Sakuma Exports Limited

9th Annual Report 2013-2014

SAKUMA EXPORTS LIMITED

BOARD OF DIRECTORS	Mr. Chander Mohan - Chairman Mr. Saurabh Malhotra – Managing Director Mr. Ashok Kumar Doda – Independent Director Mr. Radhe Shyam – Independent Director Mr. Om Parkash Singal – Independent Director Ms. Shipra Mediratta – Non Executive Director
AUDITORS	M/S. S N K & Co. Chartered Accountants 303, Konark Shram, 156, Tardeo Road, Mumbai- 400034
BANKERS	Corporation Bank Axis Bank Limited Indian Overseas Bank
REGISTERED OFFICE	301-A, Aurus Chambers, S.S. Amrutwar Lane, Near Mahindra Tower, Worli, Mumbai-400013
SHARE TRANSFER AGENTS	Big Share Services Private Limited E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400072 Tel: 022 40430200 Fax: 022 28525207 Email: info@bigshareonline.com bss@bigshareonline.com

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NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Thursday, 28th, August , 2014 at 10.30 A.M. at P L Despande Kala Academy, Ravindra Natya Mandir, Ground Floor, Sayani Road, Prabhadevi, Mumbai: 400 025 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, Audited Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares @ 10% (i.e. ₹1 per Equity share).
3. To appoint a Director in place of Ms. Shipra Mediratta, who retires by rotation and being eligible, offers herself for re-appointment.
4. To re-appoint M/s. S N K & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass the following resolution as Special Resolution:

   "RESOLVED THAT in super session of the ordinary resolution passed by the members of the Company from time to time, the Board of Directors of the Company be and is hereby authorized in accordance with the provisions of Section 180 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013, to borrow periodically from, including without limitation, any Banks and / or public financial institutions as defined under Section 2 (72) of the Companies Act, 2013 and / or any foreign financial institution(s) and / or any entity / entities or authority / authorities and / or through suppliers credit securities instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and / or through credit from official agencies and / or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹ 500 Crores (Rupees Five Hundred Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves (Reserves not set apart for any specific purpose).

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

6. To consider and if thought fit to pass the following resolution as Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board') to create / mortgages / charges / hypothecations, in addition to the mortgages / charges / hypothecations created by the Company on the immovable / movable properties, both present and future, of the Company, in respect of all or any one or more of the undertakings of the Company, on such terms and conditions and at such times and in such form and manner, as the Board may deem fit, for an amount not exceeding ₹ 500 Crores (Rupees Five Hundred Crores only) in favour of Indian / Foreign Financial Institutions, Indian / Foreign Finance Companies, Nationalized / Indian/ Foreign Banks, Indian / Foreign Corporate Bodies, Indian / Foreign Mutual Funds, Indian / Foreign Insurance Companies, Indian / Foreign Pension Funds, to secure Rupee Loan / Foreign Currency Loan / Debentures or Bonds, whether fully or partly convertible or non convertible and / or securities linked with the equity shares of the Company and / or rupee / foreign currency convertible or non convertible bonds with share warrants attached or for any other facilities granted in favour of the Company collectively referred to as 'the Loans', as Security for - 'the Loans' or for any other facilities granted in favour of the Company or for the Security of any other loan / term loans raised from time to time, together with interest thereon, further interest, if any, remuneration of Trustees, costs, charges, expenses and all other moneys payable to the Trustees in terms of agreement to be entered between the Company and the Trustees.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and is hereby authorized to prepare, finalises and execute with the Trustees / lending institutions, such documents, deeds, writings and agreements, as may be necessary for creating mortgages and / or charges as aforesaid and to do all such acts, deeds matters and things as may be necessary and / or expedient for giving effect to this resolution."

7. To appoint Shri Ashok Kumar Doda (DIN: 00288563) as an Independent Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as a special resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ashok Kumar Doda (DIN: 00288563), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019."

8. To appoint Shri Radhe Shyam (DIN: 00648805) as an Independent Director and in this regard to consider and if thought fit to pass with or without modification the following resolution as a special resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Radhe Shyam (DIN: 00648805), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019."

BY ORDER OF THE BOARD
For Sakuma Exports Limited

Sd/-
(Saurabh Malhotra)
Managing Director

Place: Mumbai
Dated: 15th May, 2014

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IS ENCLOSED ALONG WITH THIS NOTICE.
2. The Proxy Form, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Explanatory Statement for pursuant to section 102 of the Companies Act, 1956 are attached to the notice.
4. For the convenience of the shareholders, Attendance Slip is annexed to this notice. Shareholders/Proxy Holders are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue.
5. The Register of Members and Share Transfer Register of the Company will remain closed from Friday 22nd August 2014 to Thursday 28th August 2014 (both the days inclusive).
6. Corporate Members intending to send their authorized representatives at the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. Dividend on equity shares, if declared at the Meeting, will be paid to those shareholders whose names shall appear on the Company's Register of Members as on 22nd August, 2014; in respect of shares held in dematerialized form, the dividend will be paid to those shareholders whose names are furnished by Central Depository Services (India) Limited and National Securities Depository Limited as beneficial owners as on that date.

9. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their depositories to the company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account. Members holding shares in dematerialized form as well as in physical are requested to intimate instructions pertaining to those shares to their respective Depository Participant and for shares held in physical form to intimate instructions pertaining to those shares to the Company's Registrar and Share Transfer Agent.

10. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent i.e. M/s. Big Share Services Private Limited.

11. Members are requested to immediately notify any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Secretarial department at the Registered Office of the company or to the Registrar and Shares Transfer Agents in respect of their holding in physical form.

12. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report.

13. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr Raju Pillai: companysecretary@sakumaexportsltd.com.

14. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year March 31, 2007 and dividends declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the IEPF pursuant to Section 205C of the Companies Act, 1956.

    For Equity Shareholders:

Financial Year	Date of Declaration of Divided	Last Date of claiming un-paid Dividend
Final Dividend 2006- 2007	09.07.2007	13.08.2014
Final Dividend 2007- 2008	20.08.2008	24.09.2015
Final Dividend 2010- 2011	18.08.2011	22.09.2018
Final Dividend 2011-2012	27.09.2012	31.10.2019
Final Dividend 2012-2013	29.07.2013	02.09.2020

    For Preference Shareholders:

Financial Year	Date of Declaration of Divided	Last Date of claiming un- paid Dividend
Dividend 2006- 2007	09.07.2007	13.08.2014
Dividend 2007- 2008	20.08.2008	24.09.2015
Dividend 2008 – 2009	15.09.2009	21.10.2016
Dividend 2009 – 2010	15.09.2010	20.10.2017
Dividend 2010 – 2011	28.02.2011	27.02.2018

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

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically

16. Information required under Clause 49 IV G of the Listing Agreement relating to Corporate Governance with respect to the Director being appointed and Directors retiring by rotation and being eligible, seeking re-appointment is as under:

I.	Particulars	Ms. Shipra Mediratta
	Date of Birth	02/08/1972
	Date of Appointment	January 25, 2007
	Qualifications	M.Com Part(I) Post Graduate with specialization in Human Resource Management (HRM)
	Expertise in specific functional areas	
	Directorships in other Public Limited Companies*	Nil
	Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	Nil

II.	Particulars	Mr. Ashok Kumar Doda
	Date of Birth	05/11/1946
	Date of Appointment	08/09/2005
	Qualifications	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)
	Expertise in specific functional areas	
	Directorships in other Public Limited Companies*	2
	Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	2

III.	Particulars	Mr. Radhe Shyam
	Date of Birth	12th June, 1943
	Date of Appointment	8th September, 2005
	Qualifications	M.Com, Certified Associate of Indian Institute of Bankers (CAIIB), Diploma in Industrial Finance.
	Expertise in specific functional areas	
	Directorships in other Public Limited Companies*	NIL
	Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	NIL

ANNEXURE TO THE NOTICE

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

ITEM NO. 5 – Borrowing Power

As per section 180 (1) (c) of the Companies Act, 2013, any borrowing in a Company which is beyond the paid up share capital and free reserves of the Company, requires approval of the Board of Directors in a Board Meeting and further confirmation of shareholders by special resolution passed in a shareholders meeting.

The provision is similar to section 293(1)(d) of the Companies Act, 1956 with the only difference that under section 293(1)(d) of the Companies Act, 1956, approval of the shareholders was required to be obtained by ordinary resolution. Now, under section 180 of the Companies Act, 2013, approval of shareholders is required by special resolution.

In both the laws, borrowing by raising temporary loans was exempted from the aforesaid compliance.

As per general circular no. 4/2014 dated 25th March, 2014 the present resolution under Section 293 of the Companies Act, 1956 is valid for a period of 1 year from the commencement of the Companies Act, 2013 i.e upto 12th September, 2014.

Now, due to implementation of the Companies Act, 2013, the approval of the shareholders obtained by passing ordinary resolution shall stand invalid from 12th September, 2014 and hence, a fresh approval of the shareholders by passing special resolution needs to be obtained.

In the earlier General Meeting of the Company, ordinary resolution was passed by the members from time to time, under Section 293(1)(d) of the Companies Act, 1956 thereby authorizing the Board of Directors to borrow monies for the purpose of business of the Company for an amount, not exceeding ₹ 50 Crores (Rupees Fifty Crores Only) in aggregate. Due to increase in business operations, future growth plan of the Company and increase in working capital requirements would require further borrowings. Hence it is proposed to increase the borrowing limits to ₹ 500 crores. This will enable the Board of Directors to borrow from time to time upto ₹ 500 crores.

It is necessary for the shareholders of the Company to grant their consent by passing a special resolution at their meeting under Section 180(1)(c) of the Companies Act, 2013 authorizing the Board of Directors of the Company to borrow monies in excess of the paid up capital and free reserves of the Company upto ₹ 500 crores.

ITEM NO. 6 – Creation of Mortgage / Charge On Company's assets.

In the earlier General Meeting of the Company, an ordinary resolution was passed by the members from time to time, thereby authorizing the Board of Directors of the Company to create such mortgages and charges in addition to the existing mortgages and charges and hypothecations, created by the Company as the Board may direct on all immoveable properties and moveable properties of the Company, both present and future aggregating to ₹ 500 crores in favour of lending Financial Institutions / Corporate Body(s) / person(s) / Corporation(s) / Government / lender(s) / Bank(s) (together with interest) for monies borrowed or to be borrowed.

To meet the increasing requirements of the funds, the Board of Directors are required to borrow monies from time to time for which mortgages / charges / hypothecations are to be created on the moveable and immoveable properties of the Company, present and future and hence it is considered necessary to enhance the said limit to ₹ 500 crores (Rupees Five Hundred Crores Only). The resolution has accordingly been proposed for approval of the members pursuant to section 180 (1) (a) of the Companies Act, 2013.

The Board recommends the resolution in the best interest of the company.

All the Directors of the Company may be deemed to concerned or interested in the resolution to the extent of their shareholdings in the Company.

ITEM NO. 7 & 8 – Appointment of Mr. Ashok Kumar Doda & Mr. Radhe Shyam as an Independent Director.

Shri Ashok Kumar Doda and Shri Radhe Shyam are Independent Directors of the Company and have held the positions as such for more than 5 (five) years. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Ashok Kumar Doda and Shri Radhe Shyam as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 14th Annual General Meeting of the Company in the calendar year 2019.

Shri. Ashok Kumar Doda and Shri. Radhe Shyam are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Independent Directors.

The Company has received notices in writing from member's along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Ashok Kumar Doda and Shri. Radhe Shyam for the office of Directors of the Company.

The Company has also received declarations from Shri Ashok Kumar Doda and Shri. Radhe Shyam that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Ashok Kumar Doda and Shri. Radhe Shyam fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Ashok Kumar Doda and Shri. Radhe Shyam are independent of the management.

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

Copy of the draft letters for respective appointments of Shri Ashok Kumar Doda and Shri. Radhe Shyam as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Shri Ashok Kumar Doda and Shri. Radhe Shyam are interested in the resolutions set out respectively at Item Nos. 7 and 8 of the Notice with regard to their respective appointments.

The relatives of Shri Ashok Kumar Doda and Shri. Radhe Shyam may be deemed to be interested in the resolutions set out respectively at Item Nos. 7 and 8 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item Nos. 7 and 8 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD
For Sakuma Exports Limited

Sd/-

Place: Mumbai **(Saurabh Malhotra)**

Dated: 15th May, 2014 **Managing Director**

Directors' Report

Your Directors take pleasure in presenting their Ninth Annual Report on the business and operations of your Company together with audited statement of accounts for the year ended 31st March 2014.

Financial Highlights

FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in lacs)

	Standalone		Consolidated	
	2013-14	**2012-13**	**2013-14**	**2012-13**
Sales & Other Income	1,01,459.22	62,189.26	1,58,182.06	81,576.11
Profit before depreciation & Tax	1,132.64	694.32	2,217.26	954.48
Depreciation	79.32	88.56	79.70	88.81
Profit before Tax	1,053.32	605.76	2,137.56	865.67
Provision for Tax				
- Current Tax	365.00	181.21	365.79	181.21
- Deferred Tax	(16.17)	(15.70)	(16.17)	(15.70)
- Income Tax of Earlier years	(0.61)	21.69	(0.61)	21.69
Minority Interest and share of loss of associate			158.32	35.74
Net Profit after tax	705.10	418.56	1630.23	642.73
Add: Surplus from previous period	1,127.07	899.42	1399.77	957.17
Profit Available for Appropriation	1,832.17	1317.98	3032.12	1,599.90
Appropriation				
Dividend on Equity Shares	164.26	164.26	164.26	164.26
Dividend Tax	27.92	26.65	27.92	26.65
Excess provision of Reversed back	-	-	-	-
Transfer to Statutory Reserve	-	-	-	9.22
Balance carried to Balance Sheet	**1,639.99**	**1,127.07**	**2,901.20**	**1,399.78**

Operations Review and Future Prospects

During the year, company scaled new heights in its operations. As reported in the previous annual report, deficient crop production during the crop year 2012-2013, affected adversely our business in the first half of the year and turnover declined to ₹ 270.42 Crore for the half year ended 30th September 2013 including domestic sales of ₹ 71.75 Crore. Operations improved significantly from October 2013 onwards as sugar crop 2013-2014 was much better. Exports during the second half year improved nearly three times from ₹ 198.67 Crore to ₹ 683.72 Crore. During the whole year the company achieved turnover of ₹ 1000.45 Crore and profit before tax ₹ 10.53 Crore as against ₹ 608.23 Crore and ₹ 6.06 Crore respectively during 2012-13; increase of 64.50% and 73.76% over last year in top line and bottom line respectively .Diversification drive in product range initiated during last year showed positive results and share of products other than sugar increased from ₹ 103.49 Crore in 2012-13 to ₹ 229.74 Crore 2013-14. While we made good beginning in export of cotton the company also exported rice, wheat, etc. We are further strengthening our marketing efforts in export of these commodities in the light of experience gained during the year. During the year we also added two new commodities to our import namely Edible oil and Coal. . With above initiatives the turnover and profitability of the company is expected to improve.

The Government Policy has been by and large stable as regards export of sugar. However we faced acute liquidity crunch during the year. We got enhancement in our credit limits under Consortium System by including two more banks namely Indian Overseas Bank and Axis Bank Ltd.

The working of our Subsidiaries in Dubai achieved impressive growth. The turnover of Sakuma Exim DMCC during the financial year 2013-2014 was AED 19,32,66,830 as against AED 5,84,06,848 an increase of 230.90%. The Turnover of G.K.M General Trading LLC increased from AED 8,69,28,024 in the preceding year to AED 20,22,94,280 during the financial Year 2014, an increase of 132.71%. Our Subsidiaries in Ghana and Singapore commenced operation, though in a humble way, after overcoming

the teething troubles and acclimatizing with the local business environment, regulatory requirements, local trade practices and logistics systems.

As a result of good performances of subsidiaries in Dubai we made a substantial gains in consolidated turnover and profits increased from ₹ 812.16 Crore and ₹ 6.78 Crores in 2012-13 to ₹ 1578.64 Crore and ₹ 17.89 Crore respectively in 2013-14; increase of 94.37% in topline and 163.86% in bottom line. With the heartening growth of subsidiaries in Dubai and stabilization of subsidiaries at Ghana and Singapore we expect further improvement in the consolidated performance of the company in future years.

Dividend

The Board of Directors has recommended dividend of 10% on equity shares (i.e. ₹ 1 per equity share) for the financial year ended 31st March, 2014 amounting to ₹ 164,25,943/-. The dividend tax liability on equity shares to be borne by your Company is ₹.27,91,589/-.

Directors:

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

In terms of the articles of association of the Company, section 149 (10) of the Companies Act, 2013 and revised clause 49 of Listing Agreement dealing with Corporate Governance norms, Mr. Ashok Kumar Doda and Mr. Radhe Shyam has completed 5 years term as Independent Directors as on 1st April, 2014. The Company proposes to re-appoint them, as Independent Directors for a further period of 5 years till 2019. The Company has received requisite notices in writing from members proposing Mr. Ashok Kumar Doda and Mr. Radhe Shyam for appointment as Independent Directors.

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

Investment in Subsidiary Companies and Joint Ventures

During the financial year the Subsidiary Company at Singapore incorporated a wholly owned subsidiary in Tanzania named as Sakuma Exports Tanzania Private Limited. The company was incorporated on 13th July, 2013. During the financial year 2013-14 there was no operation in the company.

Subsidiary Companies

In terms of Section 212(a) of the Companies Act, 1956, the Central Government, Ministry of Corporate Affairs vide its General Circular 2/2011 dated 8th February, 2011 has granted a general exemption to the Company from the requirement of attaching to its annual report, the Balance Sheet, Profit and Loss Account and the report of the Directors and Auditors thereon of its subsidiary. Accordingly the same is not attached to the Balance Sheet of the Company. Shareholders who wish to obtain a copy of Annual Accounts of subsidiary company may write to the Compliance Officer at the registered office of the Company. Members can also email their request at the email address of the Compliance Officer, Mr. Raju Pillai; companysecreatary@sakumaexportsltd.com.

Statement pursuant to general exemption received under section 212(8) of the Companies Act, 1956 relating to subsidiary companies

(Amount in Lacs)

Sr. No	Particulars	GKM General Trading LLC ₹	Sakuma Exim DMCC ₹	Sakuma Exports Pte Limited ₹	Sakuma Exports (Ghana) Ltd ₹
	Reporting Currency	AED	AED	USD	GHC
	Country	U.A.E	U.A.E	Singapore	Ghana
	Exchange Rate	16.32	16.32	60.09	22.85
i)	**Share Capital**	4.31	7.00	0.58	-
ii)	**Reserves and Surplus**	806.39	395.90	15.63	2.37
iii)	**Total Assets**	3260.57	3849.03	381.89	371.27

Sr. No	Particulars	GKM General Trading LLC ₹	Sakuma Exim DMCC ₹	Sakuma Exports Pte Limited ₹	Sakuma Exports (Ghana) Ltd ₹
iv)	**Total Liabilities**	3260.57	3849.03	381.89	371.27
v)	**Investment other than Investment in subsidiary**	Nil	Nil	Nil	Nil
vi)	**Turnover**	34027.37	32063.02	1066.16	308.92
vii)	**Profit before taxation**	791.58	426.73	15.62	(147.58)
viii)	**Provision for Taxation**	Nil	Nil	Nil	0.79
ix)	**Profit after taxation**	791.58	426.73	15.62	(148.37)
x)	**Proposed Dividend**	Nil	Nil	Nil	Nil

Consolidated Financial Statements

In accordance with the accounting standards (AS – 21) on Consolidated Financial Statements, read with AS – 23 on accounting for investments in associates and AS – 27 on financial reporting of interest in joint ventures, the audited consolidated financial statement is provided in the annual report.

Corporate Social Responsibility

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, the provisions of Corporate Social Responsibility (CSR) are applicable to the Company w.e.f. 1st April, 2014. Accordingly, your Directors have constituted the CSR Committee comprising the following Directors:

a. Mr. Chander Mohan: Chairman

b. Ms. Shipra Mediratta: Member

c. Mr. O P Singhal: Member

Public Deposits

The company has neither invited nor accepted any public deposits during the year under review.

Directors' Responsibility Statement

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that

(i) In the preparation of the annual accounts for the financial year ended March 31st, 2014, all the applicable accounting standards have been followed along with proper explanations relating to material departures.

(ii) Appropriate accounting policies have been selected and applied consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the said period;

(iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) The annual accounts have been prepared on a 'going concern' basis.

Auditors

M/s. S N K & Co., Chartered Accountants, will retire as Auditors of the Company at the conclusion of the Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment if made would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

Audit Committee of the Board has recommended their re-appointment.

Corporate Governance

A Report on the Corporate Governance Code along with a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as also the Management Discussion and Analysis Report, stipulated under Clause 49 of the Listing Agreement are annexed to this Report.

Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earning and Outgo.

In pursuance of the provisions of section 217(2)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earning and outgo is given below:

A. Conservation of Energy

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

B. Technology absorption, adaptation and innovation

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

C. Foreign Exchange Earning & Outgo:

(Amount in ₹)

Particulars	**2013-14**	**2012-13**
(a) Expenditure in Foreign Currency		
- Professional and Consultation Fees	**-**	88,400
- Travelling Expenses	**21,83,838**	14,50,175
- Commission	**14,15,383**	Nil
- Import	**19,16,55,112**	43,13,92,054
(b) Earnings in Foreign Currency		
- Export of Goods on FOB basis.	**8,54,76,06,724**	5,16,78,41,786

Particulars of Employees

There is no employee in the Company drawing monthly remuneration of ₹ 5,00,000/- per month or ₹ 60,00,000/- per annum or more. Hence the Company is not required to disclose any information as per Companies (Particulars of Employees) Rules, 1975.

Acknowledgements

The Directors take pleasure in thanking the Company's business associates / customers, vendors and bankers for their continued support. The Directors also acknowledge and appreciate the sincere efforts, contribution and cooperation of the employees.

For and on behalf of the Board of Directors

Place :Mumbai
Dated: 15th May, 2014

(Chander Mohan)
Chairman

(Saurabh Malhotra)
Managing Director

CORPORATE GOVERNANCE REPORT

*(under Clause 49 (VI) (i) of Listing Agreement)

***(For The Financial Year 31st March, 2014)**

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

II. BOARD OF DIRECTORS

i) Composition and Category of Directors:

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

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

All the independent directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations are placed before the Board.

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

Date of Board Meetings	Chander Mohan	Saurabh Malhotra	Shipra Mediratta	Ashok Kumar Doda	Radhe Shyam	Om Parkash Singal
29th May, 2013	Present	Present	Present	Present	Present	Present
29th July, 2013	Present	Present	Present	Present	Present	Present
25th October, 2013	Present	Present	Present	Present	Present	Present
8th February, 2014	Present	Present	Absent	Present	Present	Present
Total Attendance (out of 4 Board Meetings)	**4**	**4**	**3**	**4**	**4**	**4**
Attendance at Last AGM	**Present**	**Present**	**Present**	**Present**	**Absent**	**Present**

iii) a. **Number of other Companies where director (of SEL) hold memberships on the Board of Directors:**

b. **Number and Name of Committees in which the Directors (of SEL) hold Memberships or Chairmanships:**

Name of Director	No. of Other Co.s where Directors	Number & Name of Committee Memberships / Chairmanships			
		Chairman	No.	Member	No.
Mr. Chander Mohan	0	Nil	0	Nil	0
Mr. Saurabh Malhotra	0	Nil	0	Nil	0
Ms. Shipra Mediratta	0	Nil	0	SIGC- SEL	1
Mr. Ashok Kumar Doda	2	SIGC – SEL	1	AC – SEL	1
Mr. Radhe Shyam	0	AC – SEL	1	SIGC – SEL	1
Mr. Om Parkash Singal	0	Nil	0	AC -SEL	1

AC – SEL	**Audit Committee – Sakuma Exports Limited**
SIGC – SEL	**Shareholders / Investors Grievance Committee – Sakuma Exports Limited**

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

iv) **Code of Conduct:**

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2014. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The Company has adopted new Code for Independent Director as prescribed under schedule IV pursuant to section 149 (8) of the Companies Act 2013 with effect from 1st April 2014.

III. AUDIT COMMITTEE

The Composition of the Audit Committee and the attendance of the members of Audit Committee at the meetings of the Audit Committee are as follows:

Date of Meeting	Radhe Shyam*	Ashok Kumar Doda#	Mr. Om Parkash Singal$
29th May, 2013	Present	Present	Present
29th July, 2013	Present	Present	Present
25th October, 2013	Present	Present	Present
8th February, 2014	Present	Present	Present
Total (out of 4 meetings)	**4**	**4**	**4**

* Chairman & Non Executive Independent Director

Member & Non- Executive Independent Director

$ Member & Non- Executive Independent Director

The Board of Directors of the Company has framed a Terms of Reference for the Audit Committee. The Terms of Reference is based on Clause 49 (II) (D) of the Listing Agreement. The Audit Committee performs its functions in accordance with its terms of reference. In addition, it exercises its powers and reviews information as specified under Clause 49 (II) (C) and (E) of the Listing Agreement.

The present constitution of the audit committee is compliant with section 177(2) of the Companies Act, 2013. The Company has adopted at its Board meeting held on May 15, 2014 the terms of reference of Audit Committee as prescribed under section 177(4) of the Companies Act, 2013 w.e.f 1st April, 2014

IV. REMUNERATION COMMITTEE

The Company does not have a formal Remuneration Committee. However, the Board of Directors takes all decisions regarding the remuneration and sitting fees of Directors.

i) Remuneration Policy

The remuneration of Executive Directors was approved by the shareholders of the company at its 5th Annual General Meeting held on 15th September, 2010. Non executive Directors are not paid any remuneration except sitting fees.

ii) Details of Remuneration paid to all Directors

A. The Company does not have any pecuniary relationship or transactions with the non-executive directors. During the year, the Company has paid sitting fees to non-executive directors.

B. The aggregate remuneration paid to the Directors for the year ended 31st March, 2014, is as under;

Name of Director	Salary & Perqs	Commission	Sitting Fees	Total
Chander Mohan	45,50,000	-	-	**45,50,000**
Saurabh Malhotra	45,50,000	-	-	**45,50,000**
Shipra Mediratta	-	-	1,02,000	**1,02,000**
Ashok Kumar Doda	-	-	2,04,000	**2,04,000**
Radhe Shyam	-	-	2,04,000	**2,04,000**
Om Parkash Singal	-	-	1,36,000	**1,36,000**

C. The Company has not issued any stock options or paid any performance linked incentives or fixed component incentives to the Directors.

D. DETAILS OF SERVICE CONTRACTS:

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

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

Non Executive Directors	No. of shares held as on 31st March, 2014	No. of shares held as on 31st March, 2013
Shipra Mediratta	Nil	Nil
Ashok Kumar Doda	Nil	Nil
Radhe Shyam	68053	68053
Om Parkash Singal	Nil	Nil

V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

A) The Composition of the Shareholders/Investors Grieveance Committee and their attendance at the Shareholders/ Investors Grieveance Committee Meetings are as follows:

Date of Meeting	Ashok Kumar Doda*	Shipra Mediratta#	Radhe Shyam$
29th May, 2013	Present	Present	Present
29th July, 2013	Present	Present	Present
25th October, 2013	Present	Present	Present
8th February, 2014	Present	Absent	Present
Total (out of 4 meetings)	4	3	4

* Chairman & Non Executive Independent Director

\# Member & Non- Executive Promoter Director

$ Member & Non-Executive Independent Director

B. COMPLIANCE OFFICER :

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

Email address of Compliance Officer is **companysecretary@sakumaexportsltd.com**

C. Complaint Status for the year 01/04/2013 to 31/03/2014

Category	No.of Complaint Received	No.of Complaint Resolved	No.of Complaint Pending
Non receipt of demat rejection documents	-	-	-
Non receipt of dividend warrant	1	1	0
SEBI	-	-	-
Stock Exchange	-	-	-
Non Receipt Of Annual Report	2	2	0
Total:	3	3	0

VI. GENERAL BODY MEETINGS

A. 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 there are given below;

Financial Year Ending	Nature of Meeting	Nature of Special Resolution Passed	Date & Time	Location
31.03.2011	6th AGM	Note 1	18.08.2011 11.00 A.M.	P.L Deshapande Kala Academy, Ravindra Natyamandir, Gr.Floor, Sayani Road, Prabhadevi, Mumbai - 400 025
31.03.2012	7th AGM	Note 2	27.09.2012 10.30 A.M.	P.L Deshapande Kala Academy, Ravindra Natyamandir, Gr.Floor, Sayani Road, Prabhadevi, Mumbai - 400 025
31.03.2013	8th AGM	Note 3	29.07.2013	P.L Deshapande Kala Academy, Ravindra Natyamandir, Gr.Floor, Sayani Road, Prabhadevi, Mumbai - 400 025

Note 1

1. Resolution was passed under Section 31 of the Companies Act, 1956 for altering the capital clause (Article 5) of the Articles of Association of the Company. At the same meeting, a resolution was passed to re-classify the authorized share capital by converting the entire authorized preference share capital into authorized equity share capital. In order to reflect the change in authorized share capital in the capital clause of Articles of Association, Article 5 was altered.

Note 2

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

Note 3

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

VII. DISCLOSURES

i. The Company has not entered into any materially significant related party transactions during the year that may have potential conflict with the interests of the Company at large.

ii. There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty or stricture imposed by the Stock Exchange or any other Statutory Authority, on any matter relating to the capital market over the last three years.

iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.

iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

v. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2013 – 2014.

vi. The Company has complied with all mandatory requirements of clause 49 of Listing Agreement.

VIII. WHISTLE BLOWER POLICY:

During the financial year 2014 – 15, in accordance with the revised clause 49 (II) (F) of listing agreement and pursuant to section 177 (9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, the company has adopted a whistle blower policy. The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. As per the whistle blower policy, the employees are free to report violations of laws, rules, regulations or un-ethical conduct to their immediate superior. The confidentiality of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

IX. MEANS OF COMMUNICATION

i. Quarterly Results are communicated through a press release and newspaper advertisements and websites.

ii. The financial results, official news releases and presentations are also displayed on the websites of the company (www.sakumaexportsltd.com).

iii. Annual Report is circulated to all shareholders and all others like auditors, equity analysts, bankers etc.

iv. Management Discussion and Analysis forms a part of the Annual Report which is mailed to the shareholders of the Company.

v. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

X. GENERAL SHAREHOLDER INFORMATION

AGM Date, Time & Venue	Date: 28th August, 2014 Time: 10.30 a.m Venue: P.L Deshpande Maharashtra Kala Acadeny, Ravindra Natyamandir, Gr.Floor, Sayani Road, Prabhadevi, Mumbai -400 025.
Financial Year:	1st April, 2013 to 31st March, 2014
Book Closure Date:	August 22, 2014 to August 28, 2014 (both days inclusive)
Dividend Payment Date:	Before September 27, 2014
Listing on Stock Exchanges:	The Bombay Stock Exchange Limited National Stock Exchange of India Limited
Stock Code & Demat Scrip Code (ISIN)	Bombay Stock Exchange Scrip Code: 532713 ISIN: INE 190H01016

Registrar & Transfer Agents	Bigshare Services Private Limited, Address: E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel: 40430200 Fax: 28475207 E mail: rutika@bigshareonline.com Website: www.bigshareonline.com

Shareholders / investors are requested to forward share transfer documents, dematerialization request, correspondence regarding change of address, non – receipt of dividend or share certificates and other related queries to the Company's registrar i.e. Bigshare Services Private Limited at the address mentioned above.

Share Transfer System and Dematerialisation of Shares:

Equity Shares which are held in Dematerialised form are transferable through the Depository. The Company has appointed Big Share Services Private Limited as its Registrar and Share Transfer Agent to carry out the transfers of Equity shares which are held in physical form.

As on March 31, 2014 1,64,24,756 equity shares (99.99%) of the Company are dematerialized. All this shares are electronically transferred through the demat facility. 1,187 equity shares (0.01%) are in physical mode. The Company has assigned the job of transfer of physical equity shares to its Registrar and Share Transfer Agent, Bigshare Services Private Limited. The Shareholders and Investors Grievances Committee takes on record all the physical share transfers, request for consolidation / split of shares, etc from time to time.

Transfers Lodged & Transferred	No. of Transfer Deeds Processed	No. of Shares Transferred
1 – 30 days	-	
31 – 60 days	-	-
Above 60 days	-	-
Total	NIL	NIL

Distribution of Shareholding as on 31st March, 2014:

Range (In ₹)	No. of Shareholders	% to total holders	Total Shareholding (In ₹)	% to capital
1 – 5000	6315	83.5317	11918960	7.2562
5001 - 10000	776	10.2646	6116960	3.724
10001 - 20000	241	3.1878	3618770	2.2031
20001 - 30000	68	0.8995	1781080	1.0843
30001 - 40000	34	0.4497	1200480	0.7308
40001 - 50000	39	0.5159	1807130	1.1002
50001 - 100000	39	0.5159	2817540	1.7153
100001 & Above	48	0.6349	134998510	82.1862
Total	**7560**	**100**	**164259430**	**100.0000**

Nomination Facility:

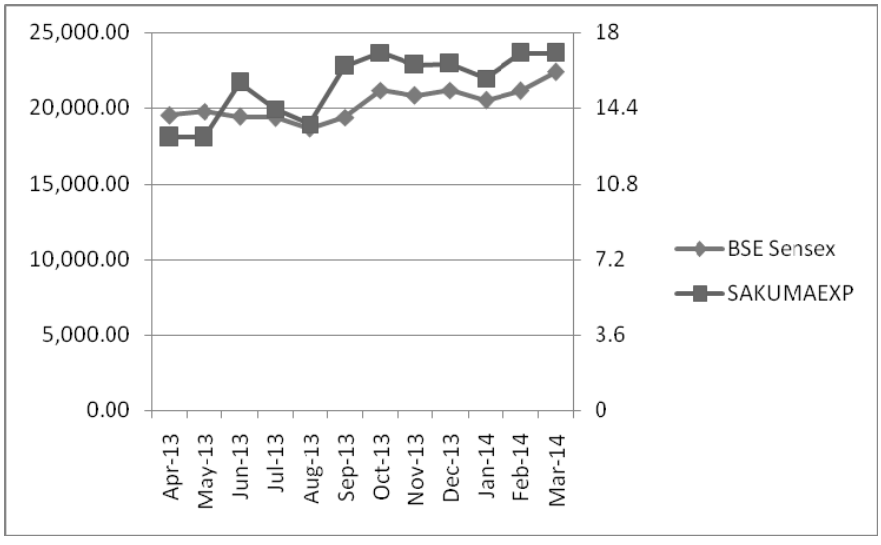
Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transferred to his name. For further details, shareholders may write to the Registrar and Share Transfer Agent of the Company.

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.

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

Index Comparison



***Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2014:**

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹)	* Spread (₹)	
								H-L	C-O
Apr 13	13	13.98	12.2	13.01	26,486	1,142	3,38,808	1.78	0.01
May 13	13	13.7	12.4	13	28,442	706	3,62,851	1.3	0
Jun 13	13.2	16.63	12.86	15.59	43,367	2,419	6,34,931	3.77	2.39
Jul 13	15.1	18.1	13.55	14.35	85,505	2,519	13,74,972	4.55	-0.75
Aug 13	14	15.95	13.07	13.6	26,986	1,825	3,63,644	2.88	-0.4
Sep 13	13.13	17.68	13.02	16.39	42,132	1,211	6,49,992	4.66	3.26
Oct 13	14.55	19	14.2	17.05	65,523	1,822	10,38,661	4.8	2.5
Nov 13	16	18	16	16.45	39,260	2,063	6,53,408	2	0.45
Dec 13	16.65	18.2	15.3	16.5	42,531	1,552	7,22,876	2.9	-0.15
Jan 14	16.4	18	14.8	15.8	13,634	408	2,21,989	3.2	-0.6
Feb 14	15.3	17.9	14.3	17	45,104	818	7,40,031	3.6	1.7
Mar 14	17	19	15.95	17	43,843	356	7,60,935	3.05	0

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

Shareholding Pattern as on 31st March, 2014 (Equity Shares):

	Category	No of Shares Held	% Of Share Holding
A.	**Promoter (S) Holding**		
	Promoter (s) - Indian Promoters - Foreign Promoters	 1,11,77,938 0	 68.05 0.0
	Sub – Total(A)	1,11,77,938	68.05
B.	**Non-Promoters Holding**		
	Institutional Investors		
i.	Mutual Funds & UTI	0.0	0.0
ii.	Banks, Financial Inst, Insurance Company (Central/State Govt Inst/ Non-Govt Inst)	3,00,279	1.83
iii.	FII (S)	0	0.0
	Others		
i.	Private Corporate Bodies	1,27,520	0.78
ii.	Indian Public	46,83,906	28.52
iii.	NRI/OCBS	56,462	0.34
iv.	Directors / Relatives	68,053	0.41
v.	Clearing Members	11,785	0.07
vi.	Trust	0	0
	Sub-Total (B)	**52,48,005**	**31.95**
	GRAND TOTAL (A+B)	**1,64,25,943**	**100.00**

Plant Location

The processing of paper is being done on job work basis form outside sources by outsourcing. The Company does not have its own manufacturing or processing unit.

Registered Office & Correspondence Address

Sakuma Exports Limited
301-A, Aurus Chembers, S.S. Amrutwar Lane,
Near Mahindra Tower, Worli, Mumbai-400013
Ph.No: 022 249.99028 / 022 249.99025 Fax: 022 249.99024
Website: www.sakumaexportsltd.com
Contact Person: Mr. Raju Pillai Compliance Officer
Email Address: companysecretary@sakumaexportsltd.com

Auditors Certificate on Corporate Governance

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

For and on behalf of the Board of Directors

	Sd/-	Sd/-
Place: Mumbai	**(Chander Mohan)**	**(Saurabh Malhotra)**
Dated: May 15, 2014	**Chairman**	**Managing Director**

Management Discussion & Analysis Report

(A) Industry Overview and Future Outlook:

US Economy is coming out of subprime and showing signs of recovery .Similarly the European economies are also showing signs of recovery with positive approach and support of European Union .However the weaker economies are cutting down government expenditure to improve sovereign financial health. As a result, the global liquidity crunch continues which is detrimental to international trade, though things are looking better than those of last 3-4 years .Exporters will have to, therefore, make strenuous efforts to maintain their top line and bottom line, Further in some of the developing countries like India and China domestic demand for food products has increased owing to increase in income levels leading to inflation and decline in exportable surplus. Further, as agriculture continues to be affected by vagaries of nature, export of agriculture products from domestic market is becoming more and more difficult. According to meteorological forecast monsoon during the year 2014 is likely to be weak in India .To cope with the situation Indian exporters will have to continuously widen the range of products by accessing more and more production centers, approach newer markets and improve their competitive strengths to sustain the growing global competitive environment. Sakuma's business strategy is based on above philosophy and it is gradually widening its range of products and expanding its global reach for accessing newer procurements centers and markets.

(B) Risk and Risk Management:

1. **Foreign Exchange Risk**

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

2. **Commodity Price Risk**

   To take care of commodities price risk, export orders are immediately tied up with suppliers for procurement. However, this risk cannot be eliminated in case of imports because there is a time lag between the date of placing order and receiving delivery. Further, for the sake of economy, size of import contracts is too big to achieve back to back tie up with local buyers or hedging at commodity exchange.

3. **Risk elements in business transactions**

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

4. **Physical risks to cargo**

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

(C) Internal Controls and their adequacy

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

(D) Quality Control

The Company maintains high standards of quality. For exports before shipment and for imports on receipt of shipment the cargo is tested for quality by company's field staff, brokers' representatives and by reputed quality testing, agencies like S G S India, Geo Chem Laboratories, Caleb Bret, Our field staff are well trained and have been provided with necessary testing equipments viz., moisture testing machine, electronic weight machines, scales, caliper and any other instruments to test various commodities. Services of recognized reputed laboratories are also hired whenever necessary. This has enabled the Company to earn reputation, attract and retain clients.

(E) Human Resource / Industrial Relations

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

(F) Material Financial and Commercial Transactions

There are no material financial and commercial transactions.

Cautionary Statement:

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

For and on behalf of the Board of Directors

Place :Mumbai.
Dated : 15th May, 2014

Saurabh Malhotra
Managing Director

Management Certificate on clause 49 (1D) of the Listing Agreement

To,

The Members,

Sakuma Exports Limited

This is to affirm that the Board of Directors of Sakuma Exports Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Clause 49 (D) of the Listing Agreement with the Stock Exchange. The Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March, 2014.

Sd/-

Saurabh Malhotra
Managing Director

Place: Mumbai

Dated: 15th May, 2014

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

TO THE MEMBERS OF SAKUMA EXPORTS LIMITED

We have examined the compliance of conditions of corporate governance by Sakuma Exports Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and that no investor grievance(s) is/are pending for a period exceeding one month against the Company.

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

For S N K & Co.,
Chartered Accountants

Place : Mumbai
Dated: 15th May, 2014

Sanjay Kapadia
Partner
Membership No. 38292
FRN:109176W

INDEPENDENT AUDITOR'S REPORT

To the Members of
Sakuma Exports Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Sakuma Exports Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with Significant Accounting Polices and Notes on accounts give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, and on the basis of test check as we considered appropriate and according to information and explanation provided to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

(a) we have 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;

(e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For SNK & Co.
Chartered Accountants,
FRN : 109176W

Sanjay N. Kapadiaa
Partner.
M. No. 38292

Place: Mumbai.
Dated: May 15th, 2014

ANNEXURE TO THE AUDITORS REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

Annexure referred to in Paragraph 3 of our report of even date

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. a. According to information and explanations given to us by the management and records furnished before us, the Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b. We have been informed that, the fixed assets have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.

   c. According to information and explanations given to us by the management and records furnished before us, during the year the company has not disposed off a substantial part of its fixed assets and accordingly it has no effect on the going concern of the company.

2. a. According to information and explanation given to us by the management and records furnished before us, Inventories have been physically verified by the management at reasonable intervals.

   b. In our opinion procedure of physical verification is reasonable and adequate with regards to size of the company and nature of its business.

   c. According to information and explanations given to us by the management and records furnished before us, the Company has generally maintained proper records of Inventories and no material discrepancies have been noticed.

3. According to the information and explanations given to us and on the basis of records furnished before us, the company has not granted or taken any loans to or from parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly Clause 4(iii)(a), (b), (c), and (d) of Companies (Auditor's Report) Order, 2003 is not applicable.

4. According to the information & explanations given to us, in our opinion there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of Fixed Assets, Inventory and sale of goods. On the basis of our examination of books and records of the company, we have neither come across nor have been informed of any continuing failure to correct major weakness in the internal control.

5. a. In our opinion and according to the information and explanation given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.

   b. In respect of the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, in our opinion, are made at price which is reasonable having regard to the prevailing market prices at the relevant time.

6. The company has not accepted any deposits from the public hence Clause 4(vi) of Companies (Auditor's Report) Order, 2003 is not applicable.

7. According to information and explanations given to us the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.

8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the products dealt with by the company.

9. a. According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, service tax, cess and other dues with the appropriate authorities except few delays in payment of tax deducted at source.

b. According to information & explanation given to us, no statutory dues are outstanding, as on March 31, 2014, beyond six months from the date they become payable.

c. According to information & explanation given to us and the records of the Company, there are no dues of sales tax, income tax, service tax, custom duty, excise duty and cess that have not been deposited on account of dispute or are partially deposited under protest, except as mentioned herein below:

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

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the current and immediately preceding financial year.

11. As per the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or financial institutions during the year.

12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the company is not chit fund, nidhi, mutual fund, and societies. Accordingly clause 4(xiii) of Companies (Auditor's Report) Order, 2003 is not applicable.

14. According to Information and explanation given to us and records examined by us, in our opinion the company has maintained proper records and contracts with respect to investments and has made timely entries therein of investment in Mutual Funds, Gold and other investments. Investments are held in the name of the company.

15. According to information and explanations provide to us, the company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly Clause 4(xv) of Companies (Auditor's Report) Order, 2003 is not applicable.

16. According to information and explanations given to us by the management and records furnished before us, during the year company has not taken any term loan. Accordingly clause 4(xvi) of Companies (Auditor's Report) Order, 2003 is not applicable.

17. According to the information and explanations given to us and overall examination of records furnished before us, funds raised on short-term basis have not been prima-facie used for long-term investment.

18. During the period, the company has not made allotment of shares on preferential basis to parties and companies covered in the registered maintained under section 301 of the Act hence Clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.

19. During the period, the Company has not issued any debentures. Accordingly Clause 4(xix) of Companies (Auditor's Report) Order, 2003 is not applicable.

20. The company has not raised any money by public issue during the year under audit. Accordingly Clause 4(xx) of Companies (Auditor's Report) Order, 2003 is not applicable.

21. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the period nor we have been informed of such instances by the management.

For SNK & Co.
Chartered Accountants,
FRN : 109176W

Sanjay N. Kapadiaa
Partner.
M. No. 38292

Place: Mumbai.
Date: May 15th, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(in ₹)

Particulars		Note No	As at 31st March, 2014	As at 31st March, 2013
A	**EQUITY AND LIABILITIES**			
1	**Shareholder's funds**			
	(a) Share capital	3	**16,42,59,430**	16,42,59,430
	(b)Reserves & Surplus	4	**58,39,30,389**	47,94,55,462
			74,81,89,819	64,37,14,892
2	**Non-current liabilities**			
	Deferred tax liabilities (net)	28	**70,13,436**	86,30,320
			70,13,436	86,30,320
3	**Current liabilities**			
	(a) Short-term borrowings	5	**1,02,96,30,109**	19,42,54,468
	(b) Trade payables	6	**11,05,14,515**	2,66,47,605
	(c) Other current liabilities	7	**3,89,46,135**	6,57,64,593
	(d) Short-term provisions	8	**6,72,34,221**	2,70,24,174
			1,24,63,24,980	31,36,90,840
	TOTAL		**2,00,15,28,235**	96,60,36,052
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	9.A	**3,93,33,742**	4,10,80,687
	(b) Non-current investments	10	**12,05,693**	28,06,281
	(c) Long-term loans and advances	11	**1,18,74,516**	1,33,56,920
	(d) Other non-current assets	12	**96,22,314**	96,22,314
			6,20,36,265	6,68,66,202
2	**Current assets**			
	(a) Inventories	13	**41,59,76,194**	57,40,46,391
	(b) Trade receivables	14	**92,36,98,002**	16,16,07,869
	(c) Cash and cash equivalents	15	**16,89,72,250**	8,09,25,392
	(d) Short-term loans and advances	16	**40,72,17,399**	7,66,28,932
	(e) Other current assets	17	**2,36,28,125**	59,61,266
			1,93,94,91,970	89,91,69,850
	TOTAL		**2,00,15,28,235**	96,60,36,052
	See accompanying 'Notes forming part of the financial statements	1 &2		

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

For and on behalf of the Board of Directors

Sanjay N Kapadia
Partner
M.No. 38292

Mr. ChanderMohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Dated : 15th May'2014

Place : Mumbai
Date : 15th May'2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(in ₹)

	Particulars	Note No	For the year ended 31st March, 2014	For the year ended 31st March, 2013
1	Revenue from operations (gross)	18	**10,11,32,13,524**	6,18,82,57,631
	Less: Excise duty		-	-
	Revenue from operations (net)		**10,11,32,13,524**	6,18,82,57,631
2	Other income	19	**3,27,08,584**	3,06,68,645
3	**Total revenue (1+2)**		**10,14,59,22,108**	6,21,89,26,276
4	**Expenses**			
	(a) Purchases of stock-in-trade	20.A	**8,88,16,91,492**	4,98,47,36,592
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.B	**15,80,70,198**	34,63,77,896
	(c) Employee benefits expense	21	**3,17,00,626**	2,10,85,838
	(d) Finance costs	22	**3,37,71,974**	3,64,36,769
	(e) Depreciation and amortisation expense	9.B	**79,32,279**	88,56,303
	(f) Other expenses	23	**92,74,23,799**	76,08,57,363
	Total expenses		**10,04,05,90,368**	6,15,83,50,761
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		**10,53,31,740**	6,05,75,515
6	Exceptional items		**-**	-
7	**Profit / (Loss) before extraordinary items and tax (5 ± 6)**		**10,53,31,740**	6,05,75,515
8	Extraordinary items		**-**	-
9	**Profit / (Loss) before tax (7 ± 8)**		**10,53,31,740**	6,05,75,515
10	**Tax expense:**			
	(a) Current tax expense for current year		**3,65,00,000**	1,81,21,415
	(b) Current tax expense relating to prior years		**(61,170)**	21,68,620
	Net current tax expense		**3,64,38,830**	2,02,90,035
	(c) Deferred tax		**(16,16,884)**	(15,70,028)
			3,48,21,946	1,87,20,007
11	**Profit / (Loss) from continuing operations (9 ±10)**		**7,05,09,794**	4,18,55,507
12.i	**Earnings per share (of ₹ 10/- each):**	28.1		
	(a) Basic			
	(i) Continuing operations		**4.29**	2.55
	(ii) Total operations		**4.29**	2.55
	(b) Diluted			
	(i) Continuing operations		**4.29**	2.55
	(ii) Total operations		**4.29**	2.55
12.ii	**Earnings per share (excluding extraordinary items) (of ₹ 10/- each):**			
	(a) Basic			
	(i) Continuing operations		**4.29**	2.55
	(ii) Total operations		**4.29**	2.55
	(b) Diluted			
	(i) Continuing operations		**4.29**	2.55
	(ii) Total operations		**4.29**	2.55
	See accompanying 'Notes forming part of the financial statements	1 &2		

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

For and on behalf of the Board of Directors

Sanjay N Kapadia
Partner
M.No. 38292

Mr. ChanderMohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Dated : 15th May'2014

Place : Mumbai
Date : 15th May'2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2014

(in ₹)

	Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	**10,53,31,740**	6,05,75,515
	Adjustments for:		
	Depreciation and amortisation	**79,32,279**	88,56,303
	Finance costs	**3,37,71,974**	3,64,36,770
	Interest income	**(87,95,523)**	(67,04,180)
	Dividend income	**(27,11,943)**	(90,30,694)
	Net (gain) / loss on sale of investments	**(12,94,077)**	(4,56,079)
	Operating profit / (loss) before working capital changes	**13,42,34,450**	8,96,77,635
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**15,80,70,196**	34,63,77,896
	Trade receivables	**(76,57,68,301)**	11,91,71,399
	Short-term loans and advances	**(33,05,88,467)**	35,08,42,197
	Long-term loans and advances	**(3,09,692)**	-
	Other current assets	**5,34,408**	-
	Other non-current assets	**-**	(45,48,035)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	**8,38,66,910**	(8,95,67,638)
	Other current liabilities	**(2,68,58,648)**	(26,45,35,214)
	Short-term provisions	**3,85,38,504**	10,55,101
		(70,82,80,638)	54,84,73,341
	Net income tax (paid) / refunds	**(3,31,01,162)**	(1,55,01,614)
	Net cash flow from / (used in) operating activities (A)	**(74,13,81,800)**	53,29,71,727
B.	**Cash flow from investing activities**		
	Capital expenditure on fixed assets, including capital advances	**(61,85,333)**	(27,86,554)
	Current investments not considered as Cash and cash equivalents		
	- Purchased	**(88,48,41,148)**	(1,44,36,99,273)
	- Proceeds from sale	**89,05,05,891**	1,45,31,86,046
	Purchase of long-term investments		
	- Subsidiaries	**(58,135)**	-
	Interest received	**87,95,523**	59,80,607
	Net cash flow from / (used in) investing activities (B)	**82,16,798**	1,26,80,826

CASH FLOW STATEMENT FOR THE YEAR ENDED31 ST MARCH, 2014

(in ₹)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	**87,40,35,207**	(42,80,00,434)
Proceeds from other short-term borrowings	**11,23,89,671**	14,05,07,974
Repayment of other short-term borrowings	**(11,23,89,671)**	(15,50,07,974)
Finance cost	**(3,37,71,974)**	(3,64,36,769)
Dividends paid	**(1,63,86,673)**	(1,63,28,392)
Tax on dividend	**(26,64,700)**	(26,64,700)
Net cash flow from / (used in) financing activities (C)	**82,12,11,860**	(49,79,30,295)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**8,80,46,858**	4,77,22,258
Cash and cash equivalents at the beginning of the year	**8,09,25,392**	3,32,03,135
Cash and cash equivalents at the end of the year	**16,89,72,250**	8,09,25,392
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 15)		
Cash and cash equivalents at the end of the year *	**16,89,72,250**	8,09,25,392
* Comprises:		
(a) Cash on hand	**34,707**	26,258
(b) Balances with banks		
(i) In current accounts	**4,05,85,516**	1,47,22,530
(ii) In EEFC accounts	**1,23,02,376**	
(ii) In deposit accounts with original maturity of less than 3 months	**11,48,54,263**	6,50,69,362
(iii) In earmarked accounts (give details) (Refer Note (ii) below)	**11,95,388**	11,07,242
	16,89,72,250	8,09,25,392

Notes:

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

(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying 'Notes forming part of the financial statements

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

Sanjay N Kapadia
Partner
M.No. 38292

Place : Mumbai
Dated : 15th May'2014

For and on behalf of the Board of Directors

Mr. ChanderMohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Date : 15th May'2014

Notes forming part of the financial statements

1 Corporate information

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

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention for categories of fixed assets. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Summary of Significant Accounting Policies

2.2 Use of estimates

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

2.3 Inventories

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

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

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

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

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

Cash flow statement

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

2.5 Depreciation and amortisation

Depreciation has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. The company has used the following rates to provide depreciation on its Fixed Assets

Lease Hold Land @5%

Office Equipment @40%

Plant & Equipment @15.33%

Furniture & Fixtures @18.10%

Vehicles @25.89%

2.6 Revenue recognition

a) Sale of goods

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

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

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

b) Other income

Dividend Income from investments are recognized on receipt basis.

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

2.7 Tangible fixed assets

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

2.8 Foreign currency transactions

a) Initial recognition

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

b) Conversion

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

c) Treatment of exchange differences

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

2.9 Investments

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

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

2.10 Employee benefits

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

a) Defined contribution plans

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

b) Defined benefit plans

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

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

c) Short-term employee benefits

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

2.11 Borrowing costs

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

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

2.12 Segment reporting

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

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

2.13 Earnings per share

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

2.14 Taxes on income

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

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

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

2.15 Impairment of assets

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

2.16 Provisions and contingencies

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

2.17 Hedge accounting

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

2.18 Derivative contracts

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

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

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

2.19 Commodity Futures

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

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

• Credit Balance in the "Mark to Market Margin Account" being anticipated profit is ignored and no profit for the same is taken in the profit and loss account.

• Debit balance in the "Mark to Market Margin Account" being anticipated loss is charged to profit and loss account.

Settlement and Squaring up of contract is accounted as follows

• On final delivery settlement the difference between the settlement price and contract price is added/reduced from/to sale/ purchase

• On squaring up of the contract the difference between the squared up price and contract price is recognized in profit and loss account

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3 Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	**3,00,00,000**	**30,00,00,000**	3,00,00,000	30,00,00,000
(b) Issued				
Equity shares of ₹ 10/- each with voting rights	**1,64,25,943**	**16,42,59,430**	1,64,25,943	16,42,59,430
c) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	**1,64,25,943**	**16,42,59,430**	1,64,25,943	16,42,59,430
Total issued, Subscribed and fully paid -up share capital	**1,64,25,943**	**16,42,59,430**	**1,64,25,943**	**16,42,59,430**

Note 3 A Share Capital

Particulars

Notes:

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

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2014								
- Number of shares	**1,64,25,943**	**-**	**-**	**-**	**-**	**-**	**-**	**1,64,25,943**
- Amount (₹10 each)	**16,42,59,430**	**-**	**-**	**-**	**-**	**-**	**-**	**16,42,59,430**
Year ended 31 March, 2013		-	-	-	-	-	-	
- Number of shares	1,64,25,943	-	-	-	-	-	-	1,64,25,943
- Amount (₹10 each)	16,42,59,430	-	-	-	-	-	-	16,42,59,430

Terms/Rights attached to Equity Shares

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

During the year ended 31 March 2014, the amount of dividend per share recognised as distributions to equity shareholders was ₹ 1 per share (31st March 2013 ₹ 1 per share).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. At present there are no preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 3 B Share Capital

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

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mrs. Kusum Chandermohan Malhotra	**3310000**	**20.15%**	3310000	20.15%
Mr. Saurabh Malhotra	**3020000**	**18.39%**	3020000	18.39%
Mr. Chandermohan Malhotra	**1417289**	**8.63%**	1388965	8.46%
M/s Sakuma Infrastructure and Realty Pvt Ltd	**2631929**	**16.02%**	2436280	14.83%
Mr. Ashok Mittal	**901725**	**5.49%**	901725	5.48%

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No 4 Reserves And Surplus

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Capital redemption reserve		
Opening balance	**10,00,09,200**	10,00,09,200
Closing balance	**10,00,09,200**	10,00,09,200
(b) Securities premium account		
Opening balance	**26,74,18,430**	26,74,18,430
Closing balance	**26,74,18,430**	26,74,18,430
(c) Hedging reserve		
Opening balance	**(6,79,054)**	(3,26,29,834)
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	**5,31,82,665**	3,19,50,780
Closing balance	**5,25,03,611**	(6,79,054)
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	**11,27,06,886**	8,99,42,022
Add: Profit / (Loss) for the year	**7,05,09,794**	4,18,55,507
Less: Appropriations		
Dividends proposed to be distributed to equity shareholders (₹1 per share)	**(1,64,25,943)**	(1,64,25,943)
Tax on dividend	**(27,91,589)**	(26,64,700)
Closing balance	**16,39,99,148**	11,27,06,886
Total Reserves and Surplus (a to d)	**58,39,30,389**	47,94,55,462

Note 5 Short-Term Borrowings

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Loans repayable on demand		
From banks		
Secured	**1,02,96,30,109**	19,42,54,468
Total	**1,02,96,30,109**	19,42,54,468

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans repayable on demand from banks:		
Cash Credit	**-**	17,09,00,468
Packing Credit Rupees Loan	**19,80,00,000**	2,33,54,000
Packing Credit Foreign Currency	**83,16,30,109**	-
Total	**1,02,96,30,109**	19,42,54,468

i) Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts, Current assets, Fixed assets other than vehicles and Leasehold land, Lien on Term Deposits and pledge of shares of promoters of the company. Cash Credit is repayable on demand and carries interest @14.50% p.a . Packing credit is repayable within period from 90 days to 180 days and carries interest rate @ 11.15% p.a upto the period of Credit.

ii) Secured Short Term Borrowings Limit of the company has been increased by 50 Crores during the year. Short Term Borrowings are secured pari passu with existing banker against stocks, receivables, other current assets, collateral property and against personal guarantee of directors. During the year company has availed packing credit foreign currency loan and packing credit rupee loan against enhanced limit which is repayable within 120 days carrying interest rate of 11% and 12.25% respectively. Interest shall vary depending on changes in circular in force.

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans repayable on demand from banks	**1,02,96,30,109**	19,42,54,468

Note 6 Trade Payables

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Trade payables:		
(a) For Goods	**4,51,63,419**	1,98,02,517
(b) For Expenses	**6,53,51,096**	68,45,088
Total	**11,05,14,515**	2,66,47,605

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 7 Other Current Liabilities

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Unpaid dividends	**6,99,931**	6,60,661
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	**19,05,546**	8,36,592
(ii) Advances from customers	**2,67,26,932**	5,37,92,226
(iii) Others		
Unpaid Redemption Preference Shares Proceeds	**4,22,506**	4,22,506
Reimburseable Expenses	**-**	73,335
M2M Gain/Loss Unrealised	**91,91,220**	99,79,273
Total	**3,89,46,135**	6,57,64,593

Note 8 Short-Term Provisions

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Provision for employee benefits:		
(i) Provision for bonus	**11,47,498**	1,81,921
(ii) Provision for compensated absences	**2,21,065**	1,54,038
(iii) Provision for gratuity (net) (Refer Note 25.2.)	**4,89,580**	5,36,134
Total - a	**18,58,143**	8,72,093
(b) Provision - Others:		
(i) Provision for tax (net of tax paid ₹ 34955348)	**15,44,652**	-
(ii) Provision for proposed equity dividend	**1,64,25,943**	1,64,25,943
(iii) Provision for tax on proposed dividends	**27,91,589**	26,64,700
(iv) Provision - others	**4,46,13,894**	70,61,438
Total - b	**6,53,76,078**	2,61,52,081
Total (a+b)	**6,72,34,221**	2,70,24,174

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 9 A Fixed Assets

Tangible assets

Tangible assets	Gross block									
	Balance as at 1 April, 2013	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land										
Leasehold	12,70,000	-	-	-	-	-	-	-	-	12,70,000
(b) Plant and Equipment										
Owned	7,44,17,284	-	-	-	-	-	-	-	-	7,44,17,284
(c) Furniture and Fixtures										
Owned	1,57,642	1,12,589	-	-	-	-	-	-	-	2,70,231
(d) Vehicles										
Owned	1,82,41,462	44,90,000	-	-	-	-	-	-	-	2,27,31,462
(e) Office equipment										
Owned	18,95,926	15,82,744	-	-	-	-	-	-	-	34,78,670
Total	**9,59,82,314**	**61,85,333**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,21,67,647**
Previous year	9,31,95,760	27,86,554	-	-	-	-	-	-	-	9,59,82,314

Tangible assets	Accumulated depreciation and impairment								Net block	
	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land										
Leasehold	3,36,434	46,678	-	-	-	-	-	3,83,112	8,86,888	9,33,566
(b) Plant and Equipment										
Owned	4,43,92,958	46,02,730	-	-	-	-	-	4,89,95,688	2,54,21,596	3,00,24,326
(c) Furniture and Fixtures										
Owned	1,06,773	14,176	-	-	-	-	-	1,20,949	1,49,282	50,869
(d) Vehicles										
Owned	87,79,923	28,79,544	-	-	-	-	-	1,16,59,467	1,10,71,995	94,61,539
(e) Office equipment										
Owned	12,85,538	3,89,151	-	-	-	-	-	16,74,689	18,03,981	6,10,388
Total	**5,49,01,626**	**79,32,279**	**-**	**-**	**-**	**-**	**-**	**6,28,33,905**	**3,93,33,742**	**4,10,80,687**
Previous year	4,60,45,324	88,56,303	-	-	-	-	-	5,49,01,627	4,10,80,687	4,71,50,436

Note 9 B Fixed Assets

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Depreciation and amortisation for the year on tangible assets as per Note 9 A	**79,32,279**	8,856,303
Total	**79,32,279**	8,856,303

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 10 Non Current Investments

	Particulars	As at 31 March, 2014			As at 31 March, 2013		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
		₹	₹	₹	₹	₹	₹
	Investments (At cost):						
A.	**Trade Investments**						
(a)	Investment in equity instruments of subsidiaries						
i)	50 (As at 31 March, 2012: 50) shares of AED 1000 each fully paid up in Sakuma Exim DMCC	-	**7,00,581**	**7,00,581**	-	7,00,581	7,00,581
ii)	147 (As at 31 March, 2012: 147) shares of AED 1000 partly paid @ AED 200 per share in GKM General Trading LLC	-	**4,30,877**	**4,30,877**	-	4,30,877	4,30,877
iii)	1000 shares fully paid up @ USD 1 each in Sakuma Exports Pte Limited	-	**58,135**	**58,135**	-	-	-
	Total - Trade Investments (A)	**-**	**11,89,593**	**11,89,593**	**-**	11,31,458	11,31,458
B.	**Other Investments**						
(a)	Investment in government securities - NSC	**-**	**16,100**	**16,100**	-	16,100	16,100
(b)	Other non-current investments -Gold	**-**	**-**	**-**	-	16,58,723	16,58,723
	Total - Other Investments (B)		**16,100**	**16,100**		16,74,823	16,74,823
	Total (A+B)	**-**	**12,05,693**	**12,05,693**	**-**	28,06,281	28,06,281
	Total	**-**	**-**	**12,05,693**	-	-	28,06,281
	Aggregate amount of unquoted investments			**12,05,693**			28,06,281

Note 11 Long-Term Loans And Advances

	Particulars	As at 31 March, 2014	As at 31 March, 2013
		₹	₹
(a)	Security deposits		
	Unsecured, considered good (Refer note below)	**90,00,000**	90,00,000
(b)	Advance income tax (net of provisions)	**25,64,824**	43,56,920
(c)	Advance for Capital Assets		
	Unsecured, considered good	**3,09,692**	-
	Total (a+b+c)	**1,18,74,516**	1,33,56,920

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Private companies in which any director is a director or member		
M/s Sakuma Infrastructure and Realty Pvt Ltd	**74,70,000**	74,70,000
Relative of Director		
Mrs Kusum Malhotra (Wife of Director)	**15,30,000**	15,30,000
Total	**90,00,000**	90,00,000

Note 12 Other Non-Current Assets

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Long-term trade receivables		
Unsecured, considered good	**96,22,314**	96,22,314
Total	**96,22,314**	96,22,314

Note 13 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Stock-in-trade (acquired for trading)	**41,59,76,194**	57,40,46,391
Total	**41,59,76,194**	57,40,46,391

Note No. 14 Trade Receivables

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	**1,88,004**	11,17,266
b) Other Trade receivables (Refer Note below)		
Unsecured, considered good	**92,35,09,998**	16,04,90,603
Total	**92,36,98,002**	16,16,07,869

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note: Trade receivables include debts due from:

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Private companies in which any director is a director or member (give details per company)		
GKM General Trading LLC	-	2,05,85,720
Total	**-**	2,05,85,720

Note 15 Cash And Cash Equivalents

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Cash on hand	**34,707**	26,258
(b) Balances with banks		
(i) In current accounts	**4,05,85,516**	1,47,22,530
(ii) In EEFC accounts	**1,23,02,376**	-
(iii) In earmarked accounts		
Unpaid dividend accounts	**11,95,388**	11,07,242
Balances held as margin money or security against borrowings, guarantees and other commitments	**11,48,54,263**	6,50,69,362
Total	**16,89,72,250**	8,09,25,392

Note 16 Short-Term Loans And Advances

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Loans and advances to related parties		
(Refer Note below)		
Unsecured, considered good	**-**	31,050
	-	31,050
(b) Security deposits		
Unsecured, considered good	**11,26,074**	53,52,074
	11,26,074	53,52,074
(c) Loans and advances to employees		
Unsecured, considered good (Refer Note below)	**21,37,000**	5,45,000
	21,37,000	5,45,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(d) Advance recoverable in cash or kind (Refer Note below)		
Unsecured, considered good	**28,50,87,639**	1,78,03,309
	28,50,87,639	1,78,03,309
(e) Other Loans and Advances (Refer Note below)		
Share Application Money	**95,34,109**	
Prepaid expenses - Unsecured, considered good	**53,21,346**	7,09,522
Balances with government authorities-		
Unsecured, considered good		
(i) Duty Drawback Receivable	**8,07,19,445**	1,41,18,190
(ii) VAT credit receivable	**18,15,409**	78,49,377
(iii) Service Tax Refund receivable	**2,14,76,377**	3,02,20,410
	11,88,66,686	5,28,97,499
Total	**40,72,17,399**	7,66,28,932

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

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans and advances to employees		
Dues from officers	**21,37,000**	5,45,000
Loans and advances to related parties includes		
Sakuma Exim DMCC - Subsidiary Company	**-**	31,050
Advances recoverable in Cash or in Kind		
CKK Exports Private Limited	**5,42,936**	-
Other Loans and Advances		
Share Application Money in Sakuma Pte Ltd	**95,34,109**	-
Total	**1,22,14,045**	5,56,070

Note 17 Other Current Assets

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Accruals		
(i) Interest accrued on deposits	**59,30,883**	64,65,291
(b) Others		
(i) Fair Value of Forward Contract	**1,76,97,242**	(5,04,025)
Total	**2,36,28,125**	59,61,266

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 18 Revenue From Operations

	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a)	Sale of traded goods (Refer Note (i) below)	**10,00,45,34,974**	6,08,04,01,186
(b)	Sale of services (Refer Note (ii) below)	**-**	19,14,596
(c)	Other operating revenues (Refer Note (iii) below)	**10,86,78,550**	10,59,41,849
	Total	**10,11,32,13,524**	6,18,82,57,631

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
i)	Traded goods		
	Sugar	**7,70,71,73,753**	5,04,55,12,851
	Raw Cotton	**1,23,91,18,344**	9,82,97,175
	Other commodities	**1,05,82,42,877**	93,65,91,160
	Total - Sale of traded goods	**10,00,45,34,974**	6,08,04,01,186
(ii)	Sale of services comprises		
	Business Auxiliary Services	**-**	19,14,596
	Total - Sale of services	**-**	19,14,596
iii)	Other operating revenues comprise:		
	Duty drawback and other export incentives	**10,86,78,550**	10,59,41,849
	Total - Other operating revenues	**10,86,78,550**	10,59,41,849

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 19 Other Income

	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a)	Interest Income (Refer Note (i) below)	**89,20,744**	1,57,16,254
(b)	Dividend income:		
	others	**27,11,943**	90,30,694
(c)	Net gain on sale of:		
	current investments	**12,94,077**	4,56,079
(d)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	**1,97,81,820**	-
(e)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	**-**	54,65,618
	Total	**3,27,08,584**	3,06,68,645

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(i)	Interest income comprises:		
	Interest from banks on:		
	deposits	**87,95,523**	59,80,607
	Interest on loans and advances	**-**	90,12,074
	Interest on income tax refund	**-**	7,23,573
	Other interest	**1,25,221**	-
	Total - Interest income	**89,20,744**	1,57,16,254
(ii)	Other non-operating income comprises:		
a)	Liabilities / provisions no longer required written back	**-**	46,41,499
b)	Miscellaneous income	**-**	8,24,119
	Total - Other non-operating income	**-**	54,65,618

Note 20A Purchase Of Traded Goods

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Sugar	**7,24,41,45,146**	3,70,00,77,863
Raw Cotton	**1,09,92,23,998**	17,52,65,220
Other Commodities	**53,83,22,348**	1,10,93,93,509
Total	**8,88,16,91,492**	4,98,47,36,592

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Inventories at the end of the year:		
Stock-in-trade	**41,59,76,194**	57,40,46,392
	41,59,76,194	57,40,46,392
Inventories at the beginning of the year:		
Stock-in-trade	**57,40,46,392**	92,04,24,288
	57,40,46,392	92,04,24,288
Net (increase) / decrease	**15,80,70,198**	34,63,77,896

Note 21 Employee Benefits Expense

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Salaries and wages	**2,02,80,554**	1,07,06,997
Directors Remuneration	**91,00,000**	84,00,000
Contributions to provident and other funds (Refer Note 25.1)	**3,01,702**	2,44,243
Contribution to Gratuity Fund (Refer Note 25.2)	**5,04,946**	3,28,270
Staff welfare expenses	**15,13,424**	14,06,328
Total	**3,17,00,626**	2,10,85,838

Note 22 Finance Costs

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Interest expense on:		
(i) Borrowings	**1,81,34,401**	2,74,51,207
(ii) Trade payables	**34,47,886**	-
(iii) Others		
- Interest on delayed / deferred payment of income tax	**19,035**	-
- Interest on Service Tax /Others	**3,262**	-
(b) Other borrowing costs	**1,21,67,390**	89,85,562
Total	**3,37,71,974**	3,64,36,769

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 23 Other Expenses

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Bank Charges	**1,04,06,131**	40,86,147
Power and fuel	**7,12,077**	4,76,241
Rent including lease rentals	**68,12,342**	67,41,600
Repairs and maintenance - Buildings	**4,51,179**	3,73,316
Repairs and maintenance - Machinery	**28,32,188**	10,01,691
Repairs and maintenance - Others	**14,79,057**	1,69,214
Insurance	**23,98,329**	23,73,129
Rates and taxes	**7,88,835**	16,37,649
Communication	**25,75,679**	20,98,088
Travelling and conveyance	**80,39,252**	68,70,670
Printing and stationery	**9,24,789**	8,15,242
Freight and forwarding	**36,42,69,606**	23,91,57,594
Sales commission	**1,08,53,339**	28,34,253
Business promotion	**10,88,554**	1,43,612
Legal and professional	**70,69,844**	20,35,513
Payments to auditors (Refer Note (i) below)	**6,72,345**	6,60,676
Labour Charges	**31,27,584**	19,53,929
Loading and Unloading Charges	**27,48,250**	37,63,002
Terminal and Handling Charges	**5,41,93,603**	1,12,54,590
Transport Charges	**39,61,59,971**	13,53,31,187
Warehouse Charges	**31,86,374**	41,14,137
Custom Duty	**15,52,691**	89,673
Demmurage Charges	**31,37,188**	1,50,56,628
Detention Charges	**96,58,916**	1,08,68,344
Warfage Charges	**14,15,945**	28,39,140
Brokerage on trading in Commodities & Securities Exchange	**47,29,166**	1,17,23,824
ECGC Premium	**20,16,254**	18,04,977
Lodging & Boarding	**28,19,508**	14,91,837
Claims	**1,21,40,160**	-
License & Quota Chrages	-	14,06,80,914
Foreign Exchange Difference	**-**	14,03,93,972
Ground Rent Charges	**4,94,568**	6,86,098
Directors Sitting Fees	**6,46,000**	6,46,000
Bad trade and other receivables, loans and advances written off	**9,86,215**	-
Prior period items (net) (Refer Note (ii) below)	**-**	5,42,559
Miscellaneous expenses	**70,37,860**	61,41,917
Total	**92,74,23,799**	76,08,57,363

Notes:

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	**4,01,687**	4,01,687
For taxation matters	**1,74,158**	1,82,585
For other services	**96,500**	76,404
Total	**6,72,345**	6,60,676
(ii) Details of Prior period items (net)		
Bank Charges **-**	**-**	42,559
Tender Fees	**-**	5,00,000
Total	**-**	5,42,559

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 24 Additional information to the financial statements

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

	Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(i)	**Contingent liabilities**		
	(a) Claims against the Company not acknowledged as debt with respect to		
	i) Sugar Import Consignment petaining to year 2009-10	**USD 11,23,425 & ₹ 60,43,987/- and Interest @8%**	USD 11,23,425 & ₹ 60,43,987/- and Interest @8%
	ii) Quality issue of Goods Supplied	**15,87,450**	15,87,450
	iii) Disputed Income tax demands for AY 2009-10	**14,60,411**	14,60,411
(ii)	**Commitments**		
	(a) Uncalled liability		
	i) Share Subscription Money payable for GKM General Trading LLC	**AED 117600**	AED 117600
	ii) Share Subscription Money payable for Sakuma Exim DMCC	**AED 55**	AED 55
	(b) Other commitments		
	i) Outstanding Currency Forward Contracts (Sale)	**USD 176,82,508**	USD 58,29,899
	ii) Outstanding Currency Forward Contracts (Buy)	**USD 26,83,000**	-

24.2 **Details on derivatives instruments and unhedged foreign currency exposures**

The following derivative positions are open as at 31 March, 2014. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2.8, 2.18 and 2.19.

(a) Forward exchange contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of for receivables.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2013

Currency	Amount	Buy / Sell
USD	**USD 176,82,508**	Sell
	USD 26,83,000	Buy
USD	**(58,29,899)**	Sell

Note: Figures in brackets relate to the previous year

24.3 **Value of imports calculated on CIF basis @:**

	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Traded Goods	**19,16,55,112**	43,13,92,054

24.4 **Expenditure in foreign currency :**

	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Professional and consultation fees	-	88,400
Travelling Expenses	**21,83,838**	14,50,175
Ocean Freight	**14,15,383**	-
Import of Goods	**19,16,55,112**	43,13,92,054

24.5 **Earnings in foreign exchange**

	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Export of goods calculated on FOB basis	**8,54,76,06,724**	5,16,78,41,786

Note 25 Disclosures under Accounting Standards

25 **Employee benefit plans**

25.1 Defined contribution plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 3,01,702/- (Year ended 31 March, 2013 ₹2,44,243) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

25.2 Defined benefit plans

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

i. Gratuity

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

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Gratuity	Gratuity
Components of employer expense		
Current service cost	**5,65,871**	3,01,907
Interest cost	**1,10,795**	71,870
Expected return on plan assets	**(81,854)**	(45,272)
Past service cost	**-**	-
Actuarial losses/(gains)	**(1,05,232)**	(235)
Total expense recognised in the Statement of Profit and Loss	**4,89,580**	3,28,270
Actual contribution and benefit payments for year		
Actual benefit payments	**-**	(23,885)
Actual contributions	**5,51,500**	2,37,470
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	**17,90,067**	12,31,060
Fair value of plan assets	**13,00,487**	6,94,926
Funded status [Surplus / (Deficit)]	**(4,89,580)**	(5,36,134)
Unrecognised past service costs	**-**	-
Net asset / (liability) recognised in the Balance Sheet	**(4,89,580)**	(5,36,134)

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		Gratuity	Gratuity
25.2	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO at beginning of the year	**12,31,060**	8,71,150
	Current service cost	**5,65,871**	3,01,907
	Interest cost	**1,10,795**	71,870
	Actuarial (gains) / losses	**(1,17,659)**	10,018
	Benefits paid	**-**	(23,885)
	Present value of DBO at the end of the year	**17,90,067**	12,31,060
	Change in fair value of assets during the year		
	Plan assets at beginning of the year	**6,94,926**	4,25,816
	Expected return on plan assets	**81,854**	45,272
	Actual company contributions	**5,36,134**	2,37,470
	Actuarial gain / (loss)	**(12,427)**	10,253
	Benefits paid	**-**	(23,885)
	Plan assets at the end of the year	**13,00,487**	6,94,926
	Actuarial assumptions		
	Discount rate	**9.00%**	8.25%
	Expected return on plan assets	**8.50%**	8.50%
	Salary escalation	**7.00%**	6.50%
	Attrition	**10% at younger age and 1% at older age.**	10% at younger age and 4% at older age.
	Medical cost inflation		
	Mortality tables	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)

Note 26 Disclosures under Accounting Standards (contd.)

26.1 **Details of related parties:**

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26.2 **Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2014:**

Particulars	Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total (in ₹)
Sale of goods	**1,05,85,22,225**	**-**	**-**	**-**	**1,05,85,22,225**
	(20,78,16,154)	-	-	(11,26,06,000)	(32,04,22,154)
Directors Sitting Fees	-	-	**1,02,000**	-	**1,02,000**
	-	-	(1,36,000)	-	(1,36,000)
Rent Paid	-	-	**11,46,072**	**55,95,528**	**67,41,600**
	-	-	(11,46,072)	(55,95,528)	(67,41,600)
Finance Expenses (Interest Paid)	-	-	-	**-**	**-**
	-	-	-	(6,87,945)	(6,87,945)
Management contracts including for deputation of employees	-	**91,00,000**	-	-	**91,00,000**
	-	(84,00,000)	-	-	(84,00,000)
Other Receipts	-	-	-	**3,42,05,880**	**3,42,05,880**
				(95,43,347)	(95,43,347)
Commission Expense	-	-	-	**2,31,210**	**2,31,210**
	-	-	-	**-**	**-**
Balance as at 31st March 2014					
Investment /Share Application Money	**11,89,593**	**-**	**-**	**-**	**11,89,593**
	(11,31,458)	-	-	-	(11,31,458)
Trade Receivable	**2,64,63,143**	**-**	**-**	-	**2,64,63,143**
	-				-
Trade Payable	**1,21,40,160**	-	-	**1,86,210**	**1,23,26,370**
	-	-	-	-	-
Short Term Loans and Advances	**1,00,77,045**	**-**	**-**	**5,42,936**	**1,06,19,981**
	-	**-**	**-**	**-**	**-**
Long Term Loan and Advances	**-**	**-**	**15,30,000**	**74,70,000**	**90,00,000**
	(31,050)	-	(15,30,000)	(78,71,004)	(94,32,054)
Other Current Liabilities	**-**	-	-	-	**-**
	(43,91,500)	-	-	-	(43,91,500)
Provision (Directors Remuneration Payable)	-	**8,00,000**	-	-	**8,00,000**
	-	(11,54,000)	-	-	(11,54,000)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 27 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
27	**Earning Per Share**		
	Basic & Diluted		
	Net profit / (loss) for the year	**7,05,09,794**	4,18,55,507
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	**7,05,09,794**	4,18,55,507
	Weighted average number of equity shares	**1,64,25,943**	1,64,25,943
	Par value per share	**10**	10
	Earnings per share	**4.29**	2.55

Note 28 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
28	**Deferred tax (Liability)/Assets**		
	Tax effect of items constituting deferred tax liability		
	On difference between book balance and tax balance of fixed assets	**(70,87,564)**	(88,63,293)
	Tax effect of items constituting deferred tax liability	**(70,87,564)**	(88,63,293)
	Tax effect of items constituting deferred tax assets		
	Provision for compensated absences, gratuity and other employee benefits	**15,104**	1,73,949
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	**59,024**	59,024
	Tax effect of items constituting deferred tax assets	**74,128**	2,32,973
	Net deferred tax (liability) / asset	**(70,13,436)**	(86,30,320)

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

Note 29 Previous year's figures

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

INDEPENDENT AUDITOR'S REPORT

To the Members of

Sakuma Exports Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying financial statements of Sakuma Exports Limited ("the Company") and its subsidiaries as described in Note 2.1e (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements read together with Significant Accounting Polices and Notes on accounts give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;

   (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

   (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

6. We did not audit the financial statements of the foreign subsidiaries, whose financial statements reflect the total assets of Rs. 7862.61Lacs as at March 31st, 2014 and total revenue of Rs. 67465.47Lacs for the year ended on that date. The financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the auditors. Our opinion is not qualified in respect of this matter.

For SNK & Co.
Chartered Accountants,
FRN : 109176W

Sanjay N. Kapadiaa
Partner.
M. No. 38292

Place: Mumbai.
Date: May 15th, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(in ₹)

	Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
A	**EQUITY AND LIABILITIES**			
1	**Shareholder's funds**			
	(a) Share capital	3	**16,42,59,430**	16,42,59,430
	(b) Reserves and surplus	4	**69,26,52,529**	50,85,77,151
			85,69,11,959	67,28,36,581
2	**Minority Interest**		**1,05,64,859**	55,67,493
3	**Non-current liabilities**			
	Deferred tax liabilities (net)		**70,13,436**	86,30,320
			70,13,436	86,30,320
3	**Current liabilities**			
	(a) Short-term borrowings	5	**1,02,96,30,109**	19,42,54,468
	(b) Trade payables	6	**70,00,15,954**	92,32,62,887
	(c) Other current liabilities	7	**3,89,46,135**	6,13,73,093
	(d) Short-term provisions	8	**9,17,86,204**	2,76,41,461
			1,86,03,78,402	1,20,65,31,909
	TOTAL		**2,73,48,68,656**	1,89,35,66,303
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	9.A	**3,95,65,942**	4,11,81,750
	(b) Non-current investments	10	**1,06,250**	16,74,823
	(c) Long-term loans and advances	11	**1,18,74,516**	1,33,56,920
	(d) Other non-current assets	12	**96,22,314**	96,22,314
			6,11,69,022	6,58,35,807
2	**Current assets**			
	(a) Inventories	13	**46,62,02,884**	63,90,54,317
	(b) Trade receivables	14	**1,54,78,82,489**	1,01,74,34,539
	(c) Cash and cash equivalents	15	**23,57,00,142**	8,83,76,347
	(d) Short-term loans and advances	16	**40,02,85,994**	7,69,04,027
	(e) Other current assets	17	**2,36,28,125**	59,61,266
			2,67,36,99,634	1,82,77,30,496
	TOTAL		**2,73,48,68,656**	1,89,35,66,303
	See accompanying 'Notes forming part of the financial statements	1&2		

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

Sanjay N Kapadia
Partner
M.No. 38292

Place : Mumbai
Dated : 15th May'2014

For and on behalf of the Board of Directors

Mr Chander Mohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Date : 15th May'2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Particulars	Note No.	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
1	Revenue from operations (gross)	18	**15,78,63,60,874**	8,12,16,06,756
	Less: Excise duty		-	-
	Revenue from operations (net)		**15,78,63,60,874**	8,12,16,06,756
2	Other income	19	**3,18,45,101**	3,60,03,945
3	**Total revenue (1+2)**		**15,81,82,05,975**	8,15,76,10,701
4	**Expenses**			
	(a) Purchases of stock-in-trade	20.A	**14,25,05,35,137**	6,88,14,63,613
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.B	**17,28,51,434**	28,88,27,900
	(c) Employee benefits expense	21	**4,70,42,246**	3,08,36,866
	(d) Finance costs	22	**3,37,71,974**	3,64,36,769
	(e) Depreciation and amortisation expense	9.B	**79,69,774**	88,81,095
	(f) Other expenses	23	**1,09,22,79,320**	82,45,97,745
	Total expenses		**15,60,44,49,885**	8,07,10,43,989
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		**21,37,56,090**	8,65,66,712
6	Exceptional items		-	-
7	**Profit / (Loss) before extraordinary items and tax (5 ± 6)**		**21,37,56,090**	8,65,66,712
8	Extraordinary items		-	-
9	**Profit / (Loss) before tax (7 ± 8)**		**21,37,56,090**	8,65,66,712
10	**Tax expense:**			
	(a) Current tax expense for current year		**3,65,78,834**	1,81,21,415
	(b) Current tax expense relating to prior years		**(61,170)**	21,68,620
	(c) Net current tax expense		**3,65,17,664**	2,02,90,035
	(d) Deferred tax		**(16,16,884)**	(15,70,027)
			3,49,00,780	1,87,20,007
11	**Profit / (Loss) from continuing operations (9 ±10)**		**17,88,55,310**	6,78,46,704
12	Less: Share of Profit of Minority Interest		**(1,58,31,501)**	(35,74,410)
13	**Profit / (Loss) from continuing operations (11±12)**		**16,30,23,809**	6,42,72,294
14.i	**Earnings per share (of ₹ 10/- each):**	26		
	(a) Basic			
	(i) Continuing operations		**9.92**	3.91
	(ii) Total operations		**9.92**	3.91
	(b) Diluted			
	(i) Continuing operations		**9.92**	3.91
	(ii) Total operations		**9.92**	3.91
14.ii	**Earnings per share (excluding extraordinary items) (of ₹ 10/- each):**			
	(a) Basic			
	(i) Continuing operations		**9.92**	3.91
	(ii) Total operations		**9.92**	3.91
	(b) Diluted			
	(i) Continuing operations		**9.92**	3.91
	(ii) Total operations		**9.92**	3.91
	See accompanying 'Notes forming part of the financial statements			

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

Sanjay N Kapadia
Partner
M.No. 38292

Place : Mumbai
Dated : 15th May'2014

For and on behalf of the Board of Directors

Mr ChanderMohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Date : 15th May'2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(in ₹)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	**21,37,56,090**	8,65,66,712
Adjustments for:		
Depreciation and amortisation	**79,69,774**	88,81,095
Finance costs	**3,37,71,974**	3,64,36,769
Interest income	**(87,95,523)**	(67,04,180)
Dividend income	**(27,11,943)**	(90,30,694)
Net (gain) / loss on sale of investments	**(12,94,077)**	(4,56,079)
Net unrealised exchange (gain) / loss	**(2,37,47,700)**	-
Operating profit / (loss) before working capital changes	**21,89,48,596**	11,56,93,623
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	**17,28,51,433**	28,88,27,900
Trade receivables	**(53,41,26,118)**	(73,78,86,044)
Short-term loans and advances	**(32,33,81,967)**	35,14,51,212
Long-term loans and advances	**(3,09,692)**	-
Other current assets	**5,34,408**	-
Other non-current assets	**-**	(45,48,035)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	**(22,32,46,933)**	79,82,68,140
Other current liabilities	**(2,24,67,148)**	(26,89,26,714)
Short-term provisions	**6,23,94,368**	16,72,388
	(64,26,77,683)	54,45,52,470
Net income tax (paid) / refunds	**(3,31,01,162)**	(1,55,01,614)
Net cash flow from / (used in) operating activities (A)	**(67,57,78,845)**	52,90,50,856
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	**(63,53,966)**	(28,00,464)
Current investments not considered as Cash and cash equivalents		
- Purchased	**(88,48,41,148)**	(1,44,36,99,273)
- Proceeds from sale	**89,05,05,891**	1,45,31,86,046
Purchase of long-term investments	**-**	**-**
- Subsidiaries	**(90,150)**	-
Interest received	**87,95,523**	59,80,607
Dividend received		
Net cash flow from / (used in) investing activities (B)	**80,16,150**	1,26,66,916

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(in ₹)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	**87,40,35,207**	(42,80,00,434)
Proceeds from other short-term borrowings	**11,23,89,671**	14,05,07,974
Repayment of other short-term borrowings	**(11,23,89,671)**	(15,50,07,974)
Finance cost	**(3,37,71,974)**	(3,64,36,769)
Dividends paid	**(1,63,86,673)**	(1,63,28,392)
Tax on dividend	**(26,64,700)**	(26,64,700)
Net cash flow from / (used in) financing activities (C)	**82,12,11,860**	(49,79,30,295)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**14,73,23,795**	4,37,87,475
Cash and cash equivalents at the beginning of the year	**8,83,76,347**	4,45,88,871
Cash and cash equivalents at the end of the year	**23,57,00,142**	8,83,76,346
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 15)	**23,57,00,142**	8,83,76,346
Cash and cash equivalents at the end of the year *	**23,57,00,142**	8,83,76,346
* Comprises:		
(a) Cash on hand	**6,65,812**	7,23,973
(b) Balances with banks		
(i) In current accounts	**10,66,82,303**	2,14,75,770
(ii) In EEFC accounts	**1,23,02,376**	
(iii) In deposit accounts with original maturity of less than 3 months	**11,48,54,263**	6,50,69,362
(iv) In earmarked accounts (give details) (Refer Note (ii) below)	**11,95,388**	11,07,242
	23,57,00,142	8,83,76,347

Notes:

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

(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

In terms of our report attached.

For SNK & Co.
Chartered Accountants
FRN: 109176W

Sanjay N Kapadia
Partner
M.No. 38292

Place : Mumbai
Dated : 15th May'2014

For and on behalf of the Board of Directors

Mr ChanderMohan
Chairman

Mr Saurabh Malhotra
Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Date : 15th May'2014

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

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

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements are prepared under the historical cost convention, on accrual basis of accounting except in case of assets for which provision for impairment is made to comply in all material respects, with the mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 as amended and the relevant provisions of the Companies Act, 1956 ('the Act'). The accounting policies have been consistently applied by the Group; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP').

Principles of Consolidation

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

a. The financial statements of the Parent and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra group balances and intra group transactions. The unrealized profits or losses resulting from intra-group transactions and balances have been eliminated in full. Unrealized losses are eliminated unless costs cannot be recovered.

b. The excess of the cost to the Company of its investment in the subsidiaries over the Company's portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as Capital reserve.

c. The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.

d. Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interest's share of net assets is presented separately in the balance sheet.

e. List of subsidiaries which are included in the consolidation and the Company's effective holdings therein are as under:

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

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

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

Summary of Significant Accounting Policies

2.2 Use of estimates

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

2.3 Inventories

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

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

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

Cash flow statement

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

2.5 Depreciation and amortisation

Depreciation for parent company has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. The Assets of the subsidiary company has been depreciated at the rate prescribed by the law prevailing in the respective countries

2.6 Revenue recognition

a) Sale of goods

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

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

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

b) Other income

Dividend Income from investments are recognized on receipt basis.

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

2.7 Tangible fixed assets

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

2.8 Foreign currency transactions and translations

a) Initial recognition

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

b) Conversion

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

c) Treatment of exchange differences

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

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

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

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

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

2.9 Investments

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

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

2.10 Employee benefits

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

a) Defined contribution plans

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

b) Defined benefit plans

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

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

c) Short-term employee benefits

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

2.11 Borrowing costs

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

2.12 Segment reporting

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

2.13 Earnings per share

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

2.14 Taxes on income

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

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

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

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

2.15 Impairment of assets

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

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

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

2.16 Provisions and contingencies

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

2.17 Hedge accounting

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

2.18 Derivative contracts

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

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

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

2.19 Commodities & Stock Futures

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

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

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

Settlement and Squaring up of contract is accounted as follows

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 Share Capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	**3,00,00,000**	**30,00,00,000**	3,00,00,000	30,00,00,000
(b) Issued				
Equity shares of ₹ 10/- each with voting rights	**1,64,25,943**	**16,42,59,430**	1,64,25,943	16,42,59,430
c) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	**1,64,25,943**	**16,42,59,430**	1,64,25,943	16,42,59,430
Total issued, Subscribed and fully paid -up share capital	**1,64,25,943**	**16,42,59,430**	1,64,25,943	16,42,59,430

Note 3 A Share Capital

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

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2014								
- Number of shares	**1,64,25,943**	**-**	**-**	**-**	**-**	**-**	**-**	**1,64,25,943**
- Amount (₹10 each)	**16,42,59,430**	**-**	**-**	**-**	**-**	**-**	**-**	**16,42,59,430**
Year ended 31 March, 2013								
- Number of shares	1,64,25,943	-	-	-	-	-	-	1,64,25,943
- Amount (₹10 each)	16,42,59,430	-	-	-	-	-	-	16,42,59,430

Terms/Rights attached to Equity Shares

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

During the year ended 31 March 2014, the amount of per share recognised as distributions to equity shareholders was ₹ 1 per share (31st March 2013 ₹ 1 per share).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. At present there are no preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 B Share Capital

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

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mrs Kusum Chandermohan Malhotra	**3310000**	**20.15%**	**3310000**	**20.15%**
Mr. Saurabh Malhotra	**3020000**	**18.39%**	**3020000**	**18.39%**
Mr. Chandermohan Malhotra	**1417289**	**8.63%**	**1388965**	**8.46%**
M/s Sakuma Infrastructure and Realty Pvt Ltd	**2631929**	**16.02%**	**2436280**	**14.83%**
Mr. Ashok Mittal	**901725**	**5.49%**	**901725**	**5.48%**

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

Note No 4 Consolidated Reserves And Surplus

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Capital redemption reserve		
Opening balance	**10,00,09,200**	10,00,09,200
Closing balance	**10,00,09,200**	10,00,09,200
(b) Securities premium account		
Opening balance	**26,74,18,430**	26,74,18,430
Closing balance	**26,74,18,430**	26,74,18,430
(c) Statutory Reserve		
Opening balance	**18,50,892**	9,29,118
Add / (Less): Transferred from Surplus in Statement of Profit and Loss	**-**	9,21,775
Closing balance	**18,50,892**	18,50,893
(d) Foreign currency translation reserve		
Opening balance	**-**	-
Add / (Less): Effect of foreign exchange rate variations during the year	**(2,45,13,536)**	-
Add / (Less): Transfer to Minority Interest	**52,64,153**	-
Closing balance	**(1,92,49,383)**	-
(e) Hedging reserve		
Opening balance	**(6,79,054)**	(3,26,29,834)
Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	**5,31,82,665**	3,19,50,780
Closing balance	**5,25,03,611**	(6,79,054)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(f) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	**13,99,77,682**	9,57,17,806
Add: Profit / (Loss) for the year	**16,30,23,809**	6,42,72,294
Less: Appropriations		
Dividends proposed to be distributed to equity shareholders (₹1 per share)	**(1,64,25,943)**	(1,64,25,943)
Tax on dividend	**(27,91,589)**	(26,64,700)
Add / (Less): Adjustment on account of change in classification	**63,35,820**	-
Total Surplus / (Deficit) in Statement of Profit and Loss	**29,01,19,779**	14,08,99,457
Add / (Less): Transfer to Statutory Reserve	**-**	(9,21,775)
Closing balance	**29,01,19,779**	13,99,77,682
Total Reserves and Surplus (a to f)	**69,26,52,529**	50,85,77,151

Note 5 Consolidated Short-Term Borrowings

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Loans repayable on demand		
From banks		
Secured	**1,02,96,30,109**	19,42,54,468
Total	**1,02,96,30,109**	19,42,54,468

Notes:

(i) Details of security for the secured short-term borrowings:

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans repayable on demand		
From banks:		
Cash Credit	**-**	17,09,00,468
Packing Credit Rupees Loan	**19,80,00,000**	2,33,54,000
Packing Credit Foreign Currency	**83,16,30,109**	-
Total	**1,02,96,30,109**	19,42,54,468

i) Cash Credit and Packing Credit are secured against Hypothecation of Inventory, Book debts, Current assets, Fixed assets other than vehicles and Leasehold land, Lien on Term Deposits and pledge of shares of promoters of the company. Cash Credit is repayable on demand and carries interest @14.50% p.a . Packing credit is repayable within period from 90 days to 180 days and carries interest rate @ 11.15% p.a upto the period of Credit.

ii) Secured Short Term Borrowings Limit of the company has been increased by 50 Crores during the year. Short Term Borrowings are secured pari passu with existing banker against stocks, receivables, other current assets, collateral property and against personal guarantee of directors. During the year company has availed packing credit foreign currency loan and packing credit rupee loan against enhanced limit which is repayable within 120 days carrying interest rate of 11% and 12.25% respectively. Interest shall vary depending on changes in circular in force.

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans repayable on demand from banks	**1,02,96,30,109**	19,42,54,468

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 6 Consolidated Trade Payables

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Trade payables:		
For Goods	**63,46,64,858**	91,64,17,799
For Expenses	**6,53,51,096**	68,45,088
Total	**70,00,15,954**	92,32,62,887

Note 7 Consolidated Other Current Liabilities

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Unpaid dividends	**6,99,931**	6,60,661
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	**19,05,546**	8,36,592
(ii) Advances from customers	**2,67,26,932**	4,94,00,726
(iii) Others		
Unpaid Redemption Preference Shares Proceeds	**4,22,506**	4,22,506
Reimbursable Expenses	**-**	73,335
M2M Gain/Loss Unrealised	**91,91,220**	99,79,273
Total	**3,89,46,135**	6,13,73,093

Note 8 Consolidated Short-Term Provisions

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Provision for employee benefits:		
(i) Provision for bonus	**11,47,498**	181,921
(ii) Provision for compensated absences	**2,21,065**	154,038
(iii) Provision for gratuity (net) (Refer Note 25.2.)	**4,89,580**	536,134
	18,58,143	872,093
(b) Provision - Others:		
(i) Provision for tax (net of tax paid ₹ 3,49,55,348)	**16,23,486**	-
(ii) Provision for proposed equity dividend	**1,64,25,943**	16,425,943
(iii) Provision for tax on proposed dividends	**27,91,589**	2,664,700
(iv) Provision - others	**6,90,87,043**	7,678,725
	8,99,28,061	26,769,368
Total (a+b)	**9,17,86,204**	27,641,461

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 9 A Consolidated Fixed Assets

Tangible assets	Gross Block									
	Balance as at 1 April, 2013 ₹	Additions ₹	Disposals ₹	Acquisitions through business combinations ₹	Reclassified as held for sale ₹	Revaluation increase ₹	Effect of foreign currency exchange differences ₹	Borrowing cost capitalised ₹	Other adjustments ₹	Balance as at 31 March, 2014 ₹
(a) Land										
Leasehold	12,70,000	-	-	-	-	-	-	-	-	12,70,000
(b) Plant and Equipment										
Owned	7,44,17,284	-	-	-	-	-	-	-	-	7,44,17,284
(c) Furniture and Fixtures										
Owned	1,57,642	2,17,130	-	-	-	-	-	-	-	3,74,772
(d) Vehicles										
Owned	1,82,41,462	44,90,000	-	-	-	-	-	-	-	2,27,31,462
(e) Office equipment										
Owned	20,35,523	16,44,427	-	-	-	-	-	-	-	36,79,950
Total	**9,61,21,911**	**63,51,557**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**10,24,73,468**
Previous year	9,33,19,038	28,00,464	-	-	-	-	-	-	-	9,61,19,502

Tangible assets	Accumulated depreciation and impairment								Net block	
	Balance as at 1 April, 2013 ₹	Depreciation ₹	Foreign Currency Translation Reserve ₹	Eliminated on reclassification as held for sale ₹	Impairment losses recognised in statement of profit and loss ₹	Reversal of impairment losses recognised in Statement of Profit and Loss ₹	Other adjustments ₹	Balance as at 31 March, 2014 ₹	Balance as at 31 March, 2014 ₹	Balance as at 31 March, 2013 ₹
(a) Land										
Leasehold	3,36,434	46,678	-	-	-	-	-	3,83,112	8,86,888	9,33,566
(b) Plant and Equipment										
Owned	4,43,92,958	46,02,730	-	-	-	-	-	4,89,95,688	2,54,21,596	3,00,24,326
(c) Furniture and Fixtures										
Owned	1,06,773	21,578	-	-	-	-	-	1,28,351	2,46,421	50,869
(d) Vehicles										
Owned	87,79,923	28,79,544	-	-	-	-	-	1,16,59,467	1,10,71,995	94,61,539
(e) Office equipment										
Owned	13,21,664	4,19,244	-	-	-	-	-	17,40,908	19,39,042	7,13,859
Total	**5,49,37,752**	**79,69,774**	**-**	**-**	**-**	**-**	**-**	**6,29,07,526**	**3,95,65,942**	4,11,84,158
Previous year	4,60,56,657	88,81,095	-	-	-	-	-	5,49,37,752	4,11,81,750	4,72,62,381

NOTE 9 B CONSOLIDATED FIXED ASSETS (Contd.)

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Depreciation and amortisation for the year on tangible assets as per Note 9 A	**79,69,774**	88,81,095
Total	**79,69,774**	88,81,095

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 10 Consolidated Non Current Investments

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Unquoted	Total	Unquoted	Total
	₹	₹	₹	₹
A. Other investments				
(a) Investment in government or trust securities				
(i) government securities - NSC	**16,100**	**16,100**	16,100	16,100
(b) Other non-current investments				
(i) Investment in shares of Sakuma Exports Tanzania Limited (Refer Note 2.1e)	**90,150**	**90,150**	-	-
(c) (i) Other Non Current Investments-Gold	**-**	**-**	16,58,723	16,58,723
Total - Non Current Investments	**1,06,250**	**1,06,250**	16,74,823	16,74,823

Note 11 Consolidated Long-Term Loans And Advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Security deposits		
Unsecured, considered good (Refer note below)	**90,00,000**	90,00,000
(b) Advance income tax (net of provisions)	**25,64,824**	43,56,920
(c) Advance for Capital Assets		
Unsecured, considered good	**3,09,692**	-
Total	**1,18,74,516**	1,33,56,920

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

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
M/s Sakuma Infrastructure and Realty Pvt Ltd	**74,70,000**	74,70,000
Mrs Kusum Malhotra (Wife of Director)	**15,30,000**	15,30,000
Total	**90,00,000**	90,00,000

Note 12 Consolidated Other Non-Current Assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Long-term trade receivables		
Unsecured, considered good	**96,22,314**	96,22,314
Total	**96,22,314**	96,22,314

Note 13 Consolidated Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Stock-in-trade (acquired for trading)	**46,62,02,884**	63,90,54,317
Total	**46,62,02,884**	63,90,54,317

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No. 14 Consolidated Trade Receivables

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	**1,88,004**	11,17,266
b) Other Trade receivables		
Unsecured, considered good	**1,54,76,94,485**	1,01,63,17,273
Total	**1,54,78,82,489**	1,01,74,34,539

Note 15 Consolidated Cash And Cash Equivalents

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Cash on hand	**6,65,812**	7,23,973
(b) Balances with banks		
(i) In current accounts	**10,66,82,303**	2,14,75,770
(ii) In EEFC accounts	**1,23,02,376**	-
(iii) In earmarked accounts	**-**	-
Unpaid dividend accounts	**11,95,388**	11,07,242
Balances held as margin money or security against borrowings, guarantees and other commitments	**11,48,54,263**	6,50,69,362
Total	**23,57,00,142**	8,83,76,347

Note 16 Consolidated Short-Term Loans And Advances

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Loans and advances to related parties (Refer Note below)		
Unsecured, considered good	**-**	31,050
	-	31,050
(b) Security deposits		
Unsecured, considered good	**14,25,024**	56,27,169
	14,25,024	56,27,169
(c) Loans and advances to employees		
Unsecured, considered good (Refer Note below)	**21,37,000**	5,45,000
	21,37,000	5,45,000
(d) Advance recoverable in cash or kind		
Unsecured, considered good	**28,73,91,393**	1,78,03,309
	28,73,91,393	1,78,03,309

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(e) Other Loans and Advances		
Prepaid expenses - Unsecured, considered good	**53,21,346**	7,09,522
Balances with government authorities-		
Unsecured, considered good		
(i) Duty Drawback Receivable	**8,07,19,445**	1,41,18,190
(ii) VAT credit receivable	**18,15,409**	78,49,377
(iii) Service Tax Refund receivable	**2,14,76,377**	3,02,20,410
	10,93,32,577	5,28,97,499
Total	**40,02,85,994**	7,69,04,027

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

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Loans and advances to employees		
Dues from officers	**21,37,000**	5,45,000
Loans and advances to related parties includes		
Sakuma Exim DMCC - Subsidary Company	**-**	31,050
Advances recoverable in Cash or in Kind		
CKK Exports Private Limited	**5,42,936**	-
Total	**26,79,936**	5,76,050

Note 17 Consolidated Other Current Assets

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Accruals		
(i) Interest accrued on deposits	**59,30,883**	64,65,291
(d) Others		
(i) Fair Value of Forward Contract	**1,76,97,242**	(5,04,025)
Total	**2,36,28,125**	59,61,266

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 18 Consolidated Revenue From Operations

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Sale of products (Refer Note (i) below)	**15,67,76,82,324**	8,01,37,50,311
(b) Sale of services (Refer Note (ii) below)	**-**	19,14,596
(c) Other Operating Income (Refer Note (iii) below)	**10,86,78,550**	10,59,41,849
Total	**15,78,63,60,874**	8,12,16,06,756

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
i) Traded goods		
Sugar	**9,60,20,74,608**	5,57,93,40,301
Raw Cotton	**1,27,35,82,260**	9,82,97,175
Other Agriculture commodities	**4,80,20,25,457**	2,33,61,12,835
Total - Sale of products	**15,67,76,82,325**	8,01,37,50,311
(ii) Sale of services comprises		
Business Auxiliary Services		19,14,596
Total - Sale of services	**-**	19,14,596
iii) Other Operating Income comprise:		
Duty drawback and other export incentives	**10,86,78,550**	10,59,41,849
Total - Operating Income	**10,86,78,550**	10,59,41,849

Note 19 Consolidated Other Income

	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Interest income (Refer Note (i) below)	**89,20,744**	1,57,16,254
(b) Dividend income:		
Others	**27,11,943**	90,30,694
(c) Net gain on sale of:		
Current investments	**12,94,077**	4,56,079
(d) Net gain on foreign currency transactions and translation (other than considered as finance cost)	**1,89,18,337**	53,35,299
(e) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	**-**	54,65,619
Total	**3,18,45,101**	3,60,03,945

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(i)	Interest income comprises:		
	Interest from banks on:		
	Deposits	**87,95,523**	59,80,607
	Interest on loans and advances	-	90,12,074
	Interest on income tax refund	-	7,23,573
	Other interest	**1,25,221**	-
	Total - Interest income	**89,20,744**	1,57,16,254
(ii)	Other non-operating income comprises:		
	Liabilities / provisions no longer required written back	**-**	46,41,499
	Miscellaneous income	**-**	8,24,119
	Total - Other non-operating income	**-**	54,65,618
	Total - Other Income	**89,20,744**	2,11,81,872

Note 20A Consolidated Purchase of Traded Goods

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Sugar	**8,77,88,45,880**	4,82,22,43,804
Raw Cotton	**1,11,80,16,195**	17,52,65,220
Other Traded Commodities	**4,35,36,73,062**	1,88,39,54,589
Total	**14,25,05,35,137**	6,88,14,63,613

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

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Inventories at the end of the year:		
Stock-in-trade	**46,62,02,884**	63,90,54,317
	46,62,02,884	63,90,54,317
Inventories at the beginning of the year:		
Stock-in-trade	**63,90,54,317**	92,78,82,217
	63,90,54,317	92,78,82,217
Net (increase) / decrease	**17,28,51,434**	28,88,27,900

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 21 Consolidated Employee Benefits Expense

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Salaries and wages	**3,40,25,879**	1,96,55,339
Directors Remuneration	**95,88,111**	84,00,000
Contributions to provident and other funds	**3,01,702**	2,44,243
Contribution to Gratuity Fund	**5,04,946**	3,28,270
Staff welfare expenses	**26,21,608**	22,09,014
Total	**4,70,42,246**	3,08,36,866

Note 22 Consolidated Finance Costs

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(a) Interest expense on:		
(i) Borrowings	**1,81,34,401**	2,74,51,207
(ii) Trade payables	**34,47,886**	-
- Interest on delayed / deferred payment of income tax	**19,035**	-
- Interest on Service Tax	**3,262**	-
(b) Other borrowing costs	**1,21,67,390**	89,85,562
Total	**3,37,71,974**	3,64,36,769

Note 23 Consolidated Other Expenses

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Bank Charges	**2,16,09,291**	75,56,953
Power and fuel	**14,18,281**	7,82,251
Rent including lease rentals	**1,00,99,362**	81,11,377
Repairs and maintenance - Buildings	**4,51,179**	3,73,316
Repairs and maintenance - Machinery	**28,32,188**	10,01,691
Repairs and maintenance - Others	**17,59,931**	1,69,214
Insurance	**25,84,543**	29,94,671
Rates and taxes	**2,10,71,122**	16,37,649
Communication	**55,39,291**	33,92,655
Travelling and conveyance	**98,11,217**	71,82,807
Printing and stationery	**16,56,305**	10,33,255
Freight and forwarding	**43,60,22,791**	25,93,05,056
Sales commission	**1,76,83,855**	45,97,144
Business promotion	**35,04,383**	12,97,425
Legal and professional	**86,48,989**	21,37,691
Payments to auditors (Refer Note (i) below)	**12,13,128**	7,34,726
Labour Charges	**31,27,584**	19,53,929

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
Loading and Unloading Charges	**1,94,40,031**	1,18,75,508
Terminal and Handling Charges	**5,58,13,825**	1,12,54,590
Transport Charges	**39,63,34,824**	13,66,02,998
Warehouse Charges	**2,26,75,988**	2,47,47,781
Custom Duty	**15,52,691**	89,673
Demmurage Charges	**40,03,464**	1,50,56,628
Detention Charges	**96,58,916**	1,08,68,344
Warfage Charges	**14,15,945**	28,39,140
Brokerage on trading in Commodities & Securities Exchange	**47,29,166**	1,17,23,824
ECGC Premium	**20,16,254**	18,04,977
Lodging & Boarding	**28,19,508**	14,91,837
Claims	**1,21,40,160**	-
License & Quota Chrages	**-**	14,06,80,914
Foreign Exchange Difference	**-**	14,11,21,306
Ground Rent Charges	**4,94,568**	6,86,098
Directors Sitting Fees	**6,46,000**	6,46,000
Bad trade and other receivables, loans and advances written off	**9,86,215**	-
Prior period items (net) (Refer Note (ii) below)	**-**	5,42,559
Miscellaneous expenses	**85,18,325**	83,03,758
Total	**1,09,22,79,320**	82,45,97,745

Notes:

Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	**9,42,470**	4,75,737
For taxation matters	**1,74,158**	1,82,585
For other services	**96,500**	76,404
Total	**12,13,128**	7,34,726
(ii) Details of Prior period items (net)		
Professional Fees		-
Bank Charges	-	42,559
Tender Fees	-	5,00,000
Total	**-**	5,42,559

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 24 Additional information to the financial statements

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

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt with respect to		
i) Sugar Import Consignment pertaining to year 2009-10	**USD 11,23,425 & Rs. 60,43,987/- and Interest @8%**	USD 11,23,425 & Rs. 60,43,987/- and Interest @8%
ii) Quality issue of Goods Supplied	**15,87,450**	15,87,450
iii) Disputed Income tax demands for AY 2009-10	**14,60,411**	14,60,411
(ii) Commitments	**As at 31 March, 2014** **₹**	**As at 31 March, 2013** **₹**
(a) Uncalled liability		
Other commitments		
i) Outstanding Currency Forward Contracts (Sale)	**USD 1,76,82,508**	USD 58,29,899
ii) Outstanding Currency Forward Contracts (Buy)	**USD 26,83,000**	-

Note 25 Disclosures under Accounting Standards (contd.)

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

25.2 **Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2014:**

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total (in ₹)
Sale of goods	**-** -	**-** -	**-** (11,26,06,000)	**-** (11,26,06,000)
Directors Sitting Fees	- -	**1,02,000** (1,36,000)	**-** -	**1,02,000** (1,36,000)
Rent Paid	- -	**11,46,072** (11,46,072)	**55,95,528** (55,95,528)	**67,41,600** (67,41,600)
Finance Expenses (Interest Paid)	- -	- -	- (6,87,945)	**-** (6,87,945)
Management contracts including for deputation of employees	**91,00,000** (84,00,000)	**-** -	- -	**91,00,000** (84,00,000)
Other Receipts	-	-	**3,42,05,880** (95,43,347)	**3,42,05,880** (95,43,347)
Commission Expense	- -	- -	**2,31,210** -	**2,31,210** **-**
Balance as at 31st March 2014				
Trade Payable			**1,86,210** -	**1,86,210** -
Short Term Loans and Advances	**-** **-**	**-** **-**	**5,42,936** **-**	**5,42,936** **-**
Long Term Loan and Advances	**-** -	**15,30,000** (15,30,000)	**74,70,000** (78,71,004)	**90,00,000** (94,01,004)
Other Current Liabilities	**-** -	- -	- -	**-** (43,91,500)
Provision (Directors Remuneration Payable)	**8,00,000** (11,54,000)	**-** -	**-** -	**8,00,000** (11,54,000)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 26 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2014 ₹	For the year ended 31 March, 2013 ₹
26	**Earnings per share**		
	Basic & Diluted	-	
		-	
	Net profit / (loss) for the year	**16,30,23,809**	6,42,72,294
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	**16,30,23,809**	6,42,72,294
	Weighted average number of equity shares	**1,64,25,943**	1,64,25,943
	Par value per share	**10**	10
	Earnings per share	**9.92**	3.91

Note 27 Previous year's figures

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

NOTES

SAKUMA EXPORTS LIMITED

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

ATTENDANCE SLIP

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

I, hereby record my attendance at the Ninth Annual General Meeting to be held on 28th August, 2014 at 10.30 A.M. at P L Despande Kala Academy, Ravindra Natya Mandir, Third Floor, Mini Theatre, Sayani Road, Prabhadevi, Mumbai: 400 025.

DP ID*			Folio No.**	
Client ID*			No. of Equity Shares held	

NAME AND ADDRESS OF THE SHAREHOLDER _____

_____

*To be filled by Shareholders holding shares in dematerialised form

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

Signature of the Shareholder of Proxy

SAKUMA EXPORTS LIMITED

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

PROXY FORM

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint Shareholders may obtain additional slip at the venue of the meeting

DP ID*			Folio No.	
Client ID*			No. of Equity Shares held	

I/We_____of _____being a Member/

Members of **SAKUMA EXPORTS LIMITED** hereby appoint_____of_____

_____(or failing him)_____of_____as

my/our Proxy to attend and vote for me/us and on my/our behalf at the Ninth Annual General Meeting to be held on 28th August, 2014 at 10.30 A.M. at P L Despande Kala Academy, Ravindra Natya Mandir, Third Floor, Mini Theatre, Sayani Road, Prabhadevi, Mumbai: 400 025 and at any adjournment thereof.

AS WITNESS my hand/our hands this _____day of _____ 2014

*Applicable for investors holding shares in dematerialised form.

Affix a Re 1.00 revenue stamp

Note : The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. The Proxy need not be a member of the Company.

Book-Post

If undelivered, please return to:

Sakuma Exports Limited

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