset primarily consist of leases for land and buildings for offices. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.
- (ii) The following is the summary of practical expedients elected on initial application:
- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
  - Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
  - Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
  - Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
  - Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease
- (iii) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2021

Particulars	(₹ in lakhs)	
	2020-21 Amount	2019-20 Amount
Transition impact on account of adoption of Ind AS 116 "Leases" (refer Note iii)		
Opening Balance	83.67	139.45
Total Right of Use on the date of transition	83.67	139.45
Additions during the year	-	
Deletion during the year	-	
Depreciation of Right of use assets (refer note 24)	55.76	55.78
Balance as at March 31, 2021	27.91	83.67

- (iv) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

Particulars	(₹ in lakhs)	
	2020-21 Amount	2019-20 Amount
Transition impact on account of adoption of Ind AS 116 "Leases"		
Opening Balance	86.09	135.49
Additions during the year	-	-
Finance cost accrued during the year	7.34	13.60
Deletions	-	-
Payment of Lease Liabilities	(63.00)	(63.00)
Closing Balance	30.43	86.09



## Notes forming part of the Consolidated financial statements

(₹ in lakhs)

Particulars	As at	
	March 31, 2021	March 31, 2020
With respect to non - cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under:		
For a period not later than one year	31.50	63.00
For a period later than one year and not later than five years	-	31.50
For a period later than five years	-	-
<b>Total</b>	<b>31.50</b>	<b>157.50</b>

- (v) The maturity analysis of lease liabilities are disclosed in Note 40
- (vi) Rental expense recorded for short-term leases was ₹ 16.46 lakhs for the year ended March 31,2021
- (vii) The difference between the lease obligation recorded, as of March 31, 2019, under Ind AS 17 (disclosed under Note 32(E) of annual standalone financial statements forming part of 2019 Annual Report) and the value of the lease liability as of April 1, 2019, is on account of use of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.
- (viii) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

### Note 34 : Earnings per equity share: (in ₹)

Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings Per share has been computed as under :		
Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)	1,110.69	1,823.67
Total Average No of shares Outstanding during the year	234,559,430	213,259,430
Weighted Average No of shares Outstanding during the year	219,328,000	213,259,430
Earnings per Share- Diluted ( Face Value of ₹ 1/- per Share)	0.51	0.86

### Note 35 Contingent liabilities and commitments (to the extent not provided for)

(₹ in lakhs)

Particular	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Contingent liabilities		
Direct and indirect taxation matters		
Income tax	354.45	354.45
Sales tax	841.08	-
Claims against the Company not acknowledged as debts	186.22	666.28

### Note 36 Segment Reporting

The company and its Chief Operating Decision Maker (CODM) reviews agro business as the only segment and takes decision based on the demand and supply in agro business. Thus, as per Ind AS 108, the business activities falls within a single primary segment i.e. trading in Agri Products and accordingly segment reporting is not applicable.

## Notes forming part of the Consolidated financial statements

### Note 37 Related party Disclosures

The related parties as per the terms of Ind AS - 24, "Related Party Disclosures". Specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2015) are disclosed below -

#### Names of Related parties and description of the relationship

Description of relationship	Names of related parties
(i) <u>Related Parties where Control exists</u>	
Key Management Personnel (KMP)	Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director)* Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) Mr. Amit Amist Shanker (Non-Executive Director)#
Relatives of KMP	Mrs. Kusum Malhotra Mrs. Vanita Malhotra
Companies in which Directors, KMP or their relatives are interested	Sakuma Finvest Private Limited  GMK System and Logistics Private Limited Sakuma Infrastructure and Realty Private Limited C.K.K Exports Private Limited Marwar Consultancy Private Limited Sukriti Trading LLP LT Sagar Coastal Transport Private Limited MS Port Terminal Private Limited
	*Ceased to be director w.e.f 29th November 2020 due to death. # Appointed w.e.f 13th February 2021.
(ii) <u>Related Parties with whom transactions have taken place during the year</u>	
Key Management Personnel (KMP)	Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director) Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) Mr. Amit Amist Shanker (Non-Executive Director)
Relatives of KMP	Mrs. Kusum Malhotra
Companies in which Directors, KMP or their relatives are interested	Sakuma Infrastructure and Realty Private Limited  C.K.K Exports Private Limited



## Notes forming part of the Consolidated financial statements

(iii) Details of related party transactions during the year ended March 31, 2021

(₹ in lakhs)

Relationship	Transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
Key Management Personnel	Director's Sitting Fees	10.50	7.50
Relatives of KMP		3.00	1.50
Relatives of KMP	Rent paid	10.71	10.71
Companies in which Directors, KMP or their relatives are interested		52.29	52.29
Key Management Personnel	Director's Remuneration	108.00	93.00
Relatives of KMP	Deposit taken	-	1,850.00
Relatives of KMP	Repayment of Deposit	-	1,850.00
Companies in which Directors, KMP or their relatives are interested	Subscription of Shares	1,331.25	-
Companies in which Directors, KMP or their relatives are interested	Interest Paid	19.41	-
Companies in which Directors, KMP or their relatives are interested	Loan Taken	3,277.40	-
Companies in which Directors, KMP or their relatives are interested	Loan Repaid	3,277.40	-

(iv) Details of balances outstanding of the Related Parties

Relationship	Outstanding Balance	As at March 31, 2021	As at March 31, 2020
Relatives of KMP	Security Deposit	15.30	15.30
Companies in which Directors, KMP or their relatives are interested		74.70	74.70
Key Management Personnel	Director's Remuneration Payable	3.38	-
Companies in which Directors, KMP or their relatives are interested	Interest Payable	3.81	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The company has not recorded any impairment of receivables relating to the amounts owned by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party exists.

The remuneration to the key managerial personnel does not include the provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

Managerial remuneration is computed as per the provisions of section 197 of the Companies Act, 2013.

### Note 38 Post-retirements benefit plan

(i) Defined contribution plans

The group has recognised and included in Note 29 "Contribution to Provident and other funds" expenses towards the defined contribution plan as under:

₹ in lakhs

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Contribution to Provident fund (Government)	7.57	8.30

(ii) Defined benefit plans

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

#### Gratuity

The group has a defined benefit gratuity plan which is funded with an Insurance group in the form of qualifying Insurance policy. The group's defined benefit gratuity plan is a salary plan for employees which requires contributions to be made to a separate administrative fund.

## Notes forming part of the Consolidated financial statements

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years of service gets a gratuity on separation @ 15 days of last drawn salary for each completed year of service rounded to nearest integer. The scheme is funded with an insurance group in the form of qualifying insurance policy.

The Management have appointed PNB MetLife to manage its funds. The management aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

In case of death, while in service, the gratuity is payable irrespective of vesting. The group makes annual contribution to the group gratuity scheme administered by PNB MetLife through its gratuity funds.

The disclosure in respect of the defined Gratuity plan are given below:

Particulars	₹ in lakhs	
	As at March 31, 2021	As at March 31, 2020
<b>(a) Net Assets / (Liability) of Defined Benefit Plans -</b>		
Present Value of Funded obligation	62.23	61.32
Fair value of plan assets	10.72	9.95
Net Asset / (Liability) recognised	<b>(51.51)</b>	(51.37)
<b>(b) Change in present value of the defined benefit obligation are as follows -</b>		
<b>Opening Defined Benefit Obligation</b>	<b>61.32</b>	44.91
Service cost for the year	10.53	9.95
Interest cost for the year	4.46	3.56
Benefits paid	(2.22)	(2.54)
Actuarial losses (gains)	(7.85)	5.44
Closing defined benefit obligation	<b>66.24</b>	61.32
<b>(c) Changes in Fair value of Plan Assets during the year -</b>		
Opening fair value of plan assets	9.94	13.00
Expected return	0.69	0.83
Benefits paid	(2.22)	(2.54)
Actuarial gains and (losses)	2.30	(1.35)
Closing balance of fund	<b>10.72</b>	9.94
<b>(d) Expenses recognised during the period -</b>		
In Income Statement	14.49	12.66
In Other Comprehensive Income	(9.84)	6.80
Total Expenses recognised during the period	<b>4.65</b>	19.46
<b>(e) Amount recognised as expenses the Statement of Profit and Loss</b>		
Current Service Cost	10.53	9.95
Net Interest on net Defined Liability/(Asset)	3.76	2.71
<b>Total</b>	<b>14.29</b>	12.66
<b>(f) Amount recognised as other comprehensive income the Statement of Profit and Loss</b>		
Actuarial gains and (losses)	(7.84)	5.44
Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above	(1.02)	1.36
<b>Total</b>	<b>(8.86)</b>	6.80
<b>(g) Actual return on plan assets -</b>		
Expected return on plan assets	0.69	0.84
Actuarial gain / (loss) on plan assets	2.30	(1.36)
Actual return on plan assets	<b>2.99</b>	(0.52)



## Notes forming part of the Consolidated financial statements

(h) The principal assumptions used in determining gratuity and leave encashment for the group's plan are shown below:

### Description of Risk Exposures -

Valuations are performed on certain basic set of predetermined assumptions and other regulatory frame work which may vary overtime. Thus, the group is exposed to various risks in providing the above gratuity benefit which are as follows:

#### Interest Rate risk

The plan exposes the group to the risk of all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

#### Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

#### Regulatory Risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20 lakhs).

#### Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rates (per annum)	6.80%	6.80%
Expected return on plan assets	6.80%	6.80%
Salary growth rate (per annum)	7.00%	7.00%
Attrition Rate	5% to 1%	5% to 1%
Mortality	Indian Assured Lives Mortality (2012-2014) Ult.	Indian Assured Lives Mortality (2006-2008) Ult.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) Sensitivity Analysis of Defined Benefit Obligation with reference to Key Assumptions

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Discount Rate</b>		
One percent increase	58.77	53.70
One percent decrease	75.09	70.52
<b>Salary Escalation Rate</b>		
One percent increase	74.98	70.41
One percent decrease	58.72	53.65
<b>Withdrawal Rate</b>		
One percent increase	66.18	61.18
One percent decrease	66.18	61.48

## Notes forming part of the Consolidated financial statements

The group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance group carries out a fund valuation based on the latest employee data provided by the group. Any deficit in the assets arising as a result of such valuation is funded by the group.

The following payments are expected contributions to the defined benefit plan in future years:

Expected(Undiscounted) Benefit Payments in Future Years

(Projections are for current members and their currently accumulated benefits)

Particulars	As at March 31, 2021	As at March 31, 2020
Year 1	4.26	2.01
Year 2	2.09	2.25
Year 3	2.01	1.91
Year 4	1.94	1.85
Year 5	1.87	2.15
Year 6 to 10	14.10	8.50
Total	26.27	18.67

### 39 Hedging Activities and Derivatives

Derivatives designated as hedging instruments

The Group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per Ind AS 109.

Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.



## Notes forming part of the Consolidated financial statements

### 40 Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not valued at fair value if the carrying amount is a reasonable approximation of the fair value.

₹ in Lakhs

As at March 31, 2021	Carrying Value				Fair Value			
	Mandatorily at FVTPL	FVTOCI- designated as such	At amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current Assets								
Investment - Others	-	-	2.60	2.60	-	-	-	-
Loans, Advances and Deposits	88.49	-	-	88.49	-	88.49	-	88.49
Current Assets								
Trade receivables	-	-	26,853.60	26,853.60	-	-	-	-
Cash and cash equivalents	-	-	324.04	324.04	-	-	-	-
Balances with Banks other than above	-	-	228.04	228.04	-	-	-	-
Investment - Others	1,000.04	-	-	1,000.04	1,000.04	-	-	1,000.04
Loans, Advances and Deposits	-	-	23.64	23.64	-	-	-	-
Other financial assets	-	-	430.86	430.86	-	-	-	-
<b>Total Financial Assets</b>	<b>1,088.53</b>	<b>-</b>	<b>27,862.77</b>	<b>28,951.30</b>	<b>1,000.04</b>	<b>88.49</b>	<b>-</b>	<b>1,088.53</b>
Financial Liabilities								
Borrowings	-	-	225.41	225.41	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	-	-
Current Liabilities								
Borrowings	-	-	206.79	206.79	-	-	-	-
Trade payables	-	-	2,808.06	2,808.06	-	-	-	-
Lease Liabilities	30.43	-	-	30.43	-	-	-	-
Other financial liabilities	-	-	297.01	297.01	-	-	-	-
<b>Total Financial Liabilities</b>	<b>30.43</b>	<b>-</b>	<b>3,537.28</b>	<b>3,567.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at March 31, 2020	Carrying Value				Fair Value			
	Mandatorily at FVTPL	FVTOCI- designated as such	At amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current Assets								
Investment - Others	-	-	2.60	2.60	-	-	-	-
Loans, Advances and Deposits	115.04	-	4.84	119.88	-	115.04	-	115.04
Current Assets								
Trade receivables	-	-	92,013.71	92,013.71	-	-	-	-
Cash and cash equivalents	-	-	2,552.56	2,552.56	-	-	-	-
Balances with Banks other than above	-	-	3,801.14	3,801.14	-	-	-	-
Investment - Others	5,552.96	-	-	5,552.96	5,552.96	-	-	5,552.96
Loans, Advances and Deposits	-	-	41.16	41.16	-	-	-	-
Other financial assets	-	-	378.11	378.11	-	-	-	-
<b>Total Financial Assets</b>	<b>5,668.00</b>	<b>-</b>	<b>98,794.12</b>	<b>104,462.12</b>	<b>5,552.96</b>	<b>115.04</b>	<b>-</b>	<b>5,668.00</b>
Financial Liabilities								
Borrowings	-	-	290.76	290.76	-	-	-	-
Lease Liabilities	30.43	-	-	30.43	-	30.43	-	30.43
Current Liabilities								
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	64,216.56	64,216.56	-	-	-	-
Lease Liabilities	55.66	-	-	55.66	-	55.66	-	55.66
Other financial liabilities	-	-	1,386.22	1,386.22	-	-	-	-
<b>Total Financial Liabilities</b>	<b>86.09</b>	<b>-</b>	<b>65,893.54</b>	<b>65,979.63</b>	<b>-</b>	<b>86.09</b>	<b>-</b>	<b>86.09</b>

During the reporting period ended March 31, 2021 and March 31, 2020, there have been no transfers between Level 1 and Level 2 fair value measurements.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables less than 1 year, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## Notes forming part of the Consolidated financial statements

### 41 Financial Risk Management

#### Risk Management Framework

The group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The group also enters into derivative transactions.

The group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors through its risk management committee reviews and agrees policies for managing each of these risks, which are summarised below.

The group's has exposure to the following risks arising from financial instruments:

- (i) Market Risk
- (ii) Commodity Price Risk
- (iii) Credit Risk
- (iv) Liquidity Risk
- (v) Excessive risk Concentration
- (vi) Excessive risk Concentration
- (i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2021.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019 including the effect of hedge accounting.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

The group manages its interest rate risk by having a short term working capital loans which are reviewed on yearly basis. The following table provides a break-up of group's fixed and floating rate borrowing:



## Notes forming part of the Consolidated financial statements

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	290.76	350.72
Floating rate borrowings	206.79	-
Total Borrowings	497.56	350.72

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Increase / decrease in basis points	Effect on profit before tax
<b>March 31, 2021</b>		
₹ 206.80	+/- 100 bps	-0.21/0.21
<b>March 31, 2020</b>		
NIL	+/- 100 bps	NIL

**Note:** The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year.

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

**Derivatives designated as hedging instruments**

The group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per Ind AS 109.

**Cash flow hedges - Foreign currency Risk**

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

(Amount in USD in lakhs)

Unhedged Foreign Currency Exposure	As at March 31, 2021	As at March 31, 2020
FCY Receivables	358.41	1,022.16
FCY Payables	(16.70)	(937.45)
<b>Net FCY Receivables / (Payables)</b>	<b>341.71</b>	<b>84.71</b>
Financial Hedge	341.76	84.17
<b>Unhedged Foreign Currency Exposure</b>	<b>(0.05)</b>	<b>0.54</b>

## Notes forming part of the Consolidated financial statements

### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	Change in Currency	Effect on profit before tax
<b>March 31, 2021</b>		
Recognized net receivables / (payables)	+ 1 /- 1	+ 0.05 / - 0.05
<b>March 31, 2020</b>		
Recognized net receivables / (payables)	+ 1 /- 1	+ 0.54 /-0.54

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### (ii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer credit risk is managed by the management subject to the group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Generally the group operates on advance against delivery order principle except for merchant trade transactions wherein the sales is executed on credit terms up to six months. Also, Export customers are secured against Letter of Credit, bank guarantees and payments against documents. Credit risk on receivables is also mitigated by securing the same against security deposit, letter of credit and advance payment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

#### Ageing of Account receivables

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
0 - 90 days	25,232.52	82,657.35
91 - 180 days	840.10	6,712.01
181 - 270 days	341.31	-
270 - 365 days	-	2,076.12
More than 365 days	486.46	606.77
	<b>26,900.39</b>	<b>92,052.25</b>

#### Other financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the group's treasury department in accordance with the group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval as per the Investment policy. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.



## Notes forming part of the Consolidated financial statements

### (iv) Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The group prepares cash flow on a daily basis to monitor liquidity. Any shortfall is funded out of short term loans. Any surplus is invested in liquid mutual funds and short term bank deposits. The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments.

### Liquidity exposure as at March 31, 2021

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
<b>Financial Assets</b>				-
Non-Current Assets				
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	88.49	-	88.49
Current Assets				-
Trade receivables	26,853.60	-	-	26,853.60
Cash and cash equivalents	324.04	-	-	324.04
Balances with Banks other than above	228.04	-	-	228.04
Investment - Others	1,000.04	-	-	1,000.04
Loans, Advances and Deposits	23.64	-	-	23.64
Other financial assets	430.86	-	-	430.86
<b>Total Financial Assets</b>	<b>28,860.21</b>	<b>91.09</b>	-	<b>28,951.30</b>
Financial Liabilities				
Borrowings	225.41	-	-	225.41
Lease Liabilities	-	-	-	-
Current Liabilities				
Borrowings	206.79	-	-	206.79
Trade payables	2,808.06	-	-	2,808.06
Other financial liabilities	327.44	-	-	327.44
<b>Total Financial Liabilities</b>	<b>3,567.71</b>	-	-	<b>3,567.71</b>

## Notes forming part of the Consolidated financial statements

Liquidity exposure as at March 31, 2020

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
<b>Financial Assets</b>				-
<b>Non-Current Assets</b>				
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	119.88	-	119.88
<b>Current Assets</b>				-
Trade receivables	92,013.71	-	-	92,013.71
Cash and cash equivalents	2,552.56	-	-	2,552.56
Balances with Banks other than above	3,801.14	-	-	3,801.14
Investment - Others	5,552.96	-	-	5,552.96
Loans, Advances and Deposits	41.16	-	-	41.16
Other financial assets	378.11	-	-	378.11
<b>Total Financial Assets</b>	<b>104,339.64</b>	<b>122.48</b>	<b>-</b>	<b>104,462.12</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	290.76	290.76
Lease Liabilities	-	30.43	-	30.43
<b>Current Liabilities</b>				
Borrowings	-	-	-	-
Trade payables	64,216.56	-	-	64,216.56
Other financial liabilities	1,436.91	4.97	-	1,441.88
<b>Total Financial Liabilities</b>	<b>65,653.47</b>	<b>35.40</b>	<b>290.76</b>	<b>65,979.63</b>

### (v) Excessive risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.



## Notes forming part of the Consolidated financial statements

### 42 Capital Risk Management

For the purpose of the group capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	225.41	290.76
Trade Payables	2,808.06	64,216.56
Less: Cash and Cash Equivalents	(324.04)	(2,552.56)
<b>Net Debt</b>	<b>2,709.44</b>	<b>61,954.76</b>
Total Equity	34,914.61	33,111.79
<b>Total Equity and Net Debt</b>	<b>37,624.04</b>	<b>95,066.55</b>
<b>Gearing Ratio</b>	<b>0.07</b>	<b>0.65</b>

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020

### Note-43 Other Accompanying Notes

- 1) The Figures have been rounded off to the nearest lakhs of Rupees upto two decimal Places.
- 2) Previous Years Figures have been regrouped / rearranged where ever necessary to make them Comparable with the Current year Figures
- 3) Note 1 to 43 Forms an Integral Part of the Financial Statements

As per our report of even date

**For M.L.SHARMA & CO.**

Chartered Accountants

FRN: 109963W

**S M Bandi**

Partner

M.No. 109101

Place : Mumbai

Date : 29th June 2021

**For and on behalf of the Board of Directors**

**Mr. Saurabh Malhotra**

Chairman & Managing Director

DIN - 00214500

**Dhiraj Khandelwal**

Company Secretary

**Devesh Mishra**

Chief Financial Officer







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