



Sakuma Exports Limited

14th Annual Report 2018 -2019



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 Independent Director
Mr. Vivek Grover – Non Executive Director

AUDIT COMMITTEE

Mr. Radhe Shyam, *Chairman*
Mr. Ashok Kumar Doda
Mr. Om Parkash Singal

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Ashok Kumar Doda, *Chairman*
Ms. Shipra Malhotra
Mr. Radhe Shyam

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

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

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

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
1st 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

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NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Tuesday, 24th September, 2019 at 10.30 a.m. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the:
 - Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors' thereon; and
 - Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019, and the Report of the Auditors' thereon.
2. To declare dividend @ 10 % i.e. ₹ 0.10/- per equity share for the financial year 2018 – 19.
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. 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, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules and certificate issued by the Peer Review Board of ICAI, be and are hereby re-appointed as Statutory Auditors of the Company for the Company’s financial year 2019 – 20, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to Goods and Service Tax and re-imbusement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS:

5. To re-appoint Mr. Radhe Shyam (DIN: 00648805) as an Independent Director for a second consecutive term of 5 years and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), Mr. Radhe Shyam (DIN: 00648805) whose term as an Independent Director of the Company expires on 31st March, 2019, and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of 5 years with effect from 01st April, 2019 up to 31st March, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the Regulation 17 (1A) of the SEBI (LODR) Regulations, 2015 as amended from time to time, consent of the members be and is hereby accorded for Mr. Radhe Shyam who has attained the age of 75 years to be re-appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may



arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

6. To re-appoint Mr. Ashokkumar Doda (DIN: 00288563) as an Independent Director for a second consecutive term of 5 years and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), Mr. Ashokkumar Doda (DIN: 00288563) whose term as an Independent Director of the Company expires on 31st March, 2019, and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of 5 years with effect from 01st April, 2019 up to 31st March, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

7. To re-appoint Mr. Om Parkash Singal (DIN: 02585264) as an Independent Director for a second consecutive term of 5 years and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), Mr. Om Parkash Singal (DIN: 02585264) whose term as an Independent Director of the Company expires on 31st March, 2019, and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of 5 years with effect from 01st April, 2019 up to 31st March, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

8. To re-appoint Mr. Saurabh Malhotra (DIN: 00214500) as a Chairman and Managing 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 Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and such other necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Saurabh Malhotra (DIN: 00214500) as a Chairman and Managing Director of the Company for a further period of 5 (Five) years effective 01st September, 2019 on the terms and conditions and remuneration as set out in the Letter of Appointment, to be executed by the Company with Mr. Saurabh Malhotra, placed before the Meeting as also set out in the Explanatory Statement attached to this Notice and to alter and vary from time to time, the terms and conditions of the said appointment, subject to the overall ceiling on remuneration specified in the said Schedule V and other applicable provisions under the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof for the time being in force.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Saurabh Malhotra will be paid the salary and perquisites as minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 by making such compliances as provided in the said schedule.

RESOLVED FURTHER THAT Mr. Radhe Shyam or Mr. Om Parkash Singal, Directors of the Company be and is hereby authorized to sign and execute such agreements, papers, letters and documents as may be necessary and required and to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution.”

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting (the AGM or Meeting) is annexed hereto.
2. **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. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting i.e. by 10:30 a.m. on Sunday, 22nd September, 2019. As per Secretarial Standard 2 on General Meeting, the proxy should carry a valid photo-id card to the venue to tender vote..**
3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
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 Thursday, 17th September, 2019 to Thursday, 24th September, 2019, both days inclusive for determining the names of members eligible for final dividend on equity shares, if declared in the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
10. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Company Secretary cum Compliance Officer, Mr. Dhiraj Khandelwal (companysecretary@sakumaexportsltd.com).
11. 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, Bigshare Services Private Limited.



12. 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.
13. 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.
14. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended 31st March, 2011 to the Investor Education and Protection Fund (IEPF) established by the Government. Pursuant to the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29th September, 2018 (date of the last Annual General Meeting) on the website of the Company (www.sakumaexportsltd.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

For Equity Shareholders:

Financial Year	Date of Declaration of Dividend	Last Date of claiming Unpaid Dividend
Final Dividend 2011 – 2012	26.09.2012	31.10.2019
Final Dividend 2012 – 2013	29.07.2013	02.09.2020
Final Dividend 2013 – 2014	28.08.2014	02.10.2021
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

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

15. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
16. 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:

Name	Ms. Shipra Malhotra	Mr. Radhe Shyam	Mr. Ashokkumar Doda	Mr. Om Parkash Singal	Mr. Saurabh Malhotra
Director Identification Number(DIN)	01236811	00648805	00288563	02585264	00214500
Date of Birth	02/08/1972	12/06/1943	05/11/1946	05/04/1946	17/02/1976
Nationality	Indian	Indian	Indian	Indian	Indian
Date of Appointment on Board	25/01/2007	08/09/2005	08/09/2005	05/11/2012	31/08/2005

Name	Ms. Shipra Malhotra	Mr. Radhe Shyam	Mr. Ashokkumar Doda	Mr. Om Parkash Singal	Mr. Saurabh Malhotra
Qualifications	M.Com Part(I) Post Graduate with specialization in Human Resource Management (HRM)	M.Com, Certified Associate of Indian Institute of Bankers (CAIIB), Diploma in Industrial Finance	B. Tech. (Hons) from IIT, Mumbai. Middle Management course from IIM, Ahmedabad; Management Studies from University of Mumbai; Certified Associate of Indian Institute of Bankers (CAIIB)	BA (Hon's), LLB, CAIIB, ACS (Inter)	Post Graduate in Business Management
Shareholding in Sakuma Exports Limited	5000 Shares	680530 Shares	1000 Shares	100 Shares	32283410 Shares
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	Experience of 36 years as Officer in Reserve Bank of India in various positions	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)	Wide experience in legal affairs of Corporate Finances from Project Appraisal Stage till Recovery of Loans, Legal advice, including documentation, title investigation and Security creation. Expertise in Litigation for recovery of dues in Courts / DRTs, High Courts and Supreme Courts	Post Graduate in Business Management. Promoter of Sakuma Exports Ltd. and associated with the Company since its incorporation.
Directorships in other Public Limited Companies*	Nil	Nil	Gujarat Borosil Limited	Elegant Marbles and Grani Industries Limited	Nil



Name	Ms. Shipra Malhotra	Mr. Radhe Shyam	Mr. Ashokkumar Doda	Mr. Om Parkash Singal	Mr. Saurabh Malhotra
Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	Nil	Nil	1	Nil	Nil

17. Route Map showing directions to reach to the venue of the 14th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards 2 on General Meetings.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Secretarial Standard 2 on General Meeting and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide shareholders facility to exercise their right to vote on resolutions proposed to be considered at the 14th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the shareholders using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot papers shall also be made available at the venue of the AGM and the shareholders attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot papers at the venue.
3. The remote e-voting period commences on Saturday, 21st September, 2019 (9:00 am) and ends on Monday, 23rd September, 2019 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of Tuesday, 17th September, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the shareholder casts his vote on a resolution, the shareholder shall not be allowed to change it subsequently.
4. The process and manner for remote e-voting are as under:
 - A. In case a shareholder receives an Email from NSDL [for shareholders whose Email IDs are registered with the Company / Depository Participant(s)] :
 - a) Open Email and open PDF file viz. “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - b) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - c) Click on Shareholder – Login
 - d) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g) Select “EVEN” of “**SAKUMA EXPORTS LIMITED**”.
 - h) Now you are ready for remote e-voting as Cast Vote page opens.
 - i) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - j) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - k) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to noticetome@gmail.com with a copy marked to evoting@nsdl.co.in.
- B.** In case a shareholder receives physical copy of the Notice of AGM (for shareholders whose Email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy):
- a) Initial password is provided as below / at the bottom of the Attendance Slip of the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
 - b) Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
5. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 6. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
 7. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) related to e-voting process.
 8. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17th September, 2019.
 9. Any person, who acquires shares of the Company and become shareholder of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17th September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer / RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 10. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 11. A person, whose name is recorded in the Register of Shareholders or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 12. M/s. P. P. Shah & Co., Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 13. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



14. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE and NSE, Mumbai.

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

**Place: Mumbai
Date: 29th May, 2019**

**Saurabh Malhotra
Chairman & Managing Director**

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5, 6 & 7 – RE-APPOINTMENT OF MR. RADHE SHYAM, MR. ASHOKKUMAR DODA AND MR. OM PARKASH SINGAL AS INDEPENDENT DIRECTORS

Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal were appointed as Independent Directors (Non-Executive) on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ('Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, to hold office up to 31st March, 2019.

The expertise, vast experience, qualifications, performance evaluation and deliberations by Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal in the Board / Committee meetings have helped the Company in taking appropriate decisions from time to time.

Mr. Radhe Shyam is retired Chief General Manager of Reserve Bank of India and has 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 has attained the age of 75 years. As per Regulation 17 (1A) of SEBI (LODR) Regulations, 2015, his re-appointment has been proposed at the Item No. 5 of the Notice as Special Resolution and the above statement shall be considered as a justification for his re-appointment.

Mr. Ashokkumar Doda 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 of GOI, Chairman of the Board of IDBI Capital Markets Services Limited, Chairman of Credit Committee, Investment Committee and other committees of IDBI.

Mr. Om Parkash Singal has been associated with the IDBI Bank from April 1978 to December, 2004 as legal officer. He is an advocate and permanent member of the Bombay Bar Association, Bombay High Court since February, 2005 till date. He is associated with M/s Singhania & Partners (Solicitors & Advocates) has senior consultants since March, 2009 till December 2012.

Considering the above, the Nomination and Remuneration Committee recommended and the Board of Directors of the Company at their meetings held on 07th February, 2019, approved re-appointment of Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal as Non-executive Independent Director for the second consecutive term of 5 (five) years w.e.f. 01st April, 2019.

Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal, Independent Directors of the Company, has given declarations to the Board that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time.

In the opinion of the Board, Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal fulfills the conditions specified in the Act, the rules framed thereunder and SEBI (LODR) Regulations, 2015 for re-appointment as an Independent Director and they are independent of the management.

The required details as per the Secretarial Standards ('SS-2') and Regulation 36(3) of the SEBI (LODR) Regulations 2015, is already provided at Note No. 16 of this Notice.

The Letter of Appointment containing terms and conditions of re-appointment of the said Independent Directors 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. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal and their relatives, 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 Special Resolution set out at Item No. 5, 6 and 7 of the Notice, except to the extent of shareholding in the Company, if any.

The Board of Directors recommends the Special Resolution set out at Item No. 5, 6 and 7 for your approval.



ITEM NO. 8 – RE-APPOINTMENT OF MR. SAURABH MALHOTRA AS A CHAIRMAN AND MANAGING DIRECTOR

In the 11th Annual General Meeting of the Company held on 01st September, 2016, Mr. Saurabh Malhotra was re-appointed as a Managing Director of the Company for a further period of 3 (Three) years commencing from 01st September, 2016 till 31st August, 2019.

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 19 years of managing the business.

Mr. Saurabh Malhotra is associated with the Company since its incorporation and is involved in the business affairs of the Company. It is due to his dedication towards work, focused approach and valuable guidance that today the Company is a Government of India recognized Three Star Trading House in India. He has always been a leading member of core Senior Management team. He has the business acumen and in-depth knowledge about the industry and overall market scenario. He provides overall guidance and plays key role in Policy making and managing the affairs of the Company.

Considering the contribution of Mr. Saurabh Malhotra in the overall growth and progress of the Company and also considering that his valuable guidance will be required for the Company to take a big leap, in the years to come, the Board of Directors in its meeting held on 29th May, 2019, based on the recommendation of Nomination and Remuneration Committee and subject to approval of members, have approved re-appointment of Mr. Saurabh Malhotra as a Chairman and Managing Director of the Company for further period of 5 years effective from 01st September, 2019 till 31st August, 2024, on the terms and conditions mentioned in 'Annexure A' which forms part of the Notice. The remuneration payable to Mr. Saurabh Malhotra shall be minimum remuneration as per Schedule V, Section II, Part II of the Companies Act, 2013.

The re-appointment of Mr. Saurabh Malhotra as a Chairman and Managing Director of the Company shall require the approval of the members by way of passing of Ordinary Resolution.

The Letter of Appointment containing terms and conditions of re-appointment of Mr. Saurabh Malhotra 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.

The details of Mr. Saurabh Malhotra as per requirements of Secretarial Standard ("SS-2") and Regulation 36(3) of the SEBI (LODR) Regulations 2015 are already provided at Note No. 16 of this Notice.

The same may be treated as a written memorandum setting out the terms of re-appointment of Mr. Saurabh Malhotra under Section 190 of the Companies Act, 2013.

Mr. Saurabh Malhotra and Ms. Shipra Malhotra are concerned or interested in the resolution set out at Item No. 8 of the Notice. None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, directly or indirectly, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends the resolution as set out at Item No. 8 of the Notice relating to the reappointment of Mr. Saurabh Malhotra as a Chairman and Managing Director and payment of remuneration to him, for the approval of the members of the Company by way of Ordinary Resolution in terms of the requirements of Section 196, 197 and 198 of the Company Act, 2013 and the Rules made thereunder.

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

**Place: Mumbai
Date: 29th May, 2019**

**Saurabh Malhotra
Chairman & Managing Director**

“Annexure A”

The terms and conditions of the re-appointment of Mr. Saurabh Malhotra, Chairman and Managing Director are as follows:

The terms and conditions of his re-appointment are given below:

Name of Director	Designation	Responsibility
Mr. Saurabh Malhotra	Chairman and Managing Director	Day to day management with focus on Corporate Planning, Growth, Finance, Marketing, Procurement and Logistics.

As per the Part II Section II (B) (iv) of Schedule V, the Company is required to furnish the following information in the Explanatory Statement:

I. GENERAL INFORMATION:

Sr. No.	Particulars	Information	
1.	Nature of Industry	Trading of Commodities (Three Star Trading House)	
2.	Date or expected date of commencement of Commercial Production	Not Applicable	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4.	Financial performance based on given indications.	31-3-2019 (₹ In Lakhs)	31-3-2018 (₹ In Lakhs)
	Sales (Net of Excise)	203,889.26	218,640.07
	Net Profit before Tax	5,406.23	2,728.14
	Net Profit After Tax	3588.34	1,850.07
5.	Foreign investments or collaborators, if any	Sakuma Exim DMCC: ₹ 7.01 (In Lakhs) Sakuma Exports PTE Limited: ₹ 2217.52 (In Lakhs)	

II. INFORMATION ABOUT THE APPOINTEE:

Sr. No.	Particulars	Information
1.	Background Details	Mr. Saurabh Malhotra is the promoters of the Company. Mr. Saurabh Malhotra is associated since incorporation having vast experience in the Import Export market.
2.	Past Remuneration	₹ 72,00,000/- Per annum.
3.	Recognition or Awards	Mr. Saurabh Malhotra, Managing Director of Company has got “Hall of Fame Platinum award 2006 from Welingkar Institute of Management. Under the leadership of Late Mr. Chander Mohan and Mr. Saurabh Malhotra, the Company has got awards from Indian Oilseeds and Produce Exporters Association in the year 2005-2006 for excellence in export of Castor Oil and Ground Nut. In the year 2011-12, the Company has also received competitive awards as Best Trader Exporters (Large) from ECGC D&B Indian Exports Excellence Awards 2012.
4.	Job Profile and His Suitability	Mr. Saurabh Malhotra is managing the Company since its incorporation.
5.	Remuneration proposed	₹ 9,00,000/- per month including perquisites if any or 5% of net profits whichever is higher.



Sr. No.	Particulars	Information
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is reasonable considering future growth of the Company. OR The comparative remuneration profile will be ₹ 9,00,000/-.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Saurabh Malhotra is holding 3,22,83,410 Equity Shares of the Company which is 15.14% of the Equity Share Capital of the Company. He has no pecuniary relationship with the Company except as employees of the Company and promoters shareholders.

III. OTHER INFORMATION:

Sr. No.	Particulars	Information
1.	Reasons of loss or inadequate profits	The Company has not incurred losses in the last ten years and the profit earned is adequate to pay the remuneration to its directors.
2.	Steps taken or proposed to be taken for improvement	However with a view to improve the workings, the company has been expanding and diversifying the products and markets as well as adding activities as warranted by the circumstances.
3.	Expected increase in productivity and profits in measurable terms	Improvement in profits for companies engaged in agricultural commodities cannot be predicted in measurable terms in view of the fast changing national and global economic scenario.

The remuneration and perquisites payable to Mr. Saurabh Malhotra are as follows:

The Company proposes to pay following remuneration and perquisites w.e.f. 01st September, 2019.

A. REMUNERATION

Name of Director	Designation	Remuneration
Mr. Saurabh Malhotra	Chairman and Managing Director	₹ 9,00,000/- per month and shall be eligible for increments as may be decided by the Board of Directors from time to time annually, if permissible as per the provisions of the Act.

B. INCREMENTS

The Board of Directors shall decide the increments payable to Mr. Saurabh Malhotra at the end of March, every year within the overall ceiling laid down in the Schedule V so that the total remuneration by way of salary, perquisites and other allowances including increments shall not exceed the ceiling provided in Part II of Schedule V to the said Act based on the effective capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

C. PERQUISITES

NON MONETARY CEILING PERQUISITES:

The Company's contribution to the Provident Fund and Superannuation Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of Income Tax Act.

Gratuity: One half of a month's salary for each completed year of service in accordance with the Rules of the Company

Leave Encashment: Leave salary as per the rules of the Company and Encashment of Leave shall be at the end of the tenure.

General Exemption: Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, Gratuity payable and Leave encashment at the end of the tenure shall not be included in the computation of the ceiling on Remuneration under Schedule V of the Companies Act, 2013.

D. MINIMUM REMUNERATION

The above remuneration and perquisites has been fixed on the basis of inadequate profits as per the Audited Financial Statements as on 31st March, 2019 and has been fixed as provided in Part II of Section II of Schedule V to the said Act based on the Effective Capital for the respective financial year or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof and shall be considered as minimum remuneration.

During the tenure of his appointment, if the Company earns profits in excess of the limits prescribed under Schedule V or if the profits are adequate in any financial year, as per the provisions of Section 196, 197, 203 and any other applicable provisions of the, Companies Act, 2013 then the remuneration of Mr. Saurabh Malhotra shall be paid as per the profits earned by the Company in that particular financial year.

E. OTHER CONDITIONS:

- i. For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.
- ii. The Chairman & Managing Director holds office as such, subject to the provisions of Section 164 and 167 of the Companies Act, 2013.
- iii. The re-appointment of Chairman & Managing Director has been approved by the Nomination and Remuneration Committee of the Company.

**BOARD'S REPORT****TO THE MEMBERS OF
SAKUMA EXPORTS LIMITED**

The Directors take pleasure in presenting the Fourteenth Annual Report together with the Audited Financial Statements for the year ended 31st March, 2019. 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 2018 – 19 are tabulated below:

Particulars	Standalone		Consolidated	
	2018 – 19	2017 – 18	2018 – 19	2017 – 18
Sales & Other Income	2,04,609.06	2,19,886.94	4,37,022.53	4,55,672.82
Profit Before Depreciation & Tax	5,465.96	2,775.46	8,903.97	5,910.35
Depreciation	59.73	47.31	59.73	47.31
Profit Before Tax	5,406.23	2,728.14	8,844.24	5,863.04
Provision for Tax:				
- Current Tax	1,891.63	887.50	1,934.03	960.68
- Deferred Tax	(73.14)	(2.18)	(73.14)	(2.18)
- Income Tax of Earlier Years	-	3.10	0	3.10
Minority Interest and share of loss of associate		0.00	0	0.00
Net Profit After Tax	3,588.34	1,850.07	6,983.94	4,911.79
Add: Surplus from Previous Period	6,443.85	4,758.03	14,075.30	9,857.55
Profit Available for Appropriation	10,032.19	6,608.11	21,752.32	14,769.34
Appropriation	0.00	0.00	(626.80)	(529.78)
Dividend on Equity Shares	(213.26)	(164.26)	(213.26)	(164.26)
Dividend Tax	(0.56)	0.00	(0.56)	0.00
Adjustment relating to Minority Interest	0.00	0.00	0	0.00
Transfer to Statutory Reserve	0.00	0.00	0	0.00
Balance carried to Balance Sheet	9,818.38	6,443.85	20,218.62	14,075.30

2. HIGHLIGHTS OF PERFORMANCE

- Total Consolidated Income for the year decreased by 4.09% to ₹ 4,37,022.53 Lakhs as compared to ₹ 4,55,672.82 Lakhs in Previous year.
- Total Consolidated Net Sales for the year were ₹ 4,36,309.28 Lakhs as compared to ₹ 4,54,574.55 Lakhs in Previous year, a decline of 4.02 %.
- Total Consolidated Profit before Tax for the year was ₹ 8,844.24 Lakhs as compared to ₹ 5,863.04 Lakhs in Previous year, a growth of 55.83 %.

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 ₹ 0.1/- per share of ₹ 1/- each for the year 2018-19. The total outgo for the current year amounts to ₹ 2,13,25,943/- as against ₹ 2,13,25,943/- in the previous year.

5. BUSINESS OPERATIONS REVIEW AND FUTURE PROSPECTS

After two successive years of robust expansion, global economic growth softened to 3.60% in 2018, representing a slowdown compared to 3.90% growth anticipated in the beginning of the year. U S economy grew by 2.90% against 2.20% in 2017, visible declines were witnessed in the Euro zone. Growth in emerging market economics also decelerated from 4.80% to 4.50% with China and India slowing down. Going forward, global growth in 2019 is projected to decline further to 3.30% with risk to downside emanating from political uncertainties, rising trade tensions, escalating protectionism and tighter financial conditions.

The U S economy is projected to witness a sharp decline in growth to 2.30% in 2019 due to unwinding of the fiscal stimulus and lower spending.

The year 2018-19 turned out to be another challenging year for the Indian economy. Despite a relatively soft base, GDP growth declined to 7.00% compared to 7.20% in 2017-18 and 7.30% anticipated at the commencement of the year. On the supply side, the agricultural and services sectors underperformed while Government final consumption spending decelerated on the demand front. Private capital spending remained sluggish throughout the year. Private final consumption expenditure decelerated in the second half of the year, particularly 4-5 months as borne out by most major FMGC entities reporting slowdown in sales growth.

On the positive side, inflation stayed well within comfort zone prompting 50 bps policy rate cut in recent months while the external account stabilized in the second half of the year. Tax revenue witnessed robust growth during the year.

While India remains one of the fastest growing major economy in the World, the pace of growth remained below the country's potential. Favorable demographics, rapid urbanization, accelerated digitization and connectivity and improvement in infra sector, the pace of growth is expected to pick up over time. Implementation of GST, direct benefit transfer schemes, IBC code amongst other augur well for the growth prospects of the economy in the long term.

Future Outlook:

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.

Based on the IMD prediction so far, the country is likely to receive normal monsoon rain in the current season which would sustain the high growth in sugarcane & food grain production and other agricultural commodities. The Government of India has estimated exports of about 6.0 MMT of Sugar in the current season 2019-20. This will offer good opportunity to secure higher export orders coupled with higher foreign exchange earnings by your Company. However delay in receipt of central subsidy will remain the major stumbling block in efficient and successful sugar exports program. The Company is fully geared up to capture market share in this business segment using its edge and resources.

Enhancing agricultural productivity and value addition to a higher standard remain critical for the growth of this sector and increasing farmers' income. A big thrust on the country's Food Processing sector can lead to significant job creation, enhance rural income and manage food inflation.

Year in retrospect – Operational Performance:

In the year under review, the Company achieved on consolidated basis operational revenue of ₹ 4,36,309.28 Lakhs and ₹ 2,03,889.26 Lakhs on standalone basis. Sugar contributes a major share in export business of the Company and the company achieved the increase in export turnover of around 147.02% and a consequent increase in the net profit y-o-y standalone basis of 93.96% approximately.

Overall turnover on consolidated basis was at ₹ 4,363.09 Crores (Previous year ₹ 4,545.74 Crores) with EBITDA at ₹ 98.14 Crores (Previous year ₹ 76.44 Crores). PAT at ₹ 69.84 Crores (Previous year ₹ 49.12 Crores). On Standalone basis turnover was at ₹ 2038.89 Crores (previous year ₹ 2186.40 Crores) with PAT at ₹ 35.88 Crores (previous year ₹ 18.50 Crores). Your Company's performance for the year 2018-19 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 to gather momentum in the medium term on the back of favorable global economies tailwinds, pick up 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 9,41,22,728 during the year as against USD 16,93,60,764 recorded in the previous year. A decline of 44.42% in top line on y-o-y basis. Net Profit after tax of this subsidiary for the year stands at USD 3,36,262 (Previous Year USD 7,26,556). The performance of another subsidiary in Dubai namely, Sakuma Exim DMCC has shown growth in 2018 post the improvement in liquidity condition in Gulf and African markets. This subsidiary clocked a turnover of AED 876,792,287 during the year (Previous Year AED 722,464,108). A growth of 21.36% with an increase of 28.01% in Net Profit to AED 1,71,42,921 (previous year AED 1,33,91,388).

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 and date of this report.

7. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2019 was ₹ 21.32 Crores. 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 12,36,34,570 shares equivalent to 57.97% of the total Issued and Paid-up Share Capital.

The Company has sub-divided its Equity shares having a face value of ₹ 10/- each in the Authorized and paid-up Share Capital of the Company into Equity Shares having a face value of ₹ 1/- each effective from 13th November, 2018 (Record Date). The new ISIN has been issued by Central Depository Services (India) Limited. Consequent to the sub-division of equity shares, the Capital Clause (Clause V) of the Memorandum of Association of the Company been altered and the necessary forms MGT-14 and SH-7 has been filed with Registrar of Companies, Mumbai and approval from Registrar of Companies, Mumbai for the same has been received.

8. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

During the year 2018 – 19, unclaimed Dividend on Equity Shares of ₹ 92,608/- was transferred to the Investor Education and Protection Fund established by the 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 said amount represent Dividend for the year 2010 – 11 which remain unclaimed for a period of 7 years from its due date of payment.

9. DIRECTORS

9.1 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.

9.2 Re-Appointment of Chairman and Managing Director

Your Company has at its Board Meeting held on 29th May, 2019 re-appointed Mr. Saurabh Malhotra as Chairman and Managing Director of your Company w.e.f. 01st September, 2019 for a period of 5 years. The approval from Members has been proposed at Item No. 8 of the Notice of 14th Annual General Meeting.

9.3 Re-Appointment of Independent Directors

Your Company has at its Board Meeting held on 07th February, 2019 re-appointed Mr. Radhe Shyam, Mr. Ashokkumar Doda and Mr. Om Parkash Singal as Independent Directors for a second consecutive term of 5 years w.e.f. 01st April, 2019. The approval from Members has been proposed at Item No. 5, 6 and 7 of the Notice of 14th Annual General Meeting.

9.4 Appointment of Company Secretary and Chief Financial Officer

Your Company has at its Board Meeting held on 07th February, 2019 accepted the resignation of Mr. Prakash Taparia and appointed Mr. Dhiraj Khandelwal as Company Secretary cum Compliance Officer in place of Mr. Prakash Taparia w.e.f. 07th February, 2019. Also your Company has at its Board Meeting held on 07th February, 2019 appointed Mr. Devesh Mishra as Chief Financial Officer w.e.f. 07th February, 2019.

Your Company has intimated the same to the Stock Exchange(s) where the securities of Company are listed i.e. BSE Ltd. and National Stock Exchange of India of your Company regarding the above changes. The necessary form DIR-12 for the above appointment has been filed with Registrar of Companies, Mumbai and approval from Registrar of Companies, Mumbai for the same has been received.

9.5 Declaration by Independent Directors

Your Company has received declarations from the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed both, under Section 149(6) of the Companies Act, 2013 and under Regulation 17 of the SEBI (LODR) Regulations, 2015.

9.6 Familiarization Programme 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.

9.7 Annual Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the Board Committees, in due compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The performance evaluation of the Independent Directors was carried by the entire Board and the performance evaluation of the Chairman and Non – Independent Directors was carried out by the Independent Directors.

The Board evaluation was carried out in accordance with the criteria laid down in the Nomination and Remuneration Policy of your Company.

9.8 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. Dhiraj Khandelwal – Company Secretary*
3. Mr. Devesh Mishra – Chief Financial Officer*

**Appointed w.e.f. 07th February, 2019*

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

9.9 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.



9.10 Board Meetings

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

During the year your Company has held 6 (Six) Board Meetings which were held on 28th May, 2018; 13th August, 2018; 14th September, 2018; 14th November, 2018; 21st January, 2019 and 07th February, 2019. The maximum interval between any two meetings did not exceed 120 days.

10. 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.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the Annual Financial Statements for the year ended 31st March, 2019, 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 31st March, 2019 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.

12. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

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 safe-guarded against significant misuse or loss.

An independent Internal Audit function is an important element of your Company's internal control system. The internal control system is supplemented through an extensive internal audit programme and periodic review by Management and Audit Committee.

Your Company has in place, adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

The Audit Committee reviewed the audit program and findings of the Internal Audit department and your Company when needed takes corrective actions.

13. SUBSIDIARY COMPANIES

As on 31st March, 2019, your Company has following four 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

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:

(₹ in Lakhs)

Sr. No.	Particulars	Sakuma Exim DMCC	Sakuma Exports PTE Limited	Sakuma Exports (Ghana) Ltd	Sakuma Exports Tanzania Pvt. Ltd
1.	Reporting Period	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar
2.	Reporting Currency	AED	USD	GHC	TZS
3.	Country	U.A.E	Singapore	Ghana	Tanzania
4.	Exchange Rate	18.83	69.17	-	-
5.	Share Capital	9.40	2189.23	0	0
6.	Reserves and Surplus	10940.41	1555.558	0	0
5.	Total Assets	11,770.54	4106.27	0	0
8.	Total Liabilities	11,770.54	4106.27	0	0
9.	Investment other than Investment in subsidiary	0	0.00	0	0
10.	Turnover	167393.53	65831.89	0	0
11.	Profit Before Taxation	3330.85	313.06	0	0
12.	Provision for Taxation	0	(42.40)	0	0
13.	Profit After Taxation	3330.85	270.65	0	0
14.	Dividend Paid	-210.51	0.00	0	0

14. 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 2018 – 19.

15. DEPOSITS

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

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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



17. RELATED PARTY TRANSACTIONS

A Related Party Policy has been adopted by the Board of Directors at its meeting held on 14th August, 2014 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at your Company's official website at the web link <https://www.sakumaexportsltd.com/corporate-policy.html>. The Audit Committee reviews all related party transactions quarterly.

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
- Any Material contracts/arrangement/transactions

18. 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.

19. 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 research and Development activities during the year under review.

C. Foreign Exchange Earning & Outgo

Particulars	(₹ in Lakhs)	
	2018-19	2017-18
(a) Expenditure in Foreign Currency		
Travelling Expenses	5.85	13.83
Ocean Freight	245.77	214.61
Import of Goods	96,479.41	48,169.12
(b) Earnings in Foreign Currency		
Export of Goods on FOB basis	1,12,998.93	49,405.54
Dividend received from Overseas subsidiary	210.51	17.81

20. 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:

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

21. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

22. 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.

23. AUDITORS

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

23.2 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.

23.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. P. P. Shah & Co., Practicing Company Secretary to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure C" to this Report.

23.4 Qualifications in Secretarial Audit Report

A. Appointment of Company Secretary & Chief Financial Officer:

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer till 07th February, 2019, consequently the Annual Audited Financial Statements for the financial year ended 31st March, 2018 were not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Prakash Taparia, General Manager as Compliance Officer who resigned w.e.f. 07th February, 2019 and thereafter the Company has appointed Mr. Dhiraj Khandelwal as Company Secretary and Compliance Officer w.e.f. 07th February, 2019 who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (ii) The Company has appointed Mr. Devesh Mishra, General Manager Accounts & Finance as Chief Financial Officer w.e.f. 07th February, 2019.

B. Corporate Social Responsibility :

As per Section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 45.73 Lakhs for the year 2018 – 19 and previous years unspent balance of ₹ 41.31 Lakhs. The total cumulative unspent amount is ₹ 87.04 Lakhs, out of which the Company has spent a sum of ₹ 45.04 Lakhs during the financial year to charitable trusts for education.

We have been informed by the Company that the balance unspent amount will be spent in the current financial year.



24. COMPLIANCE OF SECRETARIAL STANDARDS

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as “Annexure D”.

26. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company and its subsidiaries are prepared in accordance with applicable provisions of the Companies Act, 2013, Indian Accounting Standard (Ind – AS 110) issued by the Institute of Chartered Accountants of India as well as the SEBI (LODR) Regulations, 2015 together with Auditors’ Report thereon form part of this Annual Report.

27. 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.

28. 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.

29. 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.

30. GREEN INITIATIVES

Electronic copies of the Annual Report 2018 – 19 and Notice of the 14th Annual General Meeting are sent to all members whose email addresses are registered with your Company/ Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018 – 19 and Notice of the 14th Annual General Meeting under Section 101 of the Companies Act, 2013 are sent in the permitted mode. Members requiring physical copies can send a request to your Company.

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.

31. 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.

32. CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors’ protection and maximizing long-term shareholders value. The certificate from M/s. P. P. Shah & Co., Practicing Company Secretary confirming compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the Securities and Exchange Board of India (LODR) Regulations, 2015 of the Stock Exchanges is annexed.

33. 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 behaviors. 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 has been raised during the year ended 31st March, 2019.

34. MANAGING DIRECTOR CERTIFICATION

The Certificate from Mr. Saurabh Malhotra, Managing Director, 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 29th May, 2019.

35. INDIAN ACCOUNTING STANDARDS (IND-AS)

Your Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing financial statements.

36. CAPITAL EXPENDITURE

Capital Expenditure during the year, towards Tangible & Intangible Assets, amounted to ₹ 92.52 Lakhs, a major part of which was spent on motor vehicle and furniture's.

37. PLEDGE OF SHARES

During the year, the following promoters have pledged the shares with the Banks and Financial Institutions:

Name of the Promoter	No. of Shares pledged	As a % of total shares held
Late Chander Mohan	31,00,000	20.22
Saurabh Malhotra	1,42,84,380	44.25
Total	1,73,84,380	14.06

38. INFORMATION SYSTEM

In a business where information is critical, Information Technology plays a vital role, facilitating informed decision making to grow the business. Over the years, your Company has invested extensively in infrastructure, people and processes with the objective to capture, protect and transmit information with speed and accuracy.

39. LISTING WITH STOCK EXCHANGES

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



40. 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.

41. 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. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Indian Economic Overview:

Indian Gross Domestic Product (GDP) is expected to have grown at 6.8% for the Financial Year 2018-19 as compared to a growth rate of 7.2% in the previous Financial Year, as per the recent estimates from Central Statistical Organization (CSO). Despite a lower growth rate vis-à-vis previous year, India remains one of the fastest growing economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. The Indian economy is expected to improve and close the year 2019 with a GDP growth of 7.3%.

Indian Sugar Mills Association (ISMA) has pegged India's 2019-20 sugar production estimate at 282 lakh tonnes, down by 19.6% over 2018-19 mainly due to decline in area under cane in Maharashtra and Karnataka. Uttar Pradesh, the leading sugarcane and sugar producing State in the country, is estimated to have sugarcane area at 23.60 lakh hectares, as against 24.11 lakh hectare. In 2018-19 sugar season i.e. a marginal decrease of about 2%. Considering varietal replacement by high yielding cane varieties in remaining parts of the State, an improvement in yield per hectare is expected under normal conditions. Thus, sugar production in U.P. in 2019-20 sugar season is estimated to be around 120 lakh tons, which is more or less at the same level of 118.23 lakh tonnes produced in 2018-19 sugar season.

The major benchmarks affecting economy like monsoon, stable government policies etc. were pro-economy. However, the government increased MSP of major agro produces which has huge impact post January 2019 and price of major agricultural produces has upward trends and has impact on overall economy.

2. Global Business Environment

Global economic growth is forecast to ease to a weaker-than-expected 2.6% in 2019 before inching up to 2.7% in 2020. Growth in emerging market and developing economies is expected to stabilize next year as some countries move past periods of financial strain, but economic momentum remains weak.

Emerging and developing economy growth is 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. It's urgent that countries make significant structural reforms that 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 from 6.3% in 2018 to 5.9% in 2019 and 2020. This is the first time since the 1997-1998 Asian financial crisis that growth in the region has dropped below 6%. In China, growth is expected to decelerate from 6.6% in 2018 to 6.2% in 2019, 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 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 after export duty was rolled back last year. The Company has maintained its market share in the export business gradually in the face 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.

The year seems to be good for Indian economy growth. India is improving its global ranking as per reports of IMF and other agencies. This would improve the future outlook of the country. Various factors are in stable or positive mode for India.

ii. Opportunities and Threats :

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

Opportunities:

- a. Potential to expand capacity of high earning segments.
- b. Expertise in new products development.
- c. Good geographical reach and continued efforts to expand it.
- d. Enhanced acceptability of new value added products.
- e. Have positional to expand on our own, lower dependency of others.

Risks and Threats:

- a. Internal factors and government policies.
- b. Vague thinking of major strong nations. This has maximum impact on emerging markets' economics.
- c. 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. Vagaries of the nature & climate present one of the major threat to the Indian economy.
- d. Increasing global trade war and sanctions.
- e. 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 and external environment and incorporate risk treatment plans 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 2019-20 (Oct-19-SEPT-20).

Particulars (2019-20)	Estimated Quantity (In Million Metric Tonnes)
Opening Stock	14.00
Production	30.00
Consumption	26.00
Exports	06.00
End Stock	12.00

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. **Key Ratios**

Ratios	Standalone		Consolidation	
	FY 2018-2019	FY 2017-2018	FY 2018-2019	FY 2017-2018
Debtors Turnover Ratio (i)	4.93	8.18	6.47	7.03
Inventory Turnover Ratio (ii)	23.46	19.00	50.20	39.51
Interest Coverage Ratio (iii)	8.75	3.87	10.72	4.38
Current Ratio (iv)	1.29	1.78	1.53	1.47
Debt Equity Ratio (v)	0.12	0.27	0.08	0.19
Operating Profit Margin	2.91%	1.49%	2.15%	1.57%
Net Profit Margin	1.76%	0.85%	1.60%	1.08%
Return on Net worth (vi)	19.20%	13.67%	25.42%	25.02%

- i. As regards the debtors turnover ratio, your company has been taking measures to ensure timely collection of its receivables.
- ii. Your company has adequate policy in place for inventories and does not have any non-moving inventories in stock.
- iii. Interest coverage ratio has increased both in standalone and consolidated basis as compared to previous year. Your Company has a high interest coverage ratio which indicates stronger financial health and capability of meeting interest obligations.
- iv. A current ratio of more than one indicates the ability of the company to combat its short term liabilities with the short term assets.
- v. Debt refers to the borrowings with the banks.
- vi. Return on Networth is computed as Net Profit by average Networth. The increase in the Net profit from ₹ 1850.07 lakhs in FY 2017-2018 to ₹ 3588.34 lakhs in FY 2018-2019 on standalone basis has resulted in improvement of Return on Networth.

6. **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.

7. **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: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director

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	Nil
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	<u>Key Managerial Personnel</u> Mr. Saurabh Malhotra – Chairman & MD – 0% Mr. Dhiraj Khandelwal* – CS – 0% Mr. Devesh Mishra* – CFO – 10%
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 st March, 2019	55 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 st March, 2019 is as per the Remuneration Policy of the Company

*Appointed w.e.f. 07th February, 2019

**ANNEXURE 'B' TO BOARD'S REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

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

The Company has adopted CSR policy on 13th February, 2016. The said policy has been formulated as per Section 135 read with Schedule VII of the Companies Act, 2013.

2. Composition of the CSR Committee:

- | | | |
|----|-----------------------|----------|
| a. | Mr. Saurabh Malhotra | Chairman |
| b. | Ms. Shipra Malhotra | Member |
| c. | Mr. Om Parkash Singal | Member |

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

The Profit of Sakuma for 3 immediately preceding financial year

Financial Years	Net Profit Before Tax (In ₹ Lakhs)
2017 – 18	2728.14
2016 – 17	2202.27
2015 – 16	1929.30
Total	6859.72
Average	2286.57
2%	45.73

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

The Company is required to spend ₹ 87.04/- Lakhs towards CSR. The carried forward amount of CSR spending for the previous financial years is ₹ 41.31/- Lakhs.

5. Details of CSR spend for the financial year:

- Total amount spent for the financial year: ₹ 45.05 Lakhs
- Amount to be spent, if any: ₹ 41.99/- Lakhs
- Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
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(1)	All India Educational Charitable Trust	Education	2/ff, Gokul Appt., Mira cinema Char Rasta, Maninagar, Ahmedabad – 382340	15,00,000	15,00,000	15,00,000	NA
(2)	All India Educational Charitable Trust	Education	2/ff, Gokul Appt., Mira cinema Char Rasta, Maninagar, Ahmedabad – 382340	15,00,000	15,00,000	15,00,000	NA
(3)	All India Educational Charitable Trust	Education	2/ff, Gokul Appt., Mira cinema Char Rasta, Maninagar, Ahmedabad – 382340	13,00,000	13,00,000	13,00,000	NA
(4)	Shivaji Muncipal School	Education	Bhaykhalla, Mumbai	1,71,500	1,71,500	1,71,500	NA
(5)	Aakansha Foundation	Trust	Mumbai	33,000	33,000	33,000	NA

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

The unspent amount of CSR amounting to ₹ 41.99 Lakhs will be spend during the current financial year 2019 – 20.

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

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

Place: Mumbai
Date: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director



ANNEXURE 'C' TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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 31st March, 2019 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 31st March, 2019 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) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - 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, 1998. **(Not Applicable to the Company during audit period)**.

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. Appointment of Company Secretary & Chief Financial Officer:

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer till 07th February, 2019, consequently the Annual Audited Financial Statements for the financial year ended 31st March, 2018 were not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Prakash Taparia, General Manager as Compliance Officer who resigned w.e.f. 07th February, 2019 and thereafter the Company has appointed Mr. Dhiraj Khandelwal as Company Secretary and Compliance Officer w.e.f. 07th February, 2019 who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (ii) The Company has appointed Mr. Devesh Mishra, General Manager Accounts & Finance as Chief Financial Officer w.e.f. 07th February, 2019.

B. Corporate Social Responsibility :

As per Section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 45.73 Lakhs for the year 2018 – 19 and previous years unspent balance of ₹ 41.31 Lakhs. The total cumulative unspent amount is ₹ 87.04 Lakhs, out of which the Company has spent a sum of ₹ 45.04 Lakhs during the financial year to charitable trusts for education.

We have been informed by the Company that the balance unspent amount will be spent in the current financial year.

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:

1. Company has adopted new set of Articles of Association of the Company in order to make the Articles of Association of the Company in tandem with the relevant sections / provisions under the Companies Act, 2013 and rules made thereunder. The new AOA substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the members of the Company by way of a Special Resolution has been taken in the 13th Annual General Meeting held on 29th September, 2018 for adoption of a new set of Articles of Association of the Company. The same has been registered with Registrar of Companies, Mumbai, Maharashtra.



2. The Company has sub-divided its equity shares of ₹ 10/- each to ₹ 1/- each. Consequent to the sub-division of equity shares, the Capital Clause of Memorandum of Association of the Company has also been altered. The approval from the shareholders has been taken at the Extra Ordinary General Meeting held on 23rd October, 2018. The necessary disclosure and procedure has been complied by the Company and intimated to BSE Ltd. and National Stock Exchange of India Limited for the same. The new ISIN has been intimated to BSE Ltd. and National Stock Exchange of India Limited.

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

1. Public / Right / Preferential Issue of Shares / Debentures / Sweat Equity, etc.
2. Redemption / Buy-Back of Securities
3. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
4. Merger / Amalgamation / Reconstruction, etc.
5. Foreign Technical Collaborations

Place: Mumbai
Date: 29th May, 2019

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

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

As on the financial year ended 31.03.2019

*[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**

CIN	L51909MH2005PLC155765
Registration Date	31 st August, 2005
Name of the Company	SAKUMA EXPORTS LIMITED
Category of the Company	Company Limited by Shares
Sub-Category of the Company	Indian Non – Government Company
Address of the Registered Office and Contact Details	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
Whether Listed Company	Yes. Listed on BSE Limited and National Stock Exchange of India Limited
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 st 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:

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Imports and Export Commodities Trading	46209	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
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	100%	2(87)
4.	Sakuma Exports Tanzania Pvt. Ltd.	CI100993	Step Down Subsidiary	100%	2(87)



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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	8907460	0	8907460	41.77	89074920	0	89074920	41.77	0.00
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	3455965	0	3455965	16.21	34559650	0	34559650	16.21	0.00
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
Sub-Total(A) (1):	12363425	0	12363425	57.97	123634570	0	123634570	57.97	0.00
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub- Total (A) (2):	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group (A)=(A) (1)+(A)(2)	12363425	0	12363425	57.97	123634570	0	123634570	57.97	0.00
B. Public Shareholding									
(1) Institutions									
a) Alternate Investment Funds	0	0	0	0.00	29700	0	29700	0.01	+0.01
b) Banks/FI	2935	0	2935	0.01	204049	0	204049	0.10	+0.09
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	700682	0	700682	0.33	+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
Sub-Total (B)(1):	2935	0	2935	0.01	934431	0	934431	0.44	+0.43
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	1017146	0	1017146	4.77	12077600	0	12077600	5.66	+0.88
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 Lakhs	2644664	637	2645301	12.40	22547401	6370	22553771	10.58	-1.82
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakhs	2282610	0	2282610	10.70	19875974	0	19875974	9.32	-1.38
c) Others (specify)									
i) NRI	74512	0	74512	0.35	3734936	0	3734936	1.75	+1.40
ii) OCBs	2805000	0	2805000	13.15	28050000	0	28050000	13.15	0.00
iii) Clearing Members	66961	0	66961	0.31	2398148	0	2398148	1.12	+0.81

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
iv) Directors / Relatives	68053	0	68053	0.32	0	0	0	0.00	-0.32
Sub-Total (B)(2):	8958946	637	8959583	42.01	88684059	6370	88690429	41.59	-0.43
Total Public Shareholding Public Group (B)= (B)(1)+(B)(2)	8961881	637	8962518	42.03	89618490	6370	89624860	42.03	0.00
Total (A) + (B)	21325306	637	21325943	100.00	213253060	6370	213259430	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	21325306	637	21325943	100.00	213253060	6370	213259430	100.00	0.00

Note: The Company has sub-divided its shares from face value of ₹ 10/- each to ₹ 1/- each.

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	
1.	Saurabh Malhotra	32,28,341	15.14	28.19	3,22,83,410	15.14	44.25	0.00
2.	Kusum Chander Mohan Malhotra	31,10,000	14.58	0.00	3,11,00,000	14.58	0.00	0.00
3.	Chander Mohan Malhotra	15,33,119	7.19	20.22	1,53,31,190	7.19	20.22	0.00
4.	Vanitha Malhotra	10,35,000	4.85	0.00	1,03,50,000	4.85	0.00	0.00
5.	Shipra Malhotra	500	0.00	0.00	5,000	0.00	0.00	0.00
6.	Tanya Mediratta	500	0.00	0.00	5,320	0.00	0.00	0.00
7.	Sakuma Finvest Pvt. Ltd.	6,98,720	3.28	0.00	69,87,200	3.28	0.00	0.00
8.	GMK System And Logistics Private Ltd.	90,000	0.42	0.00	9,00,000	0.42	0.00	0.00
9.	Sakuma Infrastructure And Realty Private Limited	26,67,245	12.51	0.00	2,66,72,450	12.51	0.00	0.00
	Total	1,23,63,425	57.97	9.87	12,36,34,570	57.97	9.87	0.00

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

	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (As on 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Tanya Mediratta				
At the beginning of the year	500	0.00		
(Sub-divided equity shares)	5000	0.00		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	320	+0.00	320	0.00
	(Acquisition on 30.11.2018)			
At the end of the year			5320	0.00



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 01.04.2018)		Shareholding at the end of the year (As on 31.03.2019)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Al Malaki Foodstuff Trading LLC	1430000	6.71	1430000	6.71
2.	R R Foodstuff Trading LLC	1375000	6.45	1375000	6.45
3.	Kamad Prakash Nigam	191167	1.63	1463778	0.69
4.	Chandurkar Investment Private Limited	335000	1.57	3526000	1.65
5.	Pankaj Lata Nigam	276676	1.30	1939423	0.91
6.	Subramanian P	223090	1.05	2221090	1.04
7.	Rahil Shaikh	200000	0.94	2242700	1.05
8.	Moksh Mercantile Private Limited	200000	0.94	2000000	0.94
9.	Om Procurements & Projects Limited	135000	0.63	2353284	1.10
10.	Rajkumar Mohanlal Kothari	100000	0.47	1000000	0.47
11.	Anupama Gupta	100000	0.47	1190000	0.56
12.	Manish Singal	100000	0.47	1668760	0.78
13.	Samir Nandkumar Karkhanis	100000	0.47	1000000	0.47
14.	Narendra Mathuradas Katira	100000	0.47	1000000	0.47
15.	Moneymart Securities Pvt Ltd	41481	0.25	2133310	1.00
16.	Bhavik Nirmal Jain	0	0.00	1260000	0.59

v) Shareholding of Directors and Key Managerial Personnel

	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (As on 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
A. DIRECTORS				
At the beginning of the year	Promoter directors' shareholding and their changes has already been given in earlier table. Mr. Radhe Shyam (Independent Director) is holding 680530 shares at the beginning and at the end of the year; Mr. Om Parkash Singal (Independent Director) is holding 100 shares at the beginning and at the end of the year and Mr. Ashok Doda (Independent Director) is holding 1000 shares at the beginning and at the end of the year. Mr. Vivek Grover (Non Executive Non Independent Director) does not hold any shares in the Company at the beginning and at the end of the year.			
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc)				
At the end of the year				
B. KEY MANAGERIAL PERSONNEL				
At the beginning of the year	Not Applicable			
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

(₹ In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	3689.15	811.86	0.00	4501.02
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	69.68	0.00	69.68
Total (i+ii+iii)	3689.15	881.55	0.00	4570.70
Change in Indebtedness during the financial year				
Addition	2,30,466.47	0.00	0.00	2,30,466.47
Reduction	2,31,678.48	881.55	0.00	2,32,560.03
Net Change	(1212.01)	(881.55)	0.00	(2093.56)
Indebtedness at the end of the financial year (31.03.2019)	2477.14	0.00	0.00	2477.14
i) Principal Amount	2477.14	0.00	0.00	2477.14
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
Total (i+ii+iii)	2477.14	0.00	0.00	2477.14

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 (₹ In Lakhs)
		Saurabh Malhotra Chairman & MD	
1.	Gross Salary	72.00	72.00
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	0
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0	0
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0
2.	Stock Options	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	- as % of profit	0	0
	- others, specify	0	0
5.	Others, please specify	0	0
	TOTAL (A)	72.00	72.00
	Ceiling As Per The Act	Minimum Remuneration upto ₹ 14,00,000 per month	--

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

Particulars of Remuneration	Ashokkumar Doda	Radhe Shyam	Om Parkash Singal	Total Amount (In ₹)
- Fee for attending Board / Committee Meetings	3,00,000	3,00,000	3,00,000	9,00,000
- Commission	0.00	0.00	0.00	0.00
- Others, please specify (Conveyance)	18,000	18,000	18,000	54,000
Total (B)(1)				9,54,000



2. Other Non Executive Directors

Particulars of Remuneration	Shipra Malhotra	Vivek Grover	Total Amount (In ₹)
- Fee for attending Board / Committee Meetings	3,00,000	3,00,000	6,00,000
- Commission	0.00	0.00	0.00
- Others, please specify (Conveyance)	18,000	18,000	36,000
Total (B)(2)			6,36,000
Total (B)= (B)(1)+(B)(2)			15,90,000
Overall Ceiling as per the Act			Upto ₹ 1,00,000 per meeting

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

Sr. No.	Particulars of Remuneration	Name of KMP			Total Amount (In ₹)
		Prakash Taparia* Compliance Officer	Dhiraj Khandelwal [§] Company Secretary	Devesh Mishra [§] Chief Financial Officer	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	15,58,330	38,849	2,23,850	18,21,029
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0	0	0	0
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2.	Stock Options	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission				
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	TOTAL (C)	15,58,330	38,849	2,23,850	18,21,029

*Resigned m.e.f. 07th February, 2019

§Appointed m.e.f. 07th February, 2019

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Sections of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
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 31st March, 2019

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

The Company's philosophy on Corporate Governance is to strive for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings with shareholders, employees, lenders, creditors, customers and the government. The Board of Directors by considering itself the trustee of its Shareholders aims at maximizing shareholders value and protecting interests of stakeholders.

The Company 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 and CFO are in overall control and responsible for day-to-day working of the Company. They give strategic directions, lays down policy guidelines and ensures 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 Mr. Chander Mohan and brother of Ms. Shipra Malhotra
Ms. Shipra Malhotra	Non - Executive	Promoter	Daughter of Late Mr. Chander Mohan and Sister of Mr. Saurabh Malhotra
Mr. Ashok Kumar Doda	Non - Executive	Independent	Not Related to any Directors
Mr. Radhe Shyam	Non - Executive	Independent	Not Related to any Directors
Mr. Om Parkash Singal	Non - Executive	Independent	Not Related to any Directors
Mr. Vivek Grover	Non - Executive	Non – Independent	Not Related to any Directors

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

The Company is also compliant with composition of Board of Directors with minimum two Independent Directors as prescribed under Section 149(4) of the Companies Act, 2013 read with 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 19 years of managing the business.

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 has 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.

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

Mr. Om Parkash Singal is a graduate of BA (Hon's), LLB, CAIIB, ACS (Inter). He has been associated with the IDBI Bank from April 1978 to December, 2004 as legal officer. He is an advocate and permanent member of the Bombay Bar Association, Bombay High Court since February, 2005 till date. He is associated with M/s Singhania & Partners (Solicitors & Advocates) has senior consultants since March, 2009 till December 2012.

Mr. Ashokkumar Doda (DIN: 00288563), Non - Executive Independent Director:

Mr. Ashokkumar 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.

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

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.

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

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 areas 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.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, the existing Independent Directors, fulfill the conditions specified in the SEBI Listing Regulations and are independent of the Management.

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 Director is also explained in detail the compliances required from him / her under the Companies Act, SEBI Regulations and other relevant regulations and his / her affirmation taken with respect to the same. The Executive Chairman & MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / 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
28 th May, 2018	6	6
13 th August, 2018	6	6
14 th September, 2018	6	6
14 th November, 2018	6	6
21 st January, 2019	6	6
07 th February, 2019	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 Parkash Singal	Vivek Grover
28 th May, 2018	Present	Present	Present	Present	Present	Present
13 th August, 2018	Present	Present	Present	Present	Present	Present
14 th September, 2018	Present	Present	Present	Present	Present	Present
14 th November, 2018	Present	Present	Present	Present	Present	Present
21 st January, 2019	Present	Present	Present	Present	Present	Present
07 th February, 2019	Present	Present	Present	Present	Present	Present
Total Attendance (out of 6 Board Meetings)	6	6	6	6	6	6
Attendance at Last AGM	Present	Present	Absent	Present	Present	Present

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	No. of Directorship held in Indian public limited Companies (including SEL)	**Number of Committee Memberships / Chairmanships (including SEL)	
		Chairman	Member
Mr. Saurabh Malhotra	1	0	0
Ms. Shipra Malhotra	1	0	1
Mr. Ashok Kumar Doda	2	2	1
Mr. Radhe Shyam	1	1	1
Mr. Om Parkash Singal	2	0	1
Mr. Vivek Grover	1	0	0

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

The Board periodically reviews the items required to be Placed before it and in particular reviews and approves quarterly / half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, and reviews such other items which require Board's attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in 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.

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 a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by Terms of Reference which is in line with the regulatory

requirements mandated by the Companies Act, 2013 and SEBI Regulations. 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 Letters / Letters of Internal Control Weaknesses, if any, issued by the Statutory Auditors.
- Review of internal audit reports relating to internal control weaknesses, if any.
- 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.

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.
- 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 / Chief 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 Chief 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 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.
- The scope and terms of reference of the Committee will be widened further effective from 01st April, 2019, 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 31st March, 2019 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§
28 th May, 2018	Present	Present	Present
13 th August, 2018	Present	Present	Present
14 th November, 2018	Present	Present	Present
21 st January, 2019	Present	Present	Present
07 th February, 2019	Present	Present	Present
Total (out of 5 meetings)	5	5	5

*Chairman & Non – Executive Independent Director

#Member & Non – Executive Independent Director

§Member & Non – Executive Independent Director

The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 29th September, 2018.

The present constitution of the Audit Committee is compliant with Section 177(2) of the Companies Act, 2013. The Company has adopted at its Board meeting held on 15th May, 2014 the terms of reference of Audit Committee as prescribed under Section 177(4) of the Companies Act, 2013 w.e.f. 1st April, 2014. All the Members on the Audit Committee are financially literate and possess sound knowledge in finance, accounting practice. The representative of the Statutory Auditors is permanent invitees 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. 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 2018-19 and the same has been forwarded to Mr. Saurabh Malhotra, Chairman & Managing Director of the Company for record.

3.2 Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Stakeholders' Relationship Committee comprises three Members of which two 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 rights issue / bonus issue, subject to such approvals as may be required;
- to oversee the implementation of ESOS Scheme, if any implemented by the Company;
- 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 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
 - 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;
 - non receipt of annual reports, notices, non-receipt of declared dividend, change of address for correspondence etc. and to monitor action taken;
- 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 Listing Regulations;
- to review overall functioning of the Share Department;
- in line with the changes brought about to the SEBI Listing Regulations which are applicable from 01st April 1, 2019, the scope of the Committee shall be widened to cover the following new areas:
 - review of measures taken for effective exercise of voting rights by shareholders;
 - review of adherence to the service standards adopted by the Company in respect of various services rendered by the in-house Share Department, review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company;
 - 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 31st March, 2019 and details of the Members participation at the Meetings of the Committee are as under:

Dates of Meeting	Ashok Kumar Doda*	Shipra Malhotra#	Radhe Shyam§
28 th May, 2018	Present	Present	Present
13 th August, 2018	Present	Present	Present
14 th November, 2018	Present	Present	Present
21 st January, 2019	Present	Present	Present
Total (out of 4 meetings)	4	4	4

*Chairman & Non – Executive Independent Director

#Member & Non – Executive Promoter Director

§Member & Non – Executive Independent Director



3.2.2 Compliance Officer

As required by the Listing Agreement, the Company has appointed Mr. Prakash Taparia as the Compliance Officer till 07th February, 2019 and thereafter Mr. Dhiraj Khandelwal as Company Secretary cum Compliance Officer w.e.f. 07th February, 2019. Email address of Company Secretary cum Compliance Officer is companysecretary@sakumaexportsltd.com

3.2.3 Status of Transfers

During the year ended 31st March, 2019, no shares in physical form were processed for transfer. There were no pending share transfers as on 31st March, 2019.

3.2.4 Complaints

During the financial year ended 31st March, 2019, 4 (Four) complaints were received from the shareholders. Out of the total complaints received during the year no complaints were pending as on 31st March, 2019. The complaints relate to non-receipt of annual report, dividend, share transfers, etc.

Opening as on 1 st April, 2018	Nil
Received during the year	4
Disposed of during the year	4
Closing as on 31 st March, 2019	Nil

3.3 Nomination and Remuneration Committee (NRC)

In compliance with Section 178 of the Companies Act, 2013 and SEBI Regulations, the Nomination and Remuneration Committee (NRC) comprise three Members of which two Members are an Independent Directors.

3.3.1 Terms of Reference

- Identifying and selecting candidates who are qualified for appointment as Directors / Independent Directors based on certain laid down criteria.
- Identifying potential individuals 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;
- 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;
- In line with the amendments made to the Listing Regulations, effective from April 1, 2019, the functions of the Committee shall be extended to recommend to the Board, all remuneration, in whatever form, which is payable to Senior Management.

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 31st March, 2019 and the details of Members participation at the Meetings of the Committee are as under:

Date of Meeting	Radhe Shyam*	Om Parkash Singal[#]	Shipra Malhotra[§]
07 th February, 2019	Present	Present	Present
Total	1	1	1

*Chairman & Non – Executive Independent Director

[#] Member & Non – Executive Independent Director

[§]Member & Non – Executive Promoter Director

3.4 Corporate Social Responsibility (CSR) Committee

3.4.1 Terms of Reference

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 13th February, 2016.

This Policy has been Placed in the Website of the Company at the web link <https://www.sakumaexportsltd.com/corporate-policy.html>

The composition of the Corporate Social Responsibility Committee as at 31st March, 2019 and the details of Members' participation at the Meetings of the Committee are as under:

Date of Meeting	Saurabh Malhotra*	Shipra Malhotra[#]	Om Parkash Singal[§]
07 th February, 2019	Present	Present	Present
Total	1	1	1

*Chairman & Executive Director

[#]Member & Non – Executive Promoter Director

[§]Member & Non – Executive Independent Director

3.5 Risk Management Committee (Non-Mandatory)

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 & MD 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.

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

3.6 Independent Directors' Meeting

As per the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Independent Directors are required to hold at least one meeting in a year to discuss the following:

- Review the performance of non-independent directors and the Board as a whole.



- Review the performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Nomination and Remuneration Committee in its meeting held on 10th February, 2015 had adopted the performance evaluation criteria for the Independent Directors and the same had been applied by the Board in its meeting held on 21st January, 2019 for evaluating the performance of the Independent Directors. All the Independent Directors attended the meeting held on 21st January, 2019 and discussed the above points.

3.7 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 Board of Directors and CEO & Managing Director and their remuneration. The said Policy has been outlined below:

3.7.1 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.

3.7.2 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.

3.7.3 Executive Chairman & Managing Director - Criteria for Selection / Appointment

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

Remuneration for the Executive Chairman & Managing Director

- At the time of appointment or re-appointment, the Executive Chairman & MD 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 & MD within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Executive Chairman & MD 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.

3.7.4 Remuneration Policy for the Senior Management Employees

- In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) 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-a-vis the annual budget achievement, individuals performance vis-a-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.
- The MD 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.

3.8 Performance Evaluation

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

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as 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. 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, the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**3.9 Details of Remuneration paid to all Directors**

The aggregate remuneration paid to the Directors for the year ended 31st March, 2019 is as under:

(₹ In Lakhs)

Name of Directors	Designation	Salary & Perquisites	Commission	Sitting Fees	Total Amount
Saurabh Malhotra	Chairman and Managing Director	72.00	0	0	72.00
Shipra Malhotra	Non – Executive Director	0	0	3.00	3.00
Ashok Kumar Doda	Independent Director	0	0	3.00	3.00
Radhe Shyam	Independent Director	0	0	3.00	3.00
Om Parkash Singal	Independent Director	0	0	3.00	3.00
Vivek Grover	Non – Executive Director	0	0	3.00	3.00

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 Managing Director	3 years	1 st September, 2016 1 st September, 2019*	31 st August, 2019 31 st August, 2024*

*Renewal of appointment for a period of 5 years.

Equity Shares of Sakuma Exports Limited held by the Non – Executive Directors are as follows:

Non – Executive Directors	No. of shares held as on 31 st March, 2019	No. of shares held as on 31 st March, 2018
Shipra Malhotra	5000	500
Ashok Kumar Doda	1000	100
Radhe Shyam	680530	68053
Om Parkash Singal	100	500
Vivek Grover	Nil	Nil

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

4. SUBSIDIARY COMPANIES

The Company has one subsidiary, Sakuma Exim DMCC whose net worth exceeds 20% of consolidated net worth of the Holding Company in immediately preceding accounting year and has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly a policy on Material Subsidiary has been formulated.

The other three subsidiary companies, Sakuma Exports PTE Limited, Sakuma Exports (Ghana) Ltd and Sakuma Exports Tanzania Pvt. Ltd do not have net worth exceeding 20% of the consolidated net worth of the Holding Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries is not applicable.

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

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

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 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 an arm's length pricing basis. These transactions are also subject to scrutiny by an external Independent Agency. The policy on related party transactions has been Placed on the Company's website and can be accessed at <https://www.sakumaexportsltd.com/corporate-policy.html> in line with the amended SEBI Listing Regulations; this Policy will be amended suitably effective from 01st April, 2019.

5.3 Confirmation by the Board of Directors' acceptance of recommendation of mandatory committees

In terms of the amendments made to the SEBI Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees.

5.4 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.

5.5 MD Certification

The MD 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 15th 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 <https://www.sakumaexportsltd.com/corporate-policy.html>

In terms of the resolution passed by the Board of Directors in their meeting held on 29th May, 2019, the Board has authorized Mr. Saurabh Malhotra, Chairman and Managing Director to sign all Certificates as may be required, to comply with the statutory requirements.

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 31st March, 2019 forms part of the Annual report.

5.7 Vigil Mechanism / Whistle Blower Policy

During the financial year 2018 – 19, 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.

5.8 Prevention of Insider Trading

Pursuant to SEBI Listing 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 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 Company Secretary & Head Compliance is responsible for implementation of the Code. The Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

In line with the amendments introduced recently by SEBI, the above Code will be amended suitably to align it with the amendments which are effective from 01st April, 2019.

5.9 Communication with the Members/ Shareholders

- 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 60 days from the close of the financial year as per the requirements of the SEBI Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company’s securities are listed, immediately after these are approved by the Board. The results are published within forty-eight hours in leading English and Marathi daily newspapers. The Audited Financial Statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- The Annual Report of the Company, the quarterly / half yearly and the Annual Financial Results and the press releases of the Company are also Placed on the Company’s website 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.

6. GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended: 31st March, 2019

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

1st 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
Website: www.bigshareonline.com

6.2 Address for correspondence with Depositories

National Securities Depository Limited
Trade World, A wing, 4th Floor, Kamala Mills
Compound, Lower Parel, Mumbai – 400 013
Tel. No.: 022 2499 4200
Fax No.: 022 2497 6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, A-Wing, 25th Floor, N M Joshi
Marg, Lower Parel, Mumbai – 400 013
Tel. No.: 022 2302 3333
Fax No.: 022 2300 2043
E-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

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

Contact Person: Mr. Dhiraj Khandelwal, Company Secretary

Email Address: 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

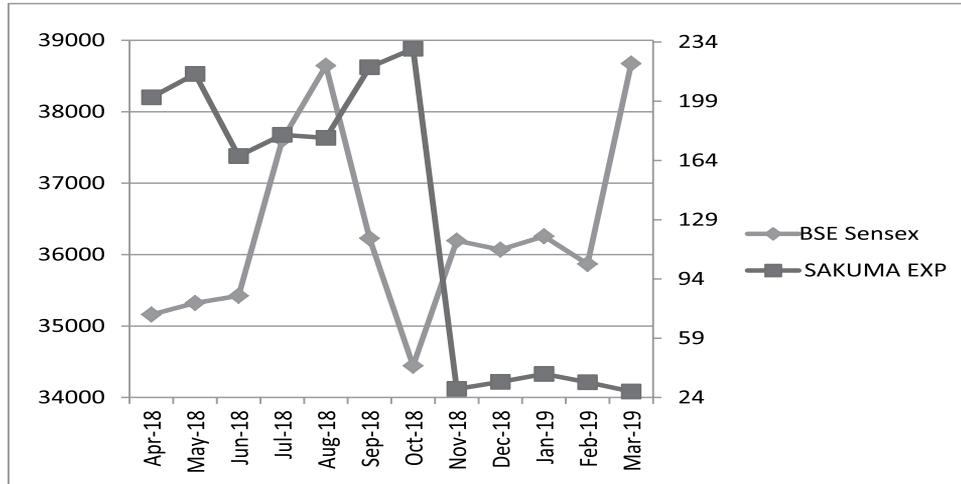
The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the each Exchange:

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



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

Index Comparison



Note: The share price is dropped due to sub-division of equity shares from ₹ 10/- each to ₹ 1/-.

*Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2019:

*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 (₹)	* Spread (₹)	
								H-L	C-O
Apr-18	143	205.35	141.55	201.3	159507	2372	31009135	63.8	58.3
May-18	201.65	224.7	191.25	215.1	174349	2277	36989555	33.45	13.45
Jun-18	215.15	215.15	150	166.65	114940	2477	21363719	65.15	-48.5
Jul-18	167.2	204.1	154.05	179.15	213571	5876	39062026	50.05	11.95
Aug-18	178.95	197.5	163.6	177.35	116506	2670	20695249	33.9	-1.6
Sep-18	185.3	233	175.65	219.1	545703	14328	117223609	57.35	33.8
Oct-18	217.9	243.7	179.95	230	253819	7185	54313992	63.75	12.1
Nov-18	227	246	22.8	29	2373157	16245	74035031	223.2	-198
Dec-18	29.9	34.9	25.5	33.15	2581170	16366	82057673	9.4	3.25
Jan-19	33.1	42.95	32.55	37.85	1711415	10955	64555481	10.4	4.75
Feb-19	38	40.35	32.7	33	600256	3372	21782612	7.65	-5
Mar-19	33.7	35.4	26.25	27.5	783845	4800	24191698	9.15	-6.2

Annual Fees:

The Company has paid Annual Custody Fees for the year 2018 – 19 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 2018 – 19 to the BSE Ltd. and National Stock Exchange of India 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.

7.2 Nomination facility for shareholding

As per 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 Share Department of the Company. 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 Company 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 Listing 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 2018-19, unclaimed dividend pertaining to the financial year 2010 – 11 was transferred to IEPF.

**For Equity Shareholders:**

Financial Year	Date of Declaration of Dividend	Last Date of claiming Unpaid Dividend
Final Dividend 2011 – 2012	26.09.2012	31.10.2019
Final Dividend 2012 – 2013	29.07.2013	02.09.2020
Final Dividend 2013 – 2014	28.08.2014	02.10.2021
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

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

➤ Dividend History (last 5 Years)

Sr. No.	Financial Year	Final / Interim	Dividend %	Total Dividend (In ₹)
1.	2017 – 18	Final	10%	2,13,25,943
2.	2016 – 17	Final	10%	1,64,25,943
3.	2015 - 16	Interim	10%	1,64,25,943
4.	2014 – 15	Final	10%	1,64,25,943
5.	2013 – 14	Final	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 has transferred 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 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 alongwith the e-form carefully before filling 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.

7.7 Dealing with securities which have remained unclaimed

Regulation 39(4) of SEBI Listing 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 26th 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 31st March, 2019, 99.99% of the Company’s total paid up capital representing 21,32,53,060 equity shares were held in dematerialised form and the balance 0.01% representing 6,370 equity shares were held in physical form.

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

As on 31st March, 2019, there are 6,370 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 31st March, 2019

Range (In Rupees)	No. of Shareholders	% to capital	Total Shareholding (In Rupees)	% to capital
1 – 5000	11,475	93.15	90,45,581	4.24
5001 – 10000	442	3.59	34,03,942	1.60
10001 – 20000	167	1.36	25,00,738	1.17
20001 – 30000	65	0.53	16,74,306	0.79
30001 – 40000	31	0.25	10,93,680	0.51
40001 – 50000	15	0.12	6,85,653	0.32
50001 – 100000	46	0.37	34,35,152	1.61
100001 & Above	78	0.63	19,14,20,378	89.76
Total	12,319	100.00	21,32,59,430	100.00

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

Shareholding Pattern as on 31st March, 2019 (Equity Shares)

	Category	No. of Shares Held	% Of Share Holding
A.	Promoter (s) Holding		
	Promoter (s)		
	- Indian Promoters	8,90,74,920	41.77
	- Group Companies	3,45,59,650	16.21
	Sub – Total(A)	12,36,34,570	57.97
B.	Non-Promoters Holding		
	Institutional Investors		
i.	Alternate Investment Funds	29,700	0.01
ii.	Banks, Financial Inst, Insurance Company (Central/State Govt Inst/Non-Govt Inst)	2,04,049	0.10
iii.	Foreign Portfolio Investors	7,00,682	0.33
	Others		
i.	Corporate Bodies	1,20,77,600	5.66
ii.	Indian Public	4,24,29,745	19.91
iii.	NRI	37,34,936	1.75
iv.	OCBS	2,80,50,000	13.15
v.	Clearing Members	23,98,148	1.12
	Sub – Total (B)	8,96,24,860	42.03
	GRAND TOTAL (A+B)	21,32,59,430	100.00

Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2019

Sr. No.	Names of the shareholders	No. of Shares	% of Capital
1.	Promoters		
	Saurabh Malhotra	3,22,83,410	12,36,34,570
	Kusum Chander Mohan Malhotra	3,11,00,000	
	Sakuma Infrastructure And Realty Private Limited	2,66,72,450	
	Chander Mohan Malhotra	1,53,31,190	
	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	
	Others		
2.	Al Malaki Foodstuff Trading LLC	1,43,00,000	6.71
3.	R R Foodstuff Trading LLC	1,37,50,000	6.45
4.	Chandurkar Investment Private Limited	35,26,000	1.65
5.	Moneymart Securities Pvt. Ltd.	21,33,310	1.00
6.	Rahil Irfan Shaikh	22,61,960	1.06
7.	Subramanian P	22,21,090	1.04
	Total	16,18,26,930	75.88

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
31.03.2016	11 th AGM	Note 1	01.09.2016 10.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
31.03.2017	12 th AGM	Note 2	26.09.2017 10.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
31.03.2017	EGM	Note 3	26.09.2017 11.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
31.03.2018	13 th AGM	Note 4	29.09.2018 10.30 a.m.	Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

Note 1:

1. Special Resolution under Section 196, 197 and 203 of the Companies Act, 2013 in respect of re-appointment of Mr. Chandar Mohan as Executive Chairman and payment of remuneration for a period of three years with effect from 1st September, 2016 till 31st August, 2019.
2. Special Resolution under Section 196, 197 and 203 of the Companies Act, 2013 in respect of re-appointment of Mr. Saurabh Malhotra as Managing Director and payment of remuneration for a period of three years with effect from 1st September, 2016 till 31st August, 2019.

Note 2:

1. Ordinary Resolution under Section 152 of the Companies Act, 2013 in respect of appointment of Mr. Vivek Grover as Director of the Company.

Note 3:

1. Ordinary Resolution under Section 61 of the Companies Act, 2013 in respect of increase in Authorized Share Capital of the Company.
2. Ordinary Resolution under Section 13 and 61 of the Companies Act, 2013 in respect of Alteration of Memorandum of Association of the Company Consequent to the increase in Authorized Share Capital of the Company.
3. Special Resolution under Section 14 of the Companies Act, 2013 in respect of Alteration of Articles of Association of the Company Consequent to the increase in Authorized Share Capital of the Company.
4. Special Resolution under Section 42 and 62 (1) (c) of the Companies Act, 2013 in respect of Issue of 49,00,000 Equity shares on a preferential allotment / private Placement basis.

Note 4:

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 5:

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



DECLARATIONS
FINANCIAL CALENDAR 2019-20

Board Meeting for consideration of Accounts for the financial year ended 31 st March, 2019 and recommendation of dividend	29 th May, 2019
Posting of Annual Reports	On or before 30 th August, 2019
Book Closure Dates	Tuesday, 17 th September, 2019 to Tuesday, 24 th September, 2019 (both days inclusive)
Last date for receipt of Proxy Forms	Sunday, 22 nd September, 2019 by 10.30 a.m.
Date, Time & Venue of the 14 th Annual General Meeting	24 th day of September, 2019 at 10.30 a.m. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Anxnie Besant Road, Worli, Mumbai – 400 018
Dividend Payment Date	On or before 24 th October, 2019
Probable date of dispatch of warrants	On or before 24 th October, 2019
Board Meeting for consideration of unaudited quarterly results for the financial year ended 31 st March, 2020	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 st March, 2020	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

Place: Mumbai
Date: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director

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 31st March, 2019.

Place: Mumbai
Date: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director



MANAGING DIRECTOR CERTIFICATION

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

I the undersigned, in my capacity as Managing Director of Sakuma Exports Limited (“the Company”) to the best of my knowledge and belief certify that:

- A.** I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2019 and that to the best of my knowledge and belief, I 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.** I further state that to the best of my 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.** I 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.** I am responsible for establishing and maintaining internal controls for financial reporting and that I 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 I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
- E.** I 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

Place: Mumbai
Date: 29th May, 2019

Saurabh Malhotra
Chairman & Managing Director

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 31st March, 2019, 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 31st March, 2019.
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
Practicing Company Secretaries

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

Place: Mumbai
Date: 29th May, 2019



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 31st March, 2019, 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 31st March, 2019, 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 (SA's), 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 31st March, 2019. 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
<p>Assessment of impairment of investment in subsidiaries, (Refer Note 5 of the Standalone Ind AS Balance Sheets)</p> <p>As at 31st March, 2019 the Company balance sheet includes investment in subsidiaries of ₹ 2,224.53 lakhs. 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> <ol style="list-style-type: none"> a) Sales growth rate; b) Operating margin; c) Working capital requirements; d) Capital expenditure; and e) Discount rate applied to the projected cash flows. <p>The impairment test model includes sensitivity testing of key assumptions. 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> <ol style="list-style-type: none"> a) We assessed the Company’s methodology applied in determining the CGUs to which these assets are allocated. 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; c) We also assessed the recoverable value by performing sensitivity testing of key assumptions used. d) We tested the arithmetical accuracy of the models e) Performed analysis of the disclosures related to the impairment tests and their compliance with Indian Accounting Standard (Ind-AS).

Other Information

The 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 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:

1. 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. 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 31st March, 2019 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 31st March, 2019 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. 33 to the financial statement.
 - 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 no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Place of Signature: Mumbai
Date : 29th May, 2019**

**(Shailesh M Bandi) Partner
Membership No. 109101**

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 31st March, 2019, 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 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.
- 3a 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.
- 7a 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 & 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 31st March, 2019 for a period exceeding six months from the date they became payable;
- 7b 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 31st March, 2019 which have not been deposited with the appropriate authorities are as under: -

Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	For A. Y. 2009-10	2.13	A. O.
Income Tax Act, 1961	For A. Y. 2016-17	152.68	CPC, Bengaluru
Income Tax Act, 1961	TDS Defaults for AY 2017-18 & AY 2018-19	.30	TDS Officer, Mumbai

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) and the Company has not availed any term loans during the current year and accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.
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 : 29th May, 2019**

**(Shailesh M Bandi) Partner
Membership No. 109101**

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 31st March, 2019. 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 31st March, 2019 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.

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 31st March, 2019, 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

(Shailesh M Bandi) Partner
Membership No. 109101

Place of Signature: Mumbai
Date: 29th May, 2019



Standalone Balance Sheet as at March 31, 2019

Particulars	Note No	(₹ in lakhs)	
		As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	243.30	217.42
(b) Intangible assets	4	0.99	2.89
(c) Financial Assets			
(i) Investment in Subsidiaries	5	2,224.53	102.93
(ii) Investment - Others	6	2.60	2.60
(iii) Loans, Advances and Deposits	7	124.74	129.12
(d) Other Non - Current Assets	8	29.30	46.72
(e) Deferred Tax Assets (Net)	31d	36.49	-
		2,661.95	501.68
2 Current assets			
(a) Inventories	9	3,604.33	13,779.78
(b) Financial Assets			
(i) Trade receivables	10	67,145.12	15,609.67
(ii) Cash and cash equivalents	11	1,629.98	601.53
(iii) Balances with Banks other than (ii) above	12	2,486.88	2,495.32
(iv) Loans, Advances and Deposits	7	630.85	3.73
(v) Other financial assets	13	662.81	606.78
(c) Other current assets	14	1,874.09	4,617.88
		78,034.06	37,714.69
TOTAL - ASSETS (A)		80,696.01	38,216.37
B EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Equity Share Capital	15	2,132.59	2,132.59
(b) Other Equity	16	18,245.65	14,870.66
		20,378.24	17,003.25
2 Non-current liabilities			
(a) Deferred tax liabilities (net)	31d	-	36.65
(b) Provisions	17	31.91	20.87
		31.91	57.52
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,499.50	4,570.85
(ii) Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		13.16	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		51,210.80	12,056.92
(iii) Other financial liabilities	20	698.57	709.96
(b) Other current liabilities	21	5,243.37	3,475.19
(c) Current Provisions	22	283.04	142.33
(d) Income Tax Provisions (Net of Advances)	23	337.42	200.35
		60,285.86	21,155.60
TOTAL - EQUITY AND LIABILITIES (B)		80,696.01	38,216.37

Corporate Information & Significant Accounting Policies

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

Shailesh M Bandi

Partner

M.No. 109101

Place : Mumbai

Date : 29th May, 2019

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

Statement of Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Note No	For the year ended March 31, 2019	For the year ended March 31, 2018
1 Revenue from operations	24	2,03,889.26	2,18,640.07
2 Other income	25	719.80	1,246.87
3 Total revenue (1+2)		2,04,609.06	2,19,886.94
4 Expenses			
(a) Purchases of Stock-in-trade		1,73,272.00	2,05,665.87
(b) Changes in inventories of stock-in-trade	26	10,175.45	(4,549.38)
(c) Employee benefits expense	27	522.39	507.43
(d) Finance costs	28	697.74	951.69
(e) Depreciation and amortisation expenses	29	59.73	47.31
(f) Other expenses	30	14,475.52	14,535.88
Total expenses		1,99,202.83	2,17,158.80
5 Profit / (Loss) before exceptional items and tax (3 - 4)		5,406.23	2,728.14
6 Exceptional items		-	-
7 Profit / (Loss) before tax (5 + 6)		5,406.23	2,728.14
8 Tax expense:	31		
(a) Current tax		1,891.62	890.60
(b) Deferred tax		(73.14)	(2.18)
		1,818.48	888.42
9 Profit / (Loss) for the Year (7 + 8)		3,587.75	1,839.72
10 Other Comprehensive Income		0.91	10.35
Items that will be reclassified subsequently to statement of profit and loss			
Remeasurements gains/(losses) on defined benefit plans		0.91	10.35
Income tax relating to above		(0.32)	-
Total Other Comprehensive Income for the year		0.59	10.35
11 Total Comprehensive Income for the year(9+10)		3,588.34	1,850.07
12 Earnings per share (Face Value of ₹ 1/- each):	32		
(a) Basic		1.68	0.99
(b) Diluted		1.68	0.99

Corporate Information & Significant Accounting Policies

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

Shailesh M Bandi

Partner

M.No. 109101

Place : Mumbai

Date : 29th May, 2019

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, 2019

(₹ in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Profit Before Tax	5,406.23	2,728.14
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation	59.73	47.31
Claims Filed during the Year not Received (Net)	(54.72)	(43.32)
Finance costs	697.74	951.69
Interest income	(171.69)	(147.15)
Provision for Doubtful Debts	98.96	70.10
Dividend income	(210.51)	(178.84)
Finance costs (including fair value change in financial instruments)	-	14.84
Effect of foreign exchange rate variations on hedging instruments	0.46	11.09
Remeasurements gains/(losses) on defined benefit plans	0.59	10.35
Net (gain) / loss on sale of investments	(134.01)	(7.99)
Operating profit / (loss) before working capital changes	5,692.78	3,456.22
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	10,175.45	(4,549.38)
Trade receivables	(51,634.41)	22,065.15
Loans, Advances and Deposits - Current	(627.12)	72.42
Loans, Advances and Deposits - Non Current	4.38	(76.53)
Other financial assets	24.74	(361.09)
Other current assets	2,743.79	(2,003.00)
Balances with Banks other than Cash and Cash Equivalents	8.44	156.74
Other non-current assets	17.42	(43.61)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	39,167.04	(10,932.26)
Other Financial liabilities	(11.39)	20.35
Other current liabilities	1,768.18	(1,930.48)
Provisions	(6.37)	7.12
Short-term provisions	151.75	(594.41)
	7,474.68	5,287.24
Net income tax (paid) / refunds	(1,748.18)	(699.85)
Net cash flow from / (used in) operating activities (A)	5,726.50	4,587.39
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(83.71)	(4.55)
Proceeds from sale of fixed assets	-	-
Current investments not considered as Cash and cash equivalents		
- Purchased	(44,735.00)	(12,150.00)
- Proceeds from sale	44,869.01	12,157.99
Subscription to equity shares in Subsidiary	(2,121.60)	-
Interest received	145.65	141.32
Dividend received on Investments	-	0.72
Dividend received from Subsidiary	210.51	178.12
Net cash flow from / (used in) investing activities (B)	(1,715.14)	323.60

Standalone Statement of Cash Flows for the year ended March 31, 2019

	(₹ in lakhs)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	(1,189.80)	(8,236.34)
Proceeds / (Repayment) of other short-term borrowings	(881.55)	(260.82)
Finance cost	(697.74)	(951.69)
Increase/ (decrease) in shareholders funds	-	5,243.00
Dividends paid	(213.26)	(164.26)
Tax on dividend	(0.56)	-
Net cash flow from / (used in) financing activities (C)	(2,982.91)	(4,370.11)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1,028.45	540.88
Cash and cash equivalents at the beginning of the year	601.53	60.65
Cash and cash equivalents at the end of the year	1,629.98	601.53
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents at the end of the year *	1,629.98	601.53
* Comprises:		
(a) Cash on hand	21.64	9.11
(b) Balances with banks		
(i) In current accounts	1,608.34	592.42
	1,629.98	601.53

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) 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

Shailesh M Bandi

Partner

M.No. 109101

Place : Mumbai

Date : 29th May, 2019

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, 2019**

Equity Share Capital	Balance as at April 01, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
Paid up Capital (Equity shares of Rs. 1 each issued, subscribed and fully paid-up)	2,132.59	-	2,132.59

OTHER EQUITY -

[₹ in Lakhs]

Particulars	Other equity					Total other equity
	Securities premium [refer note 15(B)(b)]	Capital redemption reserve [refer note 15(B)(a)]	Retained earnings [refer note 15(B)(d)]	Items of Other Comprehensive Income [refer note 31(b)]	Cash Flow Hedging Reserve [refer note 15(B)(c)]	
As at April 1, 2018	7,427.18	1,000.09	6,443.85	-	(0.46)	14,870.66
Profit for the year	-	-	3,587.75	-	-	3,587.75
Other comprehensive income	-	-	-	0.59	-	0.59
Others	-	-	-	-	0.46	0.46
Total comprehensive income	-	-	3,587.75	0.59	0.46	3,588.80
Payment of dividend	-	-	(213.26)	-	-	(213.26)
Payment of dividend distribution tax (DDT)	-	-	(0.55)	-	-	(0.55)
As at March 31, 2019	7,427.18	1,000.09	9,817.79	0.59	-	18,245.65

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

Shailesh M Bandi

Partner

M.No. 109101

Place : Mumbai

Date : 29th May, 2019

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 to the Standalone Financial Statements for the year ended 31st March , 2019

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 May 29, 2019.

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 for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments). 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. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

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

Operating Lease:

Company as Lessee - Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

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 (Applied from 1 April 2018)

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).

(b) Variable Consideration

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.

2.182 B. Revenue recognition (till 31 March 2018)**(a) Sale of Goods****Timing of recognition**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company. This generally happens upon dispatch of the goods to customers, except for export sales which are recognized when significant risk and rewards are transferred to the buyer as per the terms of contract.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the sales tax/ value added tax (VAT)/ Goods and Service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue. The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from Sale of Services rendered are recognised on accrual basis as per terms of the contract.

Eligible export incentives and grants are recognized in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

18.3 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.

18.4 (b) 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.



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		Total
						Computer & Computer Equipments	Others	
Gross Carrying Amount								
As at March 31, 2018	6.08	198.53	18.41	2.82	72.70	8.18	11.14	317.86
Additions	-	-	-	7.82	80.70	0.98	3.02	92.52
Deduction / Adjustment	-	-	-	(0.11)	-	(1.11)	(0.23)	(1.45)
Disposals	-	-	-	-	(44.90)	-	-	(44.90)
As at March 31, 2019	6.08	198.53	18.41	10.53	108.50	8.05	13.93	364.03
Accumulated Depreciation								
As at March 31, 2018	1.55	43.45	3.91	1.22	38.97	4.90	6.44	100.44
Depreciation for the year	0.50	18.02	1.70	2.25	30.44	1.79	3.13	57.83
Deduction / Adjustment	-	-	-	(0.04)	-	(0.67)	(0.07)	(0.78)
Disposals	-	-	-	-	(36.76)	-	-	(36.76)
As at March 31, 2019	2.05	61.47	5.61	3.43	32.65	6.02	9.50	120.73
Net Book Value:								
As at March 31, 2019	4.03	137.06	12.80	7.10	75.85	2.03	4.43	243.30
As at March 31, 2018	4.53	155.08	14.50	1.60	33.73	3.28	4.70	217.42

Note:

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 18.
- (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
Year Ended 31st March, 2019		
Gross Carrying Amount		
Opening Gross Carrying Amount as at 1st April , 2018	9.27	9.27
Additions during the year	-	-
Closing Gross Carrying Amount	9.27	9.27
Accumulated Amortisation		
Opening Accumulated Amortisation	6.38	6.38
Amortisation charge for the year	1.90	1.90
Closing Accumulated Amortisation	8.28	8.28
Closing Net Carrying Amount	0.99	0.99
Year Ended 31st March , 2018		
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	3.07	3.07
Amortisation Charge for the year	3.31	3.31
Closing Accumulated Amortisation and Impairment	6.38	6.38
Closing Net Carrying Amount	2.89	2.89

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

Note - 5 : Investment in Subsidiaries

Particulars	As at 31st March 2019	As at 31st March 2018
Investments (At cost):		
Unquoted equity Shares Non-Trade		
(a) Shares of Sakuma Exim DMCC, UAE (50 (March 31, 2018 : 50) equity shares OF AED 1,000 each)	7.01	7.01
(b) Shares of Sakuma Exports Pte Limited, Singapore [Refer Note (i)] (402,530 (March 31, 2018 : 165,000) equity shares of USD 1 each)	2,217.52	95.92
Closing Net Carrying Amount	2,224.53	102.93

Note:

- (i) During the year, the company has invested USD Three Millions towards further subscription of 237,530 equity shares of Sakuma Exports Pte Limited, allotted @USD 12.63 per share on August 29, 2018.



Notes to the Standalone Financial Statements

Note - 6 : Investment Others

(₹ in lakhs)

Particulars	As at	
	31st March 2019	31st March 2018
Investment (At Cost)		
Unquoted		
- Investment in Gold Bond [Refer note (i)]	2.60	2.60
Total	2.60	2.60

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.

Note 7 : Others Financial Assets

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Unsecured, considered Good				
Security deposits - to related parties [Refer Note (i)]	-	66.77	-	59.26
Security deposits - to others [Refer Note (i)]	629.32	4.38	0.78	1.07
Loans and Advances to Employees	1.53	19.36	2.95	23.24
Loans and Advances to Others	-	34.23	-	45.55
	630.85	124.74	3.73	129.12
Unsecured, considered Doubtful				
Deposits with Others	-	13.94	-	13.94
Less: Provision for doubtful deposits	-	(13.94)	-	(13.94)
	-	-	-	-
Total Other Financial Assets	630.85	124.74	3.73	129.12

Note:

(i) Operating Leases

The company has taken certain premises under operating leases:

Expenses under cancellable operating lease and rental contracts during the year is ₹ 3.17 lakhs. Further, the company is obligated under non cancellable operation leases for certain premises and which are renewable on a periodic basis at the option of both the lessor and lessee. The initial tenure of the lease generally is of 5 years.

Particulars	As at	
	31st March 2019	31st March 2018
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	63.00	63.00
For a period later than one year and not later than five years	94.50	157.50
For a period later than five years	-	-
Total	157.50	220.50
Rental expense relating to operating leases		
Minimum lease payments	63.00	63.00
Total rental expense relating to operating lease	66.17	67.23

Notes to the Standalone Financial Statements

(ii) Sub Classification of Loans & Advances

(₹ in lakhs)

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Loans Receivables considered good - Secured	-	-	-	-
Loans Receivables considered good - Unsecured	1.53	53.59	2.95	68.79
Loans Receivables which have significant increase in Credit Risk; and	-	-	-	-
Loans Receivables - credit impaired	-	-	-	-
Total	1.53	53.59	2.95	68.79
Less: Allowance for Doubtful Loans	-	-	-	-
Total Loans & Advances	1.53	53.59	2.95	68.79

* Refer Note no . 39 for information about credit risk and market risk factors.

Note - 8 : Other Non Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured considered doubtful		
Advance receivable in kind or for value to be received	98.19	98.19
Less: Provision for doubtful balances	(68.89)	(51.47)
Total	29.30	46.72

Note 9 : Inventories

Particulars	As at 31st March 2019	As at 31st March 2018
Stock in Trade	3,604.33	7,497.53
Stock in Transit	-	6,282.25
Total Inventories	3,604.33	13,779.78

- For details of inventories given as security to lenders refer Note 18

Note 10 : Trade receivables

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivables considered good – Secured [Refer Note (i)]	-	130.46
Trade Receivables considered good – Unsecured	67,145.12	15,479.21
Trade Receivables having significant increase in Credit Risk; and	98.96	31.19
Trade Receivables - credit impaired	-	-
Total	67,244.08	15,640.86
Less : Allowance for expected credit loss	(98.96)	(31.19)
Total Trade Receivables	67,145.12	15,609.67
Current Portion	67,145.12	15,609.67
Non - Current Portion	-	-

- (i) These debts are secured to the extent of Letter of Credits obtained from the customers.
- (ii) Trade receivables are non interest bearing in nature. The company maintains the policy of dispatches against payments except in case of merchant trade transactions, wherein the terms of payment is six months.
- (iii) The above Trade Receivables are hypothecated to banks against Cash Credit and Packing Credit facilities. (Refer note no. 18)
- (iv) Refer Note no . 39 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 31st March 2019	As at 31st March 2018
Balances with Banks - In current accounts	1,608.34	592.42
Cash on Hand	21.64	9.11
Total Cash and Cash Equivalents	1,629.98	601.53

Note 12 : Other Bank Balances

Particulars	As at 31st March 2019	As at 31st March 2018
In Unclaimed Dividend Accounts	8.17	8.89
Balance with banks held as margin money deposits against guarantee	2,478.71	2,486.43
Total Other Bank Balances	2,486.88	2,495.32

Note 13 : Other Financial Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Income accrued But not Due	253.73	1.30
Claims Receivable	188.27	245.26
Margin Money on Derivative contracts	220.81	360.22
Total Other Bank Balances	662.81	606.78

Note 14 : Other Financial Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good		
(a) Advance recoverable in cash or kind	1,349.18	4,345.76
(b) Prepaid expenses	47.06	131.64
(c) Advance to Employees	3.92	2.13
(d) Balances with government authorities -		
- Export Incentives Receivable	7.92	26.82
- Input credit receivable	450.25	94.54
- VAT Refund receivable	15.76	16.99
Total Other Bank Balances	1,874.09	4,617.88

Notes to the Standalone Financial Statements

Note - 15 : Equity Share Capital & Other Equity

Note 15(a) : Equity Share Capital

Particulars	As at	
	31st March 2019	31st March 2018
Authorised		
40,00,00,000 equity shares of ₹ 1 each (4,00,00,000 equity shares of ₹ 10 each)	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Fully Paid Up		
21,32,59,430 equity shares of ₹ 1 each (2,13,25,943 equity shares of ₹ 10 each)	2,132.59	2,132.59
	2,132.59	2,132.59

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

Particulars	Equity Shares			
	As on 31st March , 2019		As on 31st March , 2018	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	21,32,59,430	2,132.59	1,64,25,943	1,642.59
Shares Issued during the year	-	-	49,00,000	490.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	21,32,59,430	2,132.59	2,13,25,943	2,132.59

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) Notes:

- (i) During the year, the company has sub-divided the equity shares from face value of Rs. 10 each to face value of Rs. 1 each as approved in the Extra Ordinary General Meeting held on October 23, 2018 (Record date of November 13, 2018). The number of shares in the beginning of the year have been restated. Also, the company has not issued any equity shares as bonus for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2019.

e). Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholder	Equity Shares			
	As on 31st March , 2019		As on 31st March , 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Kusum Chander Mohan Malhotra	3,11,00,000	14.58%	31,10,000	14.58%
Mr. Saurabh Malhotra	3,22,83,410	15.14%	32,28,341	15.14%
Mr. Chandermohan Malhotra	1,53,31,190	7.19%	15,33,119	7.19%
M/s Sakuma Infrastructure and Realty Pvt Ltd	2,66,72,450	12.51%	26,67,245	12.51%
AL Malaki Foodstuff Trading LLC	1,43,00,000	6.71%	14,30,000	6.71%
R&R Foodstuff Trading LLC	1,37,50,000	6.45%	13,75,000	6.45%

- (f) 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 to the Standalone Financial Statements

Note 16 : Other Equity

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Capital Redemption Reserve [Refer note (i)]	1,000.09	1,000.09
(b) Securities Premium [Refer note (ii)]	7,427.18	7,427.18
(c) Cash Flow Hedging Reserve	-	(0.46)
(d) Retained Earnings [Refer note (iii)]	9,818.38	6,443.85
Total Reserves and Surplus	18,245.65	14,870.66

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

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	1,000.09	1,000.09
Add: Transfer From General Reserve	-	-
Closing Balance	1,000.09	1,000.09

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

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	7,427.18	2,674.18
Add: Received during the period	-	4,753.00
Closing Balance	7,427.18	7,427.18

(c) Cash Flow Hedging Reserve

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	(0.46)	(11.56)
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	0.46	11.10
Closing Balance	-	(0.46)

(d) Retained Earnings [Refer note (iii)]

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	6,443.85	4,758.04
Add : Total Comprehensive Income for the year after tax	3,588.34	1,850.07
Less : Dividend distributed to equity shareholders (₹1 per share)	(213.26)	(164.26)
Less : Tax on dividend distributed	(0.55)	-
Closing Balance	9,818.38	6,443.85

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, 2019, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes to the Standalone Financial Statements

(iv) Cash Dividends paid on equity shares declared and paid

(₹ in lakhs)

Particulars	As at	
	31st March 2019	31st March 2018
Final dividend for the year ended March 31, 2018 of ₹ 1 per share (March 31, 2017 of ₹ 1 per share)	213.26	164.26
Closing Balance	213.26	164.26

(v) Proposed dividend on Equity Shares

Particulars	As at	
	31st March 2019	31st March 2018
Final Cash dividend for the year ended on March 31, 2019: ₹ 0.1 per share (March 31, 2018: ₹ 1 per share)	213.26	213.26
Closing Balance	213.26	213.26

(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 17 : Provisions

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Provision For Leave Salary Encashment	-	-	-	-
Provision For Gratuity	-	31.91	-	20.87
Total Employee Benefit Obligations *	-	31.91	-	20.87

* Also refer Note No 27 of Employee Benefits

Note 18 : Current Borrowings

Particulars	As at	
	31st March 2019	31st March 2018
Secured		
From banks		
- Cash Credit : Corporation Bank	-	2,695.53
- Cash Credit : Axis Bank	454.84	469.76
- Cash Credit : Union Bank of India	2,044.66	524.01
Unsecured		
From banks		
- Inter Corporate Deposits	-	881.55
Total Current Borrowings	2,499.50	4,570.85

Nature of Security

The Company has entered into a consortium comprising of various banks lead by the Corporation Bank. The other members of the consortium comprises of Axis Bank, Union Bank of India and Indian Overseas .

Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts and Current assets of the company alongwith the collateral security against Fixed assets (other than vehicles and Leasehold land), Lien on Term Deposits and pledge of shares of promoters of the company on pari passu basis amongst all the consortium members.



Notes to the Standalone Financial Statements

- (i) Cash Credit facility for Corporation Bank is repayable on demand and carries interest at one year Maximum Cost of Lending Rate (MCLR) of the bank + 4.70 %p.a. Packing credit Loan is repayable within a maximum period upto 270 days and carries interest rate of one year Maximum Cost of Lending Rate (MCLR) of the bank + 0.60% p.a upto the period of Credit.
- (ii) Cash Credit from Axis Bank is repayable on demand and carries interest as 3 months MCLR + 4% p.a. Packing credit Loan is repayable within period up to 120 days and carries interest rate as 3 months MCLR +2.5% p.a.
- (iii) Packing Credit from Union Bank of India are repayable depending upon the contract and carries interest rate prevailing on the date of withdrawals. Cash Credit carries interest at One year Maximum Cost of Lending Rate (MCLR) of the bank + 3.40% p.a.
- (iv) Unsecured Short Term Borrowings of the company are repayable on demand and carrying interest rate @ 10% p.a.

Note 19 : Trade payables

(₹ in lakhs)

Particulars	As at	As at
	31st March 2019	31st March 2018
Current		
(a) total outstanding dues of micro enterprises and small enterprises	13.16	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
- From Related Parties	-	-
- From Others	51,210.80	12,056.92
Total Trade Payables	51,223.96	12,056.92

- (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	As at
	31st March 2019	31st March 2018
Principal amount remaining unpaid to any supplier as at the end of the year	13.16	-
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 20 : Other financial liabilities

(₹ in lakhs)

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Unclaimed dividends	8.17	-	8.90	-
Claims Payable	690.40	-	695.13	-
Other Liabilities	-	-	5.93	-
Total Other Financial Liabilities	698.57	-	709.96	-

Note 21 : Other Current Liabilities

Particulars	As at 31st March 2019	As at 31st March 2018
Advance From Customers	5,004.64	3,425.03
Statutory Dues to Government	105.06	21.65
Unrealised Gain/Loss on Derivative Instruments	75.82	0.12
Other Liabilities	57.85	28.39
Total Other Current Liabilities	5,243.37	3,475.19

Note 22 : Current Provisions

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Bonus	9.17	5.30
Provision for compensated absences	-	2.08
Other Provisions	273.87	134.95
Total Other Current Liabilities	283.04	142.33

Note 23 : Current Tax Liabilities (Net)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision For Taxation (Net of Advances)	337.42	200.35
Total Current Tax Liabilities	337.42	200.35

Note 24 : Revenue From Operations

Particulars	As at 31st March 2019	As at 31st March 2018
Sale of Traded Goods	2,03,869.83	2,18,639.42
Other Operating Revenue	19.43	0.65
Total Revenue from Continuing Operations	2,03,889.26	2,18,640.07

Particulars	As at 31st March 2019	As at 31st March 2018
Sugar	1,20,676.28	67,447.24
Oil	80,844.83	1,26,555.28
Other commodities	2,348.72	24,636.90
Total Revenue from Continuing Operations	2,03,869.83	2,18,639.42



Notes to the Standalone Financial Statements

A. Disaggregation Revenue Information (₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
i. Revenue based on Geography		
Revenue from Operations within the Country	89,386.73	1,72,285.68
Revenue from Operations outside the Country	1,14,502.53	46,354.39
Total	2,03,889.26	2,18,640.07
ii. Timing of Revenue Recognition		
Goods Transferred at a point in time	2,03,889.26	2,18,640.07
Services transferred over time	-	-
Total	2,03,889.26	2,18,640.07

B. Segment Reconciliation

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sale of Agro Products	2,03,475.88	2,18,024.61
Sale Others	413.38	615.46
Total	2,03,889.26	2,18,640.07

C. Contract Balances

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Trade Receivables	67,145.12	15,609.67
Advance From Customers	5,004.64	3,425.03

D. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted prices

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Revenue as per Contracted Prices	2,04,123.54	2,18,977.31
Less : Sales Returns, Discounts, Rebate etc	(234.28)	(337.24)
Total Revenue from Continuing Operations	2,03,889.26	2,18,640.07

Note 25 : Other Income and Other Gains/(Losses)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest Income	171.69	147.15
Dividend income:		
- From Subsidiaries	210.51	178.12
- Current Investments	-	0.72
Net gain on sale of Investments:	134.01	7.99
Net gain on foreign currency transactions and translation	-	276.71
Mark-to-market gain on forward contracts	23.27	208.90
Other non-operating income (net of expenses directly attributable to such income)	180.32	427.28
Total Other Income	719.80	1,246.87

Notes to the Standalone Financial Statements

Note 26 : Changes in inventories of finished goods, Stock - in -Trade

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Opening Balances		
Finished Goods	13,779.78	9,230.40
Total Opening Balances	13,779.78	9,230.40
Closing Balances		
Finished Goods	3,604.33	13,779.78
Total Closing Balances	3,604.33	13,779.78
Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	10,175.45	(4,549.38)

Note 27 : Employee benefits expenses

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Salaries, Wages, Bonus Etc.	415.31	392.15
Contribution To Provident Fund & Other Funds	9.82	9.37
Gratuity Expenses (Also Refer Note No 36 of Employee Benefits)	11.94	17.47
Staff Welfare Expenses	13.32	16.44
Directors Remuneration	72.00	72.00
Total Employee Benefits Expenses	522.39	507.43

Note 28 : Finance costs

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest		
Interest Expenses on Borrowings	431.25	776.19
Other Finance Cost	266.49	175.50
Finance Cost expensed in Profit or Loss	697.74	951.69

Note 29 : Depreciation and amortisation expenses

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Depreciation on Property, Plant and Equipment	57.83	44.00
Amortisation of Intangible Assets	1.90	3.31
Total Depreciation and amortisation expenses	59.73	47.31



Notes to the Standalone Financial Statements

Note 30 : Other expenses

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Power and fuel	6.34	6.60
Rent including lease rentals	74.25	75.31
Repairs and maintenance - Buildings	5.13	5.28
Repairs and maintenance - Machinery	24.07	23.41
Repairs and maintenance - Others	1.29	1.84
Insurance	33.99	75.86
Rates and taxes	6.20	22.29
Communication	18.21	18.11
Travelling and conveyance	76.32	63.14
Custom Duty	8,113.28	11,487.05
Freight and forwarding	1,282.38	531.35
Business promotion	6.81	26.73
Legal and professional	183.44	193.62
Payments to auditors [Refer Note 30a below]	11.00	11.00
Terminal and Handling Charges	280.70	133.12
Other Clearing Charges	231.74	310.92
Transport Charges	3,316.91	693.28
Warehouse Charges	150.56	459.03
Demurrage & Detention Charges	150.98	63.11
Brokerage on trading in Commodities & Securities Exchange	180.67	94.26
ECGC Premium	6.44	22.83
Lodging & Boarding	28.12	24.26
Corporate Social Responsibilities Expenses [Refer Note 30b below]	45.05	60.00
Directors Sitting Fees	15.00	13.75
Provision for doubtful debts and other advances	71.80	70.10
Miscellaneous Expenses	154.84	49.63
Total Other expenses	14,475.52	14,535.88

Note 30 (a) : - Details of Payment to Auditors

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Payment to Auditors		
As Auditor :		
Audit Fees	7.00	7.00
Tax Audit Fees	1.50	1.50
In other capacities :		
Other Matters	2.50	2.50
Total Payment to Auditors	11.00	11.00

Notes to the Standalone Financial Statements

(b) Details of Corporate Social Responsibility(CSR) Expenditure:

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Gross amount required to be spent -		
For current year	45.73	35.95
For previous years	41.31	65.36
	87.04	101.31
Amount Spent in Current Year		
Educational Institution	(45.05)	(60.00)
Others	-	-
Amount Yet to be Spent	41.99	41.31

Note 31 : Tax Expenses

(a) Amounts recognised in profit or loss

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Current tax expense (A)		
Current year	1,891.94	887.50
Short / (Excess) Provision of Taxation of Earlier Years	-	3.10
Deferred tax expense (B)		
Origination and reversal of temporary differences	(73.14)	(2.18)
Tax expense recognised in the income statement (A+B)	1,818.80	888.42

(b) Amounts recognised in other comprehensive income

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Items that will not be reclassified to profit & loss		
Remeasurements of the defined benefit plans	0.91	10.34
Income Tax on Above	(0.32)	-
	0.59	10.34

(c) Reconciliation of effective tax rate

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Profit before tax	5,406.23	2,728.14
Tax using the domestic tax rate (Current year 34.944% and Previous Year 34.608%)	1,889.15	944.16
Tax effect of :		
Tax effect of non deductible expenses	63.84	12.46
Income Exempt from Income Tax	-	(0.25)
Income Tax Incentives	(12.87)	(13.24)
Deductions under various sections of Income Tax Act	(109.41)	(32.21)
Others	60.92	(20.32)
Tax expenses as per Statement of Profit & Loss	1,891.63	890.60
Effective tax rate	34.99%	32.64%



Notes to the Standalone Financial Statements

(d) Movement in deferred tax balances

(₹ in lakhs)

	As at 1st April 2018 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in OCI	As at 31st March 2019 Deferred Tax Asset / (Liabilities)
Deferred tax Asset/(Liabilities)				
Property, Plant & Equipment	36.65	(9.65)	-	27.00
Provision for Doubtful Debts and Advances	-	(63.49)	-	(63.49)
Deferred Tax Assets/(Liabilities) - Net	36.65	(73.14)	-	(36.49)

	As at 1st April 2017 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in OCI	As at 31st March 2018 Deferred Tax Asset / (Liabilities)
Deferred tax Asset/(Liabilities)				
Property, Plant & Equipment	38.83	(2.18)	-	36.65
Deferred Tax Assets/(Liabilities) - Net	38.83	(2.18)	-	36.65

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 32 : Earnings per equity share:

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Earnings Per share has been computed as under :		
Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)	3,588.34	1,850.07
Total Average No of shares Outstanding during the year	21,32,59,430	21,32,59,430
Weighted Average No of shares Outstanding during the year	21,32,59,430	18,69,46,670
Earnings per Share -Basic & Diluted (Face Value of ₹ 1/- per Share)	1.68	0.99

Note 33 Contingent liabilities and commitments (to the extent not provided for)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
(i) Contingent liabilities		
Direct and indirect taxation matters		
Income tax	155.12	2.13
Sales tax	-	0.59
Claims against the Company not acknowledged as debts	677.86	115.81

Note 34 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.

Note 35 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 -

Notes to the Standalone Financial Statements

Note	Particulars
Names of Related parties and description of the relationship	
Description of relationship	Names of related parties
(i) Related Parties where Control exists	
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)	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)
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) Related Parties with whom transactions have taken place during the year	
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)
Relatives of KMP	Mrs. Kusum Malhotra
Companies in which Directors, KMP or their relatives are interested	Sakuma Infrastructure and Realty Private Limited



Notes to the Standalone Financial Statements

(iii) Details of related party transactions during the year ended March 31, 2019

(₹ in lakhs)

Relationship	Transactions	For the year ended March 31, 2019	For the year ended March 31, 2018
Subsidiary	Purchase of Goods	810.00	-
Subsidiary	Dividend Income	210.51	178.12
Key Management Personnel	Director's Sitting Fees	12.00	10.60
Relatives of KMP		3.00	3.15
Relatives of KMP	Rent paid	10.71	11.11
Companies in which Directors, KMP or their relatives are interested		52.29	54.25
Key Management Personnel	Director's Remuneration	72.00	72.00
Companies in which Directors, KMP or their relatives are interested	Loan given	-	2.50
Companies in which Directors, KMP or their relatives are interested	Repayment of loan given	-	2.50
Companies in which Directors, KMP or their relatives are interested	Interest Income on Loan	-	0.12
Subsidiary	Subscription of shares	2,121.60	-

(iv) Details of balances outstanding of the Related Parties

Relationship	Outstanding Balance	As at March 31, 2019	As at March 31, 2018
Subsidiary	Trade Payable	-	-
Relatives of KMP	Other Financial Assets	11.35	10.07
Companies in which Directors, KMP or their relatives are interested		55.42	49.18
Relatives of KMP	Prepaid Rent	3.44	5.23
Companies in which Directors, KMP or their relatives are interested		16.82	25.52

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 36 Post-retirements benefit plan

Note	Particulars
------	-------------

(i) **Defined contribution plans**

The Company has recognised and included in Note 27 “Contribution to Provident and other funds” expenses towards the defined contribution plan as under:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Contribution to Provident fund (Government)	9.82	9.37

(ii) **Defined benefit plans**

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

Gratuity

The Company has a defined benefit gratuity plan which is funded with an Insurance Company in the form of qualifying Insurance policy. The Company'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 Company 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 Company makes annual contribution to the Company 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, 2019	As at March 31, 2018
(a) Net Assets / (Liability) of Defined Benefit Plans -		
Present Value of Funded obligation	44.90	39.30
Fair value of plan assets	13.00	18.43
Net Asset / (Liability) recognised	(31.91)	(20.87)

(b) Change in present value of the defined benefit obligation are as follows -

Opening Defined Benefit Obligation	39.30	31.14
Service cost for the year	10.07	9.10
Past service cost	-	7.31
Interest cost for the year	3.03	2.40
Benefits paid	(6.75)	-
Actuarial losses (gains)	(0.74)	(10.65)
Closing defined benefit obligation	44.90	39.30



Notes to the Standalone Financial Statements

(c) Changes in Fair value of Plan Assets during the year -		(₹ in lakhs)
Opening fair value of plan assets	18.43	17.39
Expected return	1.16	1.34
Benefits paid	(6.75)	-
Actuarial gains and (losses)	0.16	(0.31)
Closing balance of fund	13.00	18.43
(d) Expenses recognised during the period -		
In Income Statement	11.94	17.47
In Other Comprehensive Income	(0.91)	(10.34)
Total Expenses recognised during the period	11.03	7.13
(e) Amount recognised as expenses the Statement of Profit and Loss		
Current Service Cost	10.07	9.10
Interest Cost on benefit obligation	-	7.31
Net Interest on net Defined Liability/(Asset)	1.87	1.06
Total	11.94	17.47
(f) Amount recognised as other comprehensive income the Statement of Profit and Loss		
Actuarial gains and (losses)	(0.74)	(10.65)
Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above	(0.16)	0.31
Total	(0.91)	(10.34)
(g) Actual return on plan assets -		
Expected return on plan assets	1.16	1.34
Actuarial gain / (loss) on plan assets	0.16	(0.31)
Actual return on plan assets	1.32	1.03

(h) The principal assumptions used in determining gratuity and leave encashment for the Company'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 Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk

The plan exposes the Company 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, 2019	As at March 31, 2018
Discount Rates (per annum)	7.70%	7.70%
Expected return on plan assets	7.70%	7.70%
Salary growth rate (per annum)	7.00%	7.00%
Attrition Rate	5% to 1%	8.00%
Mortality	Indian Assured Lives Mortality (2006-2008) Ult.	Indian Assured Lives Mortality (2006-2008)

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, 2019	As at March 31, 2018
Discount Rate		
One percent increase	39.62	34.31
One percent decrease	51.23	45.32
Salary Escalation Rate		
One percent increase	51.21	45.30
One percent decrease	39.55	34.24
Withdrawal Rate		
One percent increase	45.05	39.45
One percent decrease	44.75	39.14

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a fund valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

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, 2019	As at March 31, 2018
Year 1	2.40	0.83
Year 2	1.61	1.47
Year 3	2.03	1.42
Year 4	1.49	1.69
Year 5	1.54	1.31
Year 6 to 10	7.74	3.29
Total	16.81	10.02



Notes to the Standalone Financial Statements

37 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.

38 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, 2019	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 in Subsidiaries	-	-	2,224.53	2,224.53	-	-	-	-
Investment - Others	-	-	2.60	2.60				
Loans, Advances and Deposits	86.13	-	38.61	124.74	-	86.13	-	86.13
Current Assets								
Trade receivables	-	-	67,145.12	67,145.12	-	-	-	-
Cash and cash equivalents	-	-	1,629.98	1,629.98	-	-	-	-
Balances with Banks other than above	-	-	2,486.88	2,486.88	-	-	-	-
Loans, Advances and Deposits	-	-	630.85	630.85	-	-	-	-
Other financial assets	-	-	662.81	662.81	-	-	-	-
Total Financial Assets	86.13	-	74,821.38	74,907.51	-	86.13	-	86.13
Financial Liabilities								
Current Liabilities								
Borrowings	-	-	2,499.50	2,499.50	-	-	-	-
Trade payables	-	-	51,223.96	51,223.96	-	-	-	-
Other financial liabilities	-	-	698.57	698.57	-	-	-	-
Total Financial Liabilities	-	-	54,422.03	54,422.03	-	-	-	-

Notes to the Standalone Financial Statements

(₹ in lakhs)

As at March 31, 2018	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 in Subsidiaries	-	-	102.93	102.93	-	-	-	-
Investment - Others	-	-	2.60	2.60	-	-	-	-
Loans, Advances and Deposits	82.50	-	46.62	129.12	-	82.50	-	82.50
Current Assets								
Trade receivables	-	-	15,609.67	15,609.67	-	-	-	-
Cash and cash equivalents	-	-	601.53	601.53	-	-	-	-
Balances with Banks other than above	-	-	2,495.32	2,495.32				
Loans, Advances and Deposits	-	-	3.73	3.73	-	-	-	-
Other financial assets	-	-	606.78	606.78	-	-	-	-
Total Financial Assets	82.50	-	19,469.18	19,551.68	-	82.50	-	82.50
Financial Liabilities								
Current Liabilities								
Borrowings	-	-	4,570.85	4,570.85	-	-	-	-
Trade payables	-	-	12,056.92	12,056.92	-	-	-	-
Other financial liabilities	-	-	709.96	709.96	-	-	-	-
Total Financial Liabilities	-	-	17,337.73	17,337.73	-	-	-	-

During the reporting period ended March 31, 2019 and March 31, 2018, 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.

39 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



Notes to the Standalone Financial Statements

- (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, 2019 and March 31, 2018.

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, 2019.

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, 2019 and March 31, 2018 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:

Particulars	(₹ in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Fixed rate borrowings	-	881.55
Floating rate borrowings	2,499.50	3,689.30
Total Borrowings	2,499.50	4,570.85

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:

Particulars	(₹ in Lakhs)	
	Increase / decrease in basis points	Effect on profit before tax
March 31, 2019		
₹ 2,499.50	+/- 100 bps	-24.99 / 24.99
March 31, 2018		
₹ 3,689.30	+/- 100 bps	-36.89 / 36.89

Notes to the Standalone Financial Statements

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.

(USD in lakhs)

Unhedged Foreign Currency Exposure	As at March 31, 2019	As at March 31, 2018
FCY Receivables	200.50	168.94
FCY Payables	(45.34)	(13.95)
Net FCY Receivables / (Payables)	155.16	154.99
Financial Hedge	90.41	154.98
Unhedged Foreign Currency Exposure	64.75	0.01

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.

(₹ in Lakhs)

Particulars	Change in Currency	Effect on profit before tax
March 31, 2019		
Recognized net receivables / (payables)	+ 1 / - 1	+ 64.75 / - 64.75
March 31, 2018		
Recognized net receivables / (payables)	+ 1 / - 1	+0.01 / -0.01

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) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of oil and other traded commodities. Due to the significantly increased volatility of the prices of the commodities, the Company also entered into various derivative contracts.



Notes to the Standalone Financial Statements

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

The category wise break up of commodity hedge during the year is as under : (₹ in Lakhs)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Purchase	Sale	Purchase	Sale
Oil [In MTNs]	5,540.00	8,830.00	30,990.00	26,870.00

The category wise outstanding commodity position is as under: (₹ in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Buy / (Sell)	Amount	Buy / (Sell)	Amount
Oil [In MTNs]	(2,660.00)	(1,552.37)	(630.00)	(413.47)

(iii) 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)	
	As at March 31, 2019	As at March 31, 2018
0 - 90 days	34,226.67	7,020.29
91 - 180 days	30,087.03	8,554.39
181 - 270 days	558.85	-
270 - 365 days	2,307.80	92.93
More than 365 days	35.78	-
	67,216.13	15,667.62

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

(iv) 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, 2019

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
Financial Assets				-
Non-Current Assets				
Investment in Subsidiaries	-	-	2,224.53	2,224.53
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	124.74	-	124.74
Current Assets				-
Trade receivables	67,145.12	-	-	67,145.12
Cash and cash equivalents	1,629.98	-	-	1,629.98
Balances with Banks other than above	2,486.88	-	-	2,486.88
Loans, Advances and Deposits	630.07	0.78	-	630.85
Other financial assets	662.81	-	-	662.81
Total Financial Assets	72,554.86	128.12	2,224.53	74,907.51
Financial Liabilities				-
Current Liabilities				
Borrowings	2,499.50	-	-	2,499.50
Trade payables	51,223.96	-	-	51,223.96
Other financial liabilities	693.60	4.97	-	698.57
Total Financial Liabilities	54,417.06	4.97	-	54,422.03

Liquidity exposure as at March 31, 2018

(₹ in Lakhs)

Particulars	< 1 year	1-5years	>5 years	Total
Financial Assets				
Non-Current Assets				
Investment in Subsidiaries	-	-	102.93	102.93
Investment - Others	-	2.60	-	2.60
Loans, Advances and Deposits	-	129.12	-	129.12
Current Assets				
Trade receivables	15,609.67	-	-	15,609.67
Cash and cash equivalents	601.53	-	-	601.53
Balances with Banks other than above	2,495.32	-	-	2,495.32
Loans, Advances and Deposits	2.95	0.78	-	3.73
Other financial assets	606.78	-	-	606.78
Total Financial Assets	19,316.25	132.50	102.93	19,551.68
Financial Liabilities				-
Current Liabilities				
Borrowings	4,570.85	-	-	4,570.85
Trade payables	12,056.92	-	-	12,056.92
Other financial liabilities	702.12	7.84	-	709.96
Total Financial Liabilities	17,329.89	7.84	-	17,337.73



Notes to the Standalone Financial Statements

(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 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.

40 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, 2019	As at March 31, 2018
Borrowings	2,499.50	4,570.85
Trade Payables	51,223.96	12,056.92
Less: Cash and Cash Equivalents	(1,629.98)	(601.53)
Net Debt	52,093.48	16,026.24
Total Equity	20,378.24	17,003.25
Total Equity and Net Debt	72,471.72	33,029.49
Gearing Ratio	0.72	0.49

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, 2019 and March 31, 2018.

Notes to the Standalone Financial Statements

41 Recent accounting pronouncements

Ind AS 116

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.



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 31st March, 2019, 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 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 31st March 2019, 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 15 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 31st March, 2019. 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.

Other Information

The 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 each entity in the Group.

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 SA's 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 SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. 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.



5. 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.
6. 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 31st March, 2019 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 / consolidated financial statements of Two subsidiaries, whose financial statements / consolidated financial statements reflects total assets of ₹ 15,876.81 lakhs (before eliminating inter-company balances) and net assets of ₹ 14,694.63 lakhs (before eliminating inter-company balances) as at 31st March 2019, total revenues of ₹ 2,33,429.39 (before eliminating inter-company balances) lakhs and net cash outflows amounting to ₹ 2,787.79 lakhs (before eliminating inter-company balances) for the year ended on that date, as considered in the consolidated financial statements, whose financial statements / consolidated 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.

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 and other financial information of the subsidiaries, we report, to the extent applicable, 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 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, covered under the Act, are disqualified as on 31st March 2019 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:
- 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. 34 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 accounting standards, 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 no delay in transferring amounts, 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: 29th May, 2019**

**(Shailesh M Bandi) Partner
Membership No. 109101**



THE ANNEXURE – “A” REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAKUMA EXPORTS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019. 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 31st March, 2019, We have audited the internal financial controls over financial reporting of **SAKUMA EXPORTS LIMITED** (“the Holding Company”) and its subsidiary companies 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 31st March, 2019, 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: 29th May, 2019

**(Shailesh M Bandi) Partner
Membership No. 109101**



Consolidated Balance Sheet as at March 31, 2019

(₹ in lakhs)

Particulars	Note No	As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	243.30	217.42
(b) Intangible assets	4	0.99	2.89
(c) Financial Assets			
(i) Investments	5	2.60	2.60
(ii) Loans, Advances and Deposits	6	124.74	130.10
(d) Other Non - Current Assets	7	29.30	46.72
		400.93	399.73
2 Current assets			
(a) Inventories	8	3,604.33	13,779.78
(b) Financial Assets			
(i) Trade receivables	9	81,263.08	53,705.52
(ii) Cash and cash equivalents	10	2,302.00	4,061.34
(iii) Balances with Banks other than (ii) above	11	2,486.88	2,540.70
(iv) Loans, Advances and Deposits	6	634.13	9.18
(v) Other financial assets	12	662.81	719.18
(c) Other current assets	13	2,956.42	4,617.89
		93,909.65	79,433.59
TOTAL - ASSETS (A)		94,310.58	79,833.32
B EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Equity Share Capital	14	2,132.59	2,132.59
(b) Other Equity	15	28,609.07	22,073.98
		30,741.66	24,206.56
2 Non-current liabilities			
(a) Deferred tax liabilities (net)		2,068.97	1,541.91
(b) Provisions	16	31.91	20.87
		2,100.88	1,562.78
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2,499.50	4,570.85
(ii) Trade payables	18		
(a) total outstanding dues of micro enterprises and small enterprises		13.16	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		52,229.33	44,737.56
(iii) Other financial liabilities	19	710.68	709.95
(b) Other current liabilities	20	5,294.58	3,616.98
(c) Current Provisions	21	347.38	151.74
(d) Income Tax Provisions (Net of Advances)	22	373.41	276.89
		61,468.04	54,063.98
TOTAL - EQUITY AND LIABILITIES (B)		94,310.58	79,833.32
Corporate Information & Significant Accounting Policies	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

Shailesh M Bandi
Partner
M.No. 109101

Place : Mumbai
Date : 29th May, 2019

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

Statement of Consolidated Profit and Loss for the year ended March 31, 2019

(₹ in lakhs)

Particulars	Note No	For the year ended March 31, 2019	For the year ended March 31, 2018
1 Revenue from operations	23	4,36,309.28	4,54,574.55
2 Other income	24	713.25	1,098.26
3 Total revenue (1+2)		4,37,022.53	4,55,672.81
4 Expenses			
(a) Purchases of Stock-in-trade		3,95,751.83	4,32,521.21
(b) Changes in inventories of stock-in-trade	25	10,175.45	(4,549.38)
(c) Employee benefits expense	26	1,016.28	931.41
(d) Finance costs	27	909.78	1,733.40
(e) Depreciation and amortisation expenses	28	59.73	47.31
(f) Other expenses	29	20,265.22	19,125.82
Total expenses		4,28,178.29	4,49,809.78
5 Profit / (Loss) before exceptional items and tax (3 - 4)		8,844.24	5,863.03
6 Exceptional items		-	-
7 Profit / (Loss) before tax (5 + 6)		8,844.24	5,863.03
8 Tax expense:			
(a) Current tax		1,934.03	960.67
(b) Current tax expense relating to prior years		-	3.10
(c) Net current tax expense		1,934.03	963.77
(b) Deferred tax		(73.14)	(2.18)
		1,860.89	961.59
9 Profit / (Loss) for the Year (7 + 8)		6,983.35	4,901.45
10 Other Comprehensive Income (Net of Taxes)			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of net defined Benefit Plans (net of tax)		0.59	10.34
(ii) Items that will be reclassified to Profit & Loss			
Foreign Currency translation Reserve related to OCI (net of tax)		70.50	420.12
		71.09	430.46
Less:FCTR Balance Transferred to Other Equity		(70.50)	420.12
Other Comprehensive Income/ Loss for the year		0.59	10.34
11 Total Comprehensive Income for the year(9+10)		6,983.94	4,911.79
12 Earnings per share (of ₹ 1/- each):			
(a) Basic		3.27	2.63
(b) Diluted		3.27	2.63
Corporate Information & Significant Accounting Policies	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

For and on behalf of the Board of Directors

Shailesh M Bandi
Partner
M.No. 109101

Mr. Saurabh Malhotra
Chairman & Managing Director
DIN - 00214500

Place : Mumbai
Date : 29th May, 2019

Dhiraj Khandelwal
Company Secretary

Devesh Mishra
Chief Financial Officer



Consolidated Cash Flow Statement for the year ended March 31, 2019

(₹ in lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	8,844.24	5,863.04
Adjustments for:		
Depreciation and amortisation	59.73	47.31
Claims Filed during the Year not Received (Net)	(54.72)	(43.32)
Finance costs	909.78	1,733.40
Interest income	(162.65)	(147.15)
Provision for Doubtful Debts	59.83	86.25
Dividend income	-	(0.72)
Finance costs (including fair value change in financial instruments)	-	14.84
Effect of foreign exchange rate variations on hedging instruments	0.46	11.09
Remeasurements gains/(losses) on defined benefit plans	0.91	10.34
Net (gain) / loss on sale of investments	(134.01)	(7.99)
Net Unrealised exchange (gain) / Loss	406.57	(377.21)
Operating profit / (loss) before working capital changes	9,930.15	7,189.90
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	10,175.45	(4,549.38)
Trade receivables	(27,603.40)	21,705.14
Loans, Advances and Deposits	(624.95)	5.90
Other financial assets	56.37	9.52
Other current assets	1,661.47	(2,363.69)
Balances with Banks other than Cash and Cash Equivalents	53.82	111.35
Other Non-current Financial Assets	(8.63)	(0.00)
Other non-current assets	17.42	(55.49)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	7,504.93	(10,052.50)
Other Financial liabilities	0.73	(44.78)
Other current liabilities	1,677.60	(1,979.33)
Provisions	11.04	7.13
Short-term provisions	195.64	(583.20)
	3,047.64	9,400.55
Net income tax (paid) / refunds	(1,824.98)	(768.55)
Net cash flow from / (used in) operating activities (A)	1,222.65	8,632.00
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances		(4.55)
Proceeds from sale of fixed assets	(83.71)	-
Current investments not considered as Cash and cash equivalents		
- Purchased	(44,735.00)	(12,150.00)
- Proceeds from sale	44,869.01	12,157.99
Interest received	162.65	135.07
Dividend received on Investments	-	0.72
Net cash flow from / (used in) investing activities (B)	212.95	139.23

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	(1,189.80)	(8,236.34)
Proceeds/ (Repayment)from other short-term borrowings	(881.55)	(260.82)
Finance cost	(909.78)	(1,733.40)
Increase/ (decrease) in shareholders funds	-	5,243.00
Dividends paid	(213.26)	(164.26)
Tax on dividend	(0.56)	-
Net cash flow from / (used in) financing activities (C)	(3,194.95)	(5,151.82)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(1,759.34)	3,619.41
Cash and cash equivalents at the beginning of the year	4,061.34	441.94
Cash and cash equivalents at the end of the year	2,302.00	4,061.34
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 10)		
Cash and cash equivalents at the end of the year *	2,302.00	4,061.34
* Comprises:		
(a) Cash on hand	30.47	13.56
(b) Cheques, drafts on hand		
(b) Balances with banks		
(i) In current accounts	2,271.53	4,047.78
	2,302.00	4,061.34

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

Corporate Information & Significant Accounting Policies as per Note No. 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

For and on behalf of the Board of Directors

Shailesh M Bandi
Partner
M.No. 109101

Mr. Saurabh Malhotra
Chairman & Managing Director
DIN - 00214500

Place : Mumbai
Date : 29th May, 2019

Dhiraj Khandelwal
Company Secretary

Devesh Mishra
Chief Financial Officer



Consolidated Statement of Changes in Equity for the year ended March 31, 2019

Equity Share Capital	Balance as at April 01, 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
Paid up Capital (Equity shares of Rs. 1 each issued, subscribed and fully paid-up)	2,132.59	-	2,132.59

OTHER EQUITY -

Particulars	Other equity						Total other equity
	Securities premium [refer note 15(B)(b)]	Capital redemption reserve [refer note 15(B)(a)]	Retained earnings [refer note 15(B)(e)]	Items of Other Comprehensive Income [refer note 30(b)]	Foreign Currency Translation Reserve [refer note 15(B)(d)]	Cash Flow Hedging Reserve [refer note 15(B)(c)]	
As at April 1, 2018	7,427.18	1,000.09	14,060.59	14.71	(428.13)	(0.46)	22,073.98
Profit for the year	-	-	6,983.35	-	-	-	6,982.13
Other comprehensive income	-	-	-	0.59	70.50	-	71.09
Transferred to / from Reserves	-	-	-	-	-	-	-
Others	-	-	-	-	320.81	0.46	321.27
Total comprehensive income	-	-	6,983.35	0.59	391.31	0.46	7,375.71
Payment of dividend	-	-	(213.26)	-	-	-	(213.26)
Payment of dividend distribution tax (DDT)	-	-	(0.56)	-	-	-	(0.56)
Transferred to / from Reserves	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	(626.80)	-	-	-	(626.80)
As at March 31, 2019	7,427.18	1,000.09	20,203.32	15.30	(36.82)	0.00	28,609.07

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

For and on behalf of the Board of Directors

Shailesh M Bandi
Partner
M.No. 109101

Mr. Saurabh Malhotra
Chairman & Managing Director
DIN - 00214500

Place : Mumbai
Date : 29th May, 2019

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 May 29, 2019.

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 for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments). 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. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

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:

Block of Assets	Useful Life
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**

Operating Lease:

Group as Lessee - Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

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

2.181 A. Revenue from contract with customer (Applied from 1 April 2018)

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.

2.182 B. Revenue recognition (till 31 March 2018)**(a) Sale of Goods****Timing of recognition**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the group. This generally happens upon dispatch of the goods to customers, except for export sales which are recognized when significant risk and rewards are transferred to the buyer as per the terms of contract.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the sales tax/ value added tax (VAT)/ Goods and Service tax (GST) is not received by the group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue. The specific recognition criteria described below must also be met before revenue is recognised.



Revenue from Sale of Services rendered are recognised on accrual basis as per terms of the contract. Eligible export incentives and grants are recognized in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

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 group 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.

(b) 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 group, 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. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

(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.



Notes forming part of the Consolidated financial statements

Note 3: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Leasehold Land	Windmill - Owned	Plant and Machinery - Owned	Furniture and Fixtures	Motor Vehicle	Office Equipment		Total
						Computer & Computer Equipments	Others	
Gross Carrying Amount								
As at March 31, 2018	6.08	198.53	18.41	2.82	72.70	8.18	11.14	317.86
Additions	-	-	-	7.82	80.70	0.98	3.02	92.52
Deduction / Adjustment	-	-	-	(0.11)	-	(1.11)	(0.23)	(1.45)
Disposals	-	-	-	-	(44.90)	-	-	(44.90)
As at March 31, 2019	6.08	198.53	18.41	10.53	108.50	8.05	13.93	364.03
Accumulated Depreciation								
As at March 31, 2018	1.55	43.45	3.91	1.22	38.97	4.90	6.44	100.44
Depreciation for the year	0.50	18.02	1.70	2.25	30.44	1.79	3.13	57.83
Deduction / Adjustment	-	-	-	(0.04)	-	(0.67)	(0.07)	(0.78)
Disposals	-	-	-	-	(36.76)	-	-	(36.76)
As at March 31, 2019	2.05	61.47	5.61	3.43	32.65	6.02	9.50	120.73
Net Book Value:								
As at March 31, 2019	4.03	137.06	12.80	7.10	75.85	2.03	4.43	243.30
As at March 31, 2018	4.53	155.08	14.50	1.60	33.73	3.28	4.70	217.42

Note:

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 17.
- (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
Year Ended 31st March, 2019		
Gross Carrying Amount		
Opening Gross Carrying Amount as at 1st April , 2018	9.27	9.27
Additions during the year	-	-
Closing Gross Carrying Amount	9.27	9.27
Accumulated Amortisation		
Opening Accumulated Amortisation	6.38	6.38
Amortisation charge for the year	1.90	1.90
Closing Accumulated Amortisation	8.28	8.28
Closing Net Carrying Amount	0.99	0.99
Year Ended 31st March , 2018		
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	3.07	3.07
Amortisation Charge for the year	3.31	3.31
Closing Accumulated Amortisation and Impairment	6.38	6.38
Closing Net Carrying Amount	2.89	2.89

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

Note - 5 : Investment

Particulars	As at 31st March 2019	As at 31st March 2018
Investment (At Cost)		
Unquoted		
- Investment in Gold Bond [Refer note (i)]	2.60	2.60
Total	2.60	2.60

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 forming part of the Consolidated financial statements

Note 6 : Loans, Advances & Deposits

(₹ in lakhs)

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Unsecured, considered Good				
Security deposits - to related parties [Refer Note (i)]	-	66.77	-	59.26
Security deposits - to others [Refer Note (i)]	630.49	4.38	4.25	1.07
Loans and Advances to Employees	3.64	19.36	4.93	23.24
Loans and Advances to Others	-	34.23	-	46.53
	634.13	124.74	9.18	130.10
Unsecured, considered Doubtful				
Deposits with Others	-	13.94	-	13.94
Less: Provision for doubtful deposits	-	(13.94)	-	(13.94)
	-	-	-	-
Total Other Financial Assets	634.13	124.74	9.18	130.10

Note:

(i) Operating Leases

The company has taken certain premises under operating leases:

Expenses under cancellable operating lease and rental contracts during the year is ₹ 35.79lakhs. Further, the company is obligated under non cancellable operation leases for certain premises and which are renewable on a periodic basis at the option of both the lessor and lessee. The initial tenure of the lease is of 5 years.

Particulars	As at	As at
	31st March 2019	31st March 2018
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	63.00	63.00
For a period later than one year and not later than five years	94.50	157.50
For a period later than five years	-	-
Total	157.50	220.50
Rental expense relating to operating leases		
Minimum lease payments	63.00	63.00
Total rental expense relating to operating lease	98.79	67.23

(ii) Sub Classification of Loans & Advances

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Loans Receivables considered good - Secured	-	-	-	-
Loans Receivables considered good - Unsecured	3.64	53.59	4.93	68.79
Loans Receivables which have significant increase in Credit Risk; and	-	-	-	-
Loans Receivables - credit impaired	-	-	-	-
Total	3.64	53.59	4.93	68.79
Less: Allowance for Doubtful Loans	-	-	-	-
Total Loans & Advances	3.64	53.59	4.93	68.79

* Refer Note no . 38 for information about credit risk and market risk factors.

Notes forming part of the Consolidated financial statements

Note - 7 : Other Non Current Assets

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured considered doubtful		
Advance receivable in kind or for value to be received	98.19	98.19
Less: Provision for doubtful balances	(68.89)	(51.47)
Total	29.30	46.72

Note 8 : Inventories

Particulars	As at 31st March 2019	As at 31st March 2018
Stock in Trade	3,604.33	7,497.53
Stock in Transit	-	6,282.25
Total Inventories	3,604.33	13,779.78

- For details of inventories given as security to lenders refer Note 17

Note 9 : Trade receivables

Particulars	As at 31st March 2019	As at 31st March 2018
Trade Receivables considered good – Secured [Refer Note (i)]	-	130.45
Trade Receivables considered good – Unsecured	81,263.08	53,575.07
Trade Receivables having significant increase in Credit Risk; and	106.57	60.72
Trade Receivables - credit impaired	-	-
Total	81,369.65	53,766.24
Less : Allowance for expected credit loss	(106.57)	(60.72)
Total Trade Receivables	81,263.08	53,705.52
Current Portion	81,263.08	53,705.52
Non - Current Portion	-	-

- (i) These debts are secured to the extent of Letter of Credits obtained from the customers.
- (ii) Trade receivables are non interest bearing in nature. The company maintains the policy of dispatches against payments except in case of merchant trade transactions, wherein the terms of payment is six months.
- (iii) The above Trade Receivables are hypothecated to banks against Cash Credit and Packing Credit facilities. (Refer note no. 17)
- (iv) Refer Note no . 38 for information about credit risk and market risk factors.

Note 10 : Cash and cash equivalents

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with Banks - In current accounts	2,271.53	4,047.78
Cash on Hand	30.47	13.56
Total Cash and Cash Equivalents	2,302.00	4,061.34

**Notes forming part of the Consolidated financial statements****Note 11 : Other Bank Balances**

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
In Unclaimed Dividend Accounts	8.17	8.89
Balance with banks held as margin money deposits against guarantee	2,478.71	2,531.81
Total Other Bank Balances	2,486.88	2,540.70

Note 12 : Other Financial Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Income accrued But not Due	253.73	1.30
Claims Receivable	188.27	357.66
Margin Money on Derivative contracts	220.81	360.22
Total Other Bank Balances	662.81	719.18

Note 13 : Other Financial Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured, considered good		
(a) Advance recoverable in cash or kind	2,431.51	4,345.76
(b) Prepaid expenses	47.06	131.64
(c) Advance to Employees	3.92	2.13
(d) Balances with government authorities -		
- Export Incentives Receivable	7.92	26.82
- Input credit receivable	450.25	94.54
- VAT Refund receivable	15.76	17.00
Total Other Bank Balances	2,956.42	4,617.89

Note - 14 : Equity Share Capital & Other Equity**Note 14(a) : Equity Share Capital**

Particulars	As at 31st March 2019	As at 31st March 2018
Authorised		
40,00,00,000 equity shares of ₹ 1 each (4,00,00,000 equity shares of ₹ 10 each)	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and Fully Paid Up		
21,32,59,430 equity shares of ₹ 1 each (2,13,25,943 equity shares of ₹ 10 each)	2,132.59	2,132.59
	2,132.59	2,132.59

Notes forming part of the Consolidated financial statements

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

Particulars	Equity Shares			
	As on 31st March , 2019		As on 31st March , 2018	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	21,32,59,430	2,132.59	1,64,25,943	1,642.59
Shares Issued during the year	-	-	49,00,000	490.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	21,32,59,430	2,132.59	2,13,25,943	2,132.59

c) Terms / rights attached to equity shares

- 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.
- 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) Notes:

- During the year, the company has sub-divided the equity shares from face value of ₹ 10 each to face value of ₹ 1 each as approved in the Extra Ordinary General Meeting held on October 23, 2018 (Record date of November 13, 2018). The number of shares in the beginning of the year have been restated.

Also, the company has not issued any equity shares as bonus for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2019.

e). Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholder	Equity Shares			
	As on 31st March , 2019		As on 31st March , 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Kusum Chander Mohan Malhotra	3,11,00,000	14.58%	31,10,000	14.58%
Mr. Saurabh Malhotra	3,22,83,410	15.14%	32,28,341	15.14%
Mr. Chandermohan Malhotra	1,53,31,190	7.19%	15,33,119	7.19%
M/s Sakuma Infrastructure and Realty Pvt Ltd	2,66,72,450	12.51%	26,67,245	12.51%
AL Malaki Foodstuff Trading LLC	1,43,00,000	6.71%	14,30,000	6.71%
R&R Foodstuff Trading LLC	1,37,50,000	6.45%	13,75,000	6.45%

- 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 15 : Other Equity

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Capital Redemption Reserve [Refer note (i)]	1,000.09	1,000.09
(b) Securities Premium [Refer note (ii)]	7,427.18	7,427.18
(c) Cash Flow Hedging Reserve	-	(0.46)
(d) Foreign Currency Translation Reserve	(36.82)	(428.13)
(e) Retained Earnings [Refer note (iii)]	20,218.62	14,075.30
Total Reserves and Surplus	28,609.07	22,073.98

(a) Capital Redemption Reserve

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	1,000.09	1,000.09
Add: Transfer From General Reserve	-	-
Closing Balance	1,000.09	1,000.09

(b) Security Premium

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	7,427.18	2,674.18
Add: Received during the period	-	4,753.00
Closing Balance	7,427.18	7,427.18

(c) Cash Flow Hedge Reserve

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	(0.46)	(11.56)
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	0.46	11.10
Closing Balance	-	(0.46)

(d) Foreign Currency Translation Reserve

Particulars	As at 31st March 2019	As at 31st March 2018
Opening Balance	(428.13)	(114.02)
Add / (Less): Net Effect of foreign exchange rate variations	383.52	130.82
Transfer to other comprehensive income	70.50	(420.12)
Less: Deferred Tax Liabilities	(4.52)	(24.81)
Less: Transfer from other comprehensive income	(58.19)	-
Closing Balance	(36.82)	(428.13)

Notes forming part of the Consolidated financial statements

(e) Retained Earnings

(₹ in lakhs)

Particulars	As at	
	31st March 2019	31st March 2018
Opening Balance	14,075.30	9,857.55
Add : Total Comprehensive Income for the year after tax	6,983.94	4,911.79
Less : Dividend distributed to equity shareholders (₹1 per share)	(213.26)	(164.26)
Less : Tax on dividend distributed	(0.56)	-
Less : Deferred Tax Liability on Networth	(626.80)	(529.78)
Closing Balance	20,218.62	14,075.30

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, 2019, 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	
	31st March 2019	31st March 2018
Final dividend for the year ended March 31, 2018 of ₹ 1 per share (March 31, 2017 of ₹ 1 per share)	213.26	164.26
Closing Balance	213.26	164.26

- (v) Proposed dividend on Equity Shares

Particulars	As at	
	31st March 2019	31st March 2018
Final Cash dividend for the year ended on March 31, 2019: ₹ 0.1 per share (March 31, 2018: ₹ 1 per share)	213.26	213.26
Closing Balance	213.26	213.26

- (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 16 : Provisions

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Provision For Leave Salary Encashment	-	-	-	-
Provision For Gratuity	-	31.91	-	20.87
Total Employee Benefit Obligations *	-	31.91	-	20.87

* Also refer Note No 35 of Employee Benefits



Notes forming part of the Consolidated financial statements

Note 17 : Current Borrowings

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Secured		
<i>From banks</i>		
- Cash Credit : Corporation Bank	-	2,695.53
- Cash Credit : Axis Bank	454.84	469.76
- Cash Credit : Union Bank of India	2,044.66	524.01
Unsecured		
<i>From banks</i>		
- Inter Corporate Deposits	-	881.55
Total Current Borrowings	2,499.50	4,570.85

Nature of Security

The Company has entered into a consortium comprising of various banks lead by the Corporation Bank. The other members of the consortium comprises of Axis Bank, Union Bank of India and Indian Overseas .

Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts and Current assets of the company alongwith the collateral security against Fixed assets (other than vehicles and Leasehold land), Lien on Term Deposits and pledge of shares of promoters of the company on pari passu basis amongst all the consortium members.

- (i) Cash Credit facility for Corporation Bank is repayable on demand and carries interest at one year Maximum Cost of Lending Rate (MCLR) of the bank + 4.70 %p.a. Packing credit Loan is repayable within a maximum period upto 270 days and carries interest rate of one year Maximum Cost of Lending Rate (MCLR) of the bank + 0.60% p.a upto the period of Credit.
- (ii) Cash Credit from Axis Bank is repayable on demand and carries interest as 3 months MCLR + 4% p.a. Packing credit Loan is repayable within period up to 120 days and carries interest rate as 3 months MCLR +2.5% p.a.
- (iii) Packing Credit from Union Bank of India are repayable depending upon the contract and carries interest rate prevailing on the date of withdrawals. Cash Credit carries interest at One year Maximum Cost of Lending Rate (MCLR) of the bank + 3.40% p.a.
- (iv) Unsecured Short Term Borrowings of the company are repayable on demand and carrying interest rate @ 10% p.a.

Note 18 : Trade payables

Particulars	As at 31st March 2019	As at 31st March 2018
Current		
(a) total outstanding dues of micro enterprises and small enterprises	13.16	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		
- From Related Parties	-	-
- From Others	52,229.33	44,737.56
Total Trade Payables	52,242.49	44,737.56

Notes forming part of the Consolidated financial statements

- (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	
	31st March 2019	31st March 2018
Principal amount remaining unpaid to any supplier as at the end of the year	13.16	-
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 other than the MSME.

Note 19 : Other financial liabilities

(₹ in lakhs)

Particulars	As at 31st March , 2019		As at 31st March , 2018	
	Current	Non - Current	Current	Non - Current
Unclaimed dividends	8.17	-	8.90	-
Claims Payable	12.11	-	5.93	-
Other Liabilities	690.40	-	695.12	-
Total Other Financial Liabilities	710.68	-	709.95	-

Note 20 : Other Current Liabilities

Particulars	As at	
	31st March 2019	31st March 2018
Advance From Customers	5,055.85	3,566.82
Statutory Dues to Government	105.06	21.65
Unrealised Gain/Loss on Derivative Instruments	75.82	0.12
Other Liabilities	57.85	28.39
Total Other Current Liabilities	5,294.58	3,616.98



Notes forming part of the Consolidated financial statements

Note 21 : Current Provisions

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for Bonus	9.17	5.30
Provision for compensated absences	-	2.08
Other Provisions	338.21	144.36
Total Other Current Liabilities	347.38	151.74

Note 22 : Income Tax Provisions (Net of Advances)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision For Taxation (Net of Advances)	373.41	276.89
Total Current Tax Liabilities	373.41	276.89

Note 23 : Revenue From Operations

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sale of Traded Goods	4,36,289.85	4,54,573.90
Other Operating Revenue	19.43	0.65
Total Revenue from Continuing Operations	4,36,309.28	4,54,574.55

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sugar	1,98,033.43	1,26,041.82
Oil	1,75,995.52	2,51,696.03
Other commodities	62,260.89	76,836.06
Total Revenue from Continuing Operations	4,36,289.84	4,54,573.91

A. Disaggregation Revenue Information

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
i. Revenue based on Geography		
Revenue from Operations within the Country	89,386.73	1,71,866.04
Revenue from Operations outside the Country	3,46,922.55	2,82,708.51
Total	4,36,309.28	4,54,574.55
ii. Timing of Revenue Recognition		
Goods Transferred at a point in time	4,36,309.28	4,54,574.55
Services transferred over time	-	-
Total	4,36,309.28	4,54,574.55

B. Segment Reconciliation

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sale of Agro Products	4,35,895.90	4,53,959.09
Sale Others	413.38	615.46
Total	4,36,309.28	4,54,574.55

Notes forming part of the Consolidated financial statements

C. Contract Balances

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Trade Receivables	81,263.08	53,705.52
Advance From Customers	5,055.85	3,566.82

D. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted prices

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Revenue as per Contracted Prices	4,36,551.95	4,54,575.14
Less : Discounts, Rebate, Sales Returns etc	(242.67)	(0.59)
Total Revenue from Continuing Operations	4,36,309.28	4,54,574.55

Note 24 : Other Income and Other Gains/(Losses)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest Income	162.65	147.15
Dividend income:		
- Current Investments	-	0.72
Net gain on sale of Investments:	134.01	7.98
Net gain on foreign currency transactions and translation	-	273.99
Mark-to-market gain on forward contracts	32.31	208.90
Other non-operating income (net of expenses directly attributable to such income)	384.28	459.52
Total Other Income	713.25	1,098.26

Note 25 : Changes in inventories of finished goods, Stock - in -Trade

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Opening Balances		
Finished Goods	13,779.78	9,230.40
Total Opening Balances	13,779.78	9,230.40
Closing Balances		
Finished Goods	3,604.33	13,779.78
Total Closing Balances	3,604.33	13,779.78
Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	10,175.45	(4,549.38)

**Notes forming part of the Consolidated financial statements****Note 26 : Employee benefits expenses**

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Salaries, Wages, Bonus Etc.	839.95	809.84
Contribution To Provident Fund & Other Funds	9.82	9.37
Gratuity Expenses (Also Refer Note No 35 of Employee Benefits)	11.94	17.47
Staff Welfare Expenses	77.01	17.53
Directors Remuneration	77.56	77.20
Total Employee Benefits Expenses	1,016.28	931.41

Note 27 : Finance costs

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest		
Interest Expenses on Borrowings	431.25	776.19
Other Finance Cost	478.53	957.21
Finance Cost expensed in Profit or Loss	909.78	1,733.40

Note 28 : Depreciation and amortisation expenses

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Depreciation on Property, Plant and Equipment	57.83	44.00
Amortisation of Intangible Assets	1.90	3.31
Total Depreciation and amortisation expenses	59.73	47.31

Note 29 : Other expenses

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Power and fuel	8.30	11.95
Rent including lease rentals	106.87	101.72
Repairs and maintenance - Buildings	7.73	5.28
Repairs and maintenance - Machinery	24.07	23.41
Repairs and maintenance - Others	1.29	1.84
Insurance	33.99	75.86
Rates and taxes	6.20	22.34
Communication	27.71	33.30
Travelling and conveyance	115.10	64.26
Custom Duty	8,113.28	11,487.05
Freight and forwarding	5,966.06	4,522.00
Sales commission	-	393.53
Business promotion	17.10	47.03
Legal and professional	234.32	217.00
Payments to auditors [Refer Note 29a below]	18.54	20.38
Terminal and Handling Charges	331.49	133.12
Other Clearing Charges	241.72	310.92

Notes forming part of the Consolidated financial statements

(₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Transport Charges	3,316.91	693.28
Warehouse Charges	150.56	459.03
Demurrage & Detention Charges	160.70	127.10
Brokerage on trading in Commodities & Securities Exchange	1,027.43	94.26
ECGC Premium	6.44	22.83
Lodging & Boarding	28.12	24.26
Corporate Social Responsibilities Expenses [Refer Note 29b below]	45.05	60.00
Directors Sitting Fees	15.00	13.75
Provision for doubtful debts and other advances	59.83	83.08
Miscellaneous Expenses	201.41	77.24
Total Other expenses	20,265.22	19,125.82

Note 29 (a) : - Details of Payment to Auditors

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Payment to Auditors		
As Auditor :		
Audit Fees	14.54	7.00
Tax Audit Fees	1.50	1.50
In other capacities :		
Other Matters	2.50	2.50
Total Payment to Auditors	18.54	11.00
(b) Details of Corporate Social Responsibility(CSR) Expenditure:		
Gross amount required to be spent -		
For current year	45.73	35.95
For previous years	41.31	65.36
	87.04	101.31
Amount Spent in Current Year		
Educational Institution	(45.05)	(60.00)
Others	-	-
Amount Yet to be Spent	41.99	41.31



Notes forming part of the Consolidated financial statements

Note 30 : Tax Expenses

(a) Amounts recognised in profit or loss (₹ in lakhs)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Current tax expense (A)		
Current year	1,934.03	960.67
Short / (Excess) Provision of Taxation of Earlier Years	-	3.10
Deferred tax expense (B)		
Origination and reversal of temporary differences	(73.14)	(2.18)
Tax expense recognised in the income statement (A+B)	1,860.89	961.59

(b) Amounts recognised in other comprehensive income

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Items that will not be reclassified to profit & loss		
Remeasurements of the defined benefit plans	0.91	10.34
Income Tax on Above	(0.32)	-
	0.59	10.34

(c) Reconciliation of effective tax rate

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Profit before tax	8,844.24	5,863.03
Tax using the domestic tax rate (Current year 34.944% and Previous Year 34.608%)	3,090.53	2,029.08
Tax effect of :		
Tax effect of non deductible expenses	63.83	12.46
Tax Exemption under various laws	(55.51)	(0.25)
Income Exempt from Income Tax	(12.87)	(13.24)
Income Tax Incentives	(109.42)	(32.20)
Deductions under various sections of Income Tax Act	(1,103.46)	(1,011.75)
Others	60.92	(20.32)
Tax expenses as per Statement of Profit & Loss	1,934.03	963.77
Effective tax rate	21.87%	16.44%

(d) Movement in deferred tax balances

Particulars	As at 1st April 2018 Deferred Tax Asset / (Liabilities)	Credit / (Charge) in Statement of profit or loss	Credit / (Charge) in Equity	Credit / (Charge) in OCI	As at 31st March 2019 Deferred Tax Asset / (Liabilities)
Deferred tax Asset/(Liabilities)					
Property, Plant & Equipment	36.65	(9.65)	-	-	27.01
DTL on Fair Value of Investments	1,505.26	608.00	4.52	(12.32)	2,105.46
Provision for Doubtful Debts and Advances	-	(63.49)	-	-	(63.49)
Deferred Tax Assets/(Liabilities) - Net	1,541.91	534.86	4.52	(12.32)	2,068.97

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.

Notes forming part of the Consolidated financial statements

Note 31 : Earnings per equity share:

Particular	Year Ended 31st March , 2019	Year Ended 31st March , 2018
Earnings Per share has been computed as under :		
Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)	6,983.94	4,911.79
Weighted Average No of shares Outstanding during the year	21,32,59,430	18,69,46,671
Earnings per Share -Basic & Diluted (Face Value of ₹ 1/- per Share)	3.27	2.63

Note 32 Contingent liabilities and commitments (to the extent not provided for)

Particulars	(₹ in lakhs)	
	As at March 31, 2019	As at March 31, 2018
(i) Contingent liabilities		
Direct and indirect taxation matters		
Income tax	155.12	2.13
Sales tax	-	0.59
Claims against the Company not acknowledged as debts	677.86	115.81

Note 33 Segment Reporting

The Group 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.

Note 34 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)	Related Parties where Control exists	
	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)
	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

**Notes forming part of the Consolidated financial statements**

Sukriti Trading LLP
 LT Sagar Coastal Transport Private Limited
 MS Port Terminal Private Limited

(ii) Related Parties with whom transactions have taken place during the year

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)
Relatives of KMP	Mrs. Kusum Malhotra
Companies in which Directors, KMP or their relatives are interested	Sakuma Infrastructure and Realty Private Limited

(iii) Details of related party transactions during the year ended March 31, 2019

		(₹ in lakhs)	
Relationship	Transactions	For the year ended March 31, 2019	For the year ended March 31, 2018
Key Management Personnel	Director's Sitting Fees	12.00	10.60
Relatives of KMP		3.00	3.15
Relatives of KMP	Rent paid	10.71	11.11
Companies in which Directors, KMP or their relatives are interested		52.29	54.25
Key Management Personnel	Director's Remuneration	72.00	72.00
Companies in which Directors, KMP or their relatives are interested	Loan given	-	2.50
Companies in which Directors, KMP or their relatives are interested	Repayment of loan given	-	2.50
Companies in which Directors, KMP or their relatives are interested	Interest Income on Loan	-	0.12

(iv) Details of balances outstanding of the Related Parties

Relationship	Outstanding Balance	As at March 31, 2019	As at March 31, 2018
Relatives of KMP	Other Financial Assets	11.35	10.07
Companies in which Directors, KMP or their relatives are interested		55.42	49.18
Relatives of KMP	Prepaid Rent	3.44	5.23
Companies in which Directors, KMP or their relatives are interested		16.82	25.52

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.

Notes forming part of the Consolidated financial statements

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 35 Post-retirements benefit plan

(i) Defined contribution plans

The Group has recognised and included in Note 26 “Contribution to Provident and other funds” expenses towards the defined contribution plan as under:

Particulars	₹ in lakhs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Contribution to Provident fund (Government)	9.82	9.37

(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:

(a) Net Assets / (Liability) of Defined Benefit Plans -

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Present Value of Funded obligation	44.90	39.30
Fair value of plan assets	13.00	18.43
Net Asset / (Liability) recognised	(31.91)	(20.87)



Notes forming part of the Consolidated financial statements

(b) Change in present value of the defined benefit obligation are as follows -

(₹ in lakhs)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Opening Defined Benefit Obligation	0.00	31.14
Service cost for the year	10.07	9.10
Past service cost	-	7.31
Interest cost for the year	3.03	2.40
Benefits paid	(6.75)	-
Actuarial losses (gains)	(0.74)	(10.65)
Closing defined benefit obligation	5.60	39.30

(c) Changes in Fair value of Plan Assets during the year -

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Opening fair value of plan assets	0.00	17.39
Expected return	1.16	1.34
Benefits paid	(6.75)	-
Actuarial gains and (losses)	0.16	(0.31)
Closing balance of fund	(5.43)	18.43

(d) Expenses recognised during the period -

Particulars	As at	As at
	March 31, 2019	March 31, 2018
In Income Statement	11.94	17.47
In Other Comprehensive Income	(0.91)	(10.34)
Total Expenses recognised during the period	11.03	7.13

(e) Amount recognised as expenses the Statement of Profit and Loss

Particulars	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Current Service Cost	10.07	9.10
Interest Cost on benefit obligation	-	7.31
Net Interest on net Defined Liability/(Asset)	1.87	1.06
Total	11.94	17.47

(f) Amount recognised as other comprehensive income the Statement of Profit and Loss

Particulars	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Actuarial gains and (losses)	(0.74)	(10.65)
Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above	(0.16)	0.31
Total	(0.91)	(10.34)

Notes forming part of the Consolidated financial statements

(g) Actual return on plan assets -

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Expected return on plan assets	1.16	1.34
Actuarial gain / (loss) on plan assets	0.16	(0.31)
Actual return on plan assets	1.32	1.03

(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	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount Rates (per annum)	7.70%	7.70%
Expected return on plan assets	7.70%	7.70%
Salary growth rate (per annum)	7.00%	7.00%
Attrition Rate	5% to 1%	8.00%
Mortality	Indian Assured Lives Mortality (2006-2008) Ult.	Indian Assured Lives Mortality (2006-2008)

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.



Notes forming part of the Consolidated financial statements

(i) Sensitivity Analysis of Defined Benefit Obligation with reference to Key Assumptions

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate		
One percent increase	39.62	34.31
One percent decrease	51.23	45.32
Salary Escalation Rate		
One percent increase	51.21	45.30
One percent decrease	39.55	34.24
Withdrawal Rate		
One percent increase	45.05	39.45
One percent decrease	44.75	39.14

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	For the year ended March 31, 2019	For the year ended March 31, 2018
Year 1	2.40	0.83
Year 2	1.61	1.47
Year 3	2.03	1.42
Year 4	1.49	1.69
Year 5	1.54	1.31
Year 6 to 10	7.74	3.29
Total	16.81	10.02

36 Hedging Activities and Derivatives

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.

37 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.

Notes forming part of the Consolidated financial statements

(₹ in lakhs)

As at March 31, 2019	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								
Investments	-	-	2.60	2.60	-	-	-	-
Other financial assets	86.13	-	38.61	124.74	-	86.13	-	86.13
Financial assets								
Current Assets								
Trade receivables	-	-	81,263.08	81,263.08	-	-	-	-
Cash and cash equivalents	-	-	2,302.00	2,302.00	-	-	-	-
Balances with Banks other than above	-	-	2,486.88	2,486.88	-	-	-	-
Loans, Advances and Deposits	-	-	634.13	634.13	-	-	-	-
Other financial assets	-	-	662.81	662.81	-	-	-	-
	86.13	-	87,390.10	87,476.24	-	86.13	-	86.13
Financial Liabilities								
Current Liabilities								
Borrowings	-	-	2,499.50	2,499.50	-	-	-	-
Trade payables	-	-	52,242.48	52,242.48	-	-	-	-
Other financial liabilities	-	-	710.68	710.68	-	-	-	-
	-	-	55,452.66	55,452.66	-	-	-	-
As at March 31, 2018								
Financial assets								
Non Current Assets								
Investments	-	-	2.60	2.60	-	-	-	-
Other financial assets	82.50	-	47.60	130.10	-	82.50	-	82.50
Financial assets								
Current Assets								
Trade receivables	-	-	53,705.52	53,705.52	-	-	-	-
Cash and cash equivalents	-	-	4,061.34	4,061.34	-	-	-	-
Balances with Banks other than above	-	-	2,540.70	2,540.70				
Loans, Advances and Deposits	-	-	9.18	9.18	-	-	-	-
Other financial assets	-	-	719.18	719.18	-	-	-	-
	82.50	-	61,086.12	61,168.62	-	82.50	-	82.50
Financial Liabilities								
Current Liabilities								
Borrowings	-	-	4,570.85	4,570.85	-	-	-	-
Trade payables	-	-	44,737.56	44,737.56	-	-	-	-
Other financial liabilities	-	-	709.95	709.95	-	-	-	-
	-	-	50,018.36	50,018.36	-	-	-	-



Notes forming part of the Consolidated financial statements

During the reporting period ended March 31, 2019 and March 31, 2018, 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.

38. 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

(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, 2019 and March 31, 2018.

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, 2019.

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, 2019 and March 31, 2018 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

Particulars	(₹ in lakhs)	
	As at March 31, 2019	As at March 31, 2018
Fixed rate borrowings	-	881.55
Floating rate borrowings	2,499.50	3,689.30
Total Borrowings	2,499.50	4,570.85

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:

Particulars	Increase / decrease in basis points	(₹ in lakhs)
		Effect on profit before tax
March 31, 2019		
₹ 2,499.50	+/- 100 bps	-2,499.50 / 2,499.50
March 31, 2018		
₹ 3,689.30	+/- 100 bps	-3,689.30 / 3,689.30

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.

Unhedged Foreign Currency Exposure	(Amount in USD in Lakhs)	
	As at March 31, 2019	As at March 31, 2018
FCY Receivables	200.50	168.94
FCY Payables	(45.34)	(13.95)
Net FCY Receivables / (Payables)	155.16	154.99
Financial Hedge	90.41	154.98
Unhedged Foreign Currency Exposure	64.75	0.01



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.

Particulars	Change in Currency	Effect on profit before tax
March 31, 2019		
Recognized net receivables / (payables)	+ 1 /- 1	+ 64.75 /- 64.75
March 31, 2018		
Recognized net receivables / (payables)	+ 1 /- 1	+0.01 / -0.01

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) Commodity Price Risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of oil and other traded commodities. Due to the significantly increased volatility of the prices of the commodities, the Group also entered into various derivative contracts.

The Group's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

The category wise break up of commodity hedge during the year is as under :

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Purchase	Sale	Purchase	Sale
Oil [In MTNs]	5,540.00	8,830.00	30,990.00	26,870.00

The category wise outstanding commodity position is as under:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Buy / (Sell)	Amount	Buy / (Sell)	Amount
Oil [In MTNs]	(2,660.00)	(1,552.37)	(630.00)	(413.47)

(iii) 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.

Notes forming part of the Consolidated financial statements

Ageing of Account receivables

Particulars	As at	As at
	March 31, 2019	March 31, 2018
0 - 90 days	45,961.39	29,015.34
91 - 180 days	32,198.49	24,654.48
181 - 270 days	608.42	-
270 - 365 days	2,307.80	96.42
More than 365 days	293.56	-
	81,369.65	53,766.24

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.

(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, 2019

Particulars	< 1 year	1-5years	>5 years	Total
Financial Assets				
Non-Current Assets				
Investments	-	2.60	-	2.60
Loans, Advances and Deposits	-	124.74	-	124.74
Current Assets				
Trade receivables	81,263.08	-	-	81,263.08
Cash and cash equivalents	2,302.00	-	-	2,302.00
Balances with Banks other than above	2,486.88	-	-	2,486.88
Loans, Advances and Deposits	632.18	1.95	-	634.13
Other financial assets	662.81	-	-	662.81
	87,346.94	129.29	-	87,476.24
Financial Liabilities				
Current Liabilities				
Borrowings	2,499.50	-	-	2,499.50
Trade payables	52,242.48	-	-	52,242.48
Other financial liabilities	702.51	4.97	3.20	710.68
	55,444.49	4.97	3.20	55,452.66



Notes forming part of the Consolidated financial statements

Liquidity exposure as at March 31, 2018

Particulars	< 1 year	1-5years	>5 years	Total
Financial Assets				
Non-Current Assets				
Investments	-	2.60	-	2.60
Other Financial Assets	-	130.10	-	130.10
Current Assets				
Trade receivables	53,705.52	-	-	53,705.52
Cash and cash equivalents	4,061.34	-	-	4,061.34
Balances with Banks other than above	2,540.70	-	-	2,540.70
Loans, Advances and Deposits	4.93	4.25	-	9.18
Other financial assets	719.18	-	-	719.18
	61,031.67	136.94	-	61,168.62
Financial Liabilities				
Current Liabilities				
Borrowings	4,570.85	-	-	4,570.85
Trade payables	44,737.56	-	-	44,737.56
Other financial liabilities	699.55	5.89	4.51	709.95
	50,007.95	5.89	4.51	50,018.36

(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.

39 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, 2019	As at March 31, 2018
Borrowings	2,499.50	4,570.85
Trade Payables	52,242.48	44,737.56
Less: Cash and Cash Equivalents	(2,302.00)	(4,061.34)
Net Debt	52,439.98	45,247.07
Total Equity	30,741.66	24,206.56
Total Equity and Net Debt	83,181.64	69,453.63
Gearing Ratio	0.63	0.65

Notes forming part of the Consolidated financial statements

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, 2019 and March 31, 2018.

40 Recent accounting pronouncements

IND AS 116

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Group is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.



SAKUMA EXPORTS LIMITED

L51909MH2005PLC155765

Registered Office: Aarus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013

ATTENDANCE SLIP

(To be presented at the Entrance)

Fourteenth Annual General Meeting of the Company held on Tuesday, 24th September, 2019 at 10.30 A.M. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

Folio No.: _____

DP ID No.: _____

Client ID No.: _____

Name of the Member: _____ Signature: _____

Name of the Proxyholder: _____ Signature: _____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.



SAKUMA EXPORTS LIMITED

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

FORM NO. MGT – 11

PROXY FORM

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

CIN:	L51909MH2005PLC155765
Name of the Company:	SAKUMA EXPORTS LIMITED
Registered Office:	Aurus Chamber, A 301, Near Mahindra Tower, S S Amrutwar Lane, Worli, Mumbai – 400 013
Email ID:	companysecretary@sakumaexportsltd.com
Folio No / Client ID / DP ID:	

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

1. Name _____
 Address _____
 Email Id _____

Signature _____ or failing him

2. Name _____
 Address _____
 Email Id _____

Signature _____ or failing him

3. Name _____
 Address _____
 Email Id _____

Signature _____ or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 14th Annual General Meeting of the Company, to be held on Tuesday, 24th September, 2019 at 10.30 A.M. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions as indicated below:

Sr. No.	Resolutions	For	Against
1 (a).	Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors' thereon.		
1 (b).	Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019, and the Report of the Auditors' thereon.		
2.	To declare dividend @ 10% i.e. Re. 0.10/- per equity share for the financial year 2018 – 19.		
3.	Re-appointment of Ms. Shipra Malhotra, who retires by rotation.		
4.	Re-appointment M/s. M. L. Sharma & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration.		
5.	Re-appointment of Mr. Radhe Shyam as an Independent Director of the Company for a second consecutive term of 5 years		
6.	Re-appointment of Mr. Ashokkumar Doda as an Independent Director of the Company for a second consecutive term of 5 years		
7.	Re-appointment of Mr. Om Parkash Singal as an Independent Director of the Company for a second consecutive term of 5 years		
8.	Re-appointment of Mr. Saurabh Malhotra as a Chairman and Managing Director of the Company		

Signed this ____ day of _____ 2019.

Signature of shareholder : _____

Signature of Proxy Holder (s): _____

Affix a Re 1.00 revenue stamp
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NOTE: The Proxy Form in order to be effective should be completed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Meeting.

ROUTE MAP



Book-Post



Sakuma Exports Limited

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