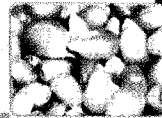
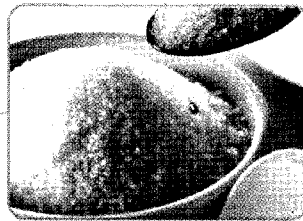
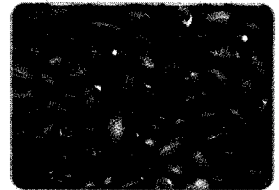
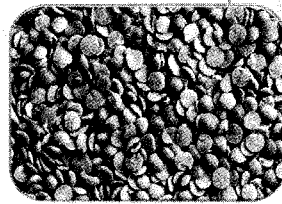




# Sakuma Exports Limited

4th Annual Report 2008-2009



# SAKUMA EXPORTS LIMITED.

## BOARD OF DIRECTORS

Chander Mohan - Chairman  
Saurabh Malhotra – Managing Director  
Ashok Kumar Doda  
Radhe Shyam  
Satyendra J Sonar  
Shipra Mediratta

## AUDITORS

Mehta Bhandari & Associates,  
Chartered Accountants  
24, Kesar Building, 2<sup>nd</sup> Floor,  
Opp. Geeta Bhavan Hotel,  
201/211, Princess Street  
Marine Lines, Mumbai-400 002

## BANKERS

Corporation Bank  
Overseas Branch,  
Earnest House,  
Nariman Point,  
Mumbai – 400 021.

## REGISTERED OFFICE

17, Chemox House,  
7, Barrack Road,  
Bombay Hospital Lane,  
New Marine Lines  
Mumbai – 400 020

Contents	Page No.
Notice.....	1
Directors' Report.....	3
Addendum to the Directors' Report.....	5
Corporate Governance.....	6
Management Discussions and Analysis Report.....	14
Auditors' Report.....	18
Balance Sheet.....	22
Profit and Loss Account.....	23
Schedules.....	24
Notes to Accounts.....	28
Cash Flow Statement.....	33
Balance Sheet Abstract & Company's General Business Profile.....	34

## NOTICE

**NOTICE** is hereby given that the Fourth Annual General Meeting of the members of **SAKUMA EXPORTS LTD.** will be held on Tuesday, 15<sup>th</sup> September, 2009 at "WALCHAND HIRACHAND HALL", 4<sup>TH</sup> Floor, Indian Merchants' Chamber, Churchgate, Mumbai-400 020 at 4.00 p.m. to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31st March 2009, Profit & Loss Account for the year ended as on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Shipra Mediratta, who retires by rotation and being eligible, offers her-self for re-appointment.
3. To declare dividend on Preference Shares.
4. To appoint Auditors of the Company and to fix their remuneration.

**BY ORDER OF THE BOARD**  
**For Sakuma Exports Limited**

Sd/-

**DATED: 27<sup>th</sup> June, 2009**

**(Saurabh Malhotra)**  
**Managing Director**

### Registered Office:

**17, Chemox House, 7, Barrack Road,  
Bombay Hospital Lane,  
New Marine Lines,  
Mumbai-400 020**

### 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) 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.
- 4) Explanatory Statement pursuant to the provisions of Section 173 of the Companies Act, 1956 is not required to be attached.
- 5) The Register of Members and share transfer books shall remain closed from Tuesday, 8<sup>th</sup> September, 2009 to Tuesday, 15<sup>th</sup> September, 2009 both days inclusive.
- 6) The dividend, after declaration, will be paid to those Preference shareholders whose name stand on the Register of Members on 15<sup>th</sup> September, 2009. The dividend in respect of shares held in electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories for this purpose as on 15<sup>th</sup> September, 2009.
- 7) The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Services (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. This system shall be utilized only when the Company declares dividend.



- 8) As per the provisions of the Companies Act, 1956 facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from Depository Participants (DPs) in respect of their holdings in electronic form and from the company's Registrar and Transfer agent or Secretarial department of the company in respect of their holding in physical form.
- 9) Members are requested to notify immediately 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 Transfer Agents in respect of their holding in physical form.
- 10) 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.
- 11) Members who hold the shares in dematerialized form are requested to bring their Client ID and DP ID numbers and Members holding shares in Physical Form are requested to quote their Folio Numbers for easy identification of attendance at the Meeting.
- 12) Members desiring any relevant information on the Accounts at the Annual General Meeting are advised to write to the Company at least seven days in advance, so as to enable the company to keep the information ready.

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year March 31, 2006 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.

<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Last Date of claiming un- paid Dividend</b>
Final Dividend 2005- 2006	26.07.2006	30.08.2013
Final Dividend 2006- 2007	09.07.2007	13.08.2014
Final Dividend 2007- 2008	20.08.2008	24.09.2015

## DIRECTORS' REPORT

At the outset, your Directors take pleasure in informing that based on performance, your company has been granted status of "Trading House" in June 2008 by Govt of India. Your Directors take pleasure in presenting their Fourth Annual Report on the business and operations of your Company together with audited statement of accounts for the year ended 31<sup>st</sup> March 2009.

### Financial Highlights

FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2009

	Rs. (in lacs)	
	Year Ended 31.03.2009	Year Ended 31.03.2008
Sales & Other Income	39800.10	59365.79
Profit before depreciation & Tax	502.14	724.65
Depreciation	116.30	66.88
Profit before Tax	385.84	657.77
Provision for Tax		
-Current Tax (including FBT)	82.76	94.71
- Deferred Tax	46.53	130.08
Net Profit after tax	256.55	432.98
Add: Surplus from previous period	691.31	412.92
Profit Available for Appropriation	947.86	845.90
Appropriation		
Income Tax of Earlier years	1.38	-
Dividend on Equity Shares	-	82.13
Dividend on Preference Shares	50.00	50.00
Dividend Tax	8.50	22.46
<b>Balance carried to Balance Sheet</b>	<b>887.98</b>	<b>691.31</b>

### Operations Review and Future Prospects

Your directors report that despite the unprecedented global turmoil and domestic policy constraints, your Company was able to achieve a turnover of 398.22 crores during the year 2008-09. The net profit for the year was 256.55 lacs as against 432.98 lacs in 2007-08. The EPS for the year worked out 1.2 as against 2.3 for the preceding year.

During the year 2008-09, the global trade contracted owing to global meltdown and acute liquidity crunch. The commodity prices became highly volatile affecting the global trade adversely. The restrictions by Government of India on export of important agricultural commodities like wheat, rice and pulses continued. Not only the incentives on export of sugar were withdrawn, the Government of India also banned the export thereof. Export operations of your Company virtually came to standstill from September 2008 onwards. Having no option left for export, your Company developed marketing network for domestic trade in sugar. During the year, domestic sales of sugar were worth Rs 17,837.56 lacs constituting 44% of total turnover.

We have started domestic trade by supplying sugar from Maharashtra to eastern, north eastern and northern states. Having stabilised marketing set up for the domestic trade, we hope to expand our operations by covering more and more centres. Our domestic trade operations are expected to grow significantly during the current year.

Due to sharp decline in production of sugar, the country is facing sugar shortage and export of sugar is ruled out. As India is facing sugar deficit, sugar is likely to be imported in large quantities. With our strong business relations with Multinationals engaged in sugar trade, we shall be well placed to undertake white / raw sugar imports in the coming months. Our domestic sugar distribution set up will facilitate the marketing of imported white sugar in different part of country. Thus, during financial year 2009-10 your Company is likely to have multi dimensional operations, exports, imports, domestic trade, manufacturing of P. P. bags and power.



The country has adequate surplus of wheat and rice and the government may, therefore, consider removing restrictions on export of these items which will give us an opportunity to restart the export operations in a significant way. Meanwhile, we shall continue to export groundnut in small quantities. We also hope to resume export of maize and De oiled cakes if and when prices turn favourable.

### **Dividend**

Your Directors recommend a dividend 5% i.e. Rs.5.00 on Cumulative Redeemable Preference Share. However the profit being inadequate, particularly as the Company has to build adequate reserves to redeem preference shares by February 2011, no dividend has been recommended on equity shares.

### **Public Deposits**

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

### **Directors**

Shipra Mediratta, Non-Executive Director, retires by rotation and being eligible, offers herself for re-appointment.

### **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 31, 2009, 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, 2009 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. Mehta Bhandari & Associates., Chartered Accountants were the auditors of the Company. Due to Pressure of work at their end they have desired to step down as Statutory Auditors for the financial year 2009-10. The Audit Committee of the board has recommended M/s A.R.Sodha & Co. as Auditors for the year 2009-10. M/s A.R.Sodha & Co. have confirmed their eligibility and willingness to act as Auditors of the Company. The remuneration will be finalized by the board of directors.

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

We have taken an existing unit on lease, initially for a period of one year, for manufacturing P.P. Bags. We are studying various possible means of conservation of energy, however, no capital expenditure is envisaged unless we decide to go in for a long lease.

**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 and Outgo**

Foreign Exchange **Earned: 19,471.57 Lacs**

**Outgo: 1,149.55 Lacs**

**Particulars of Employees**

The provision of section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are not applicable to your company since none of the employee is employed on a remuneration of Rs.2,00,000/- P.M or Rs.24, 00,000/ P.A.

**Acknowledgements**

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

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

	Sd/-	Sd/-
Mumbai	<b>(Chander Mohan)</b>	<b>(Saurabh Malhotra)</b>
Date: 27 <sup>th</sup> June, 2009	Chairman	Managing Director

**Addendum to the Directors' Report**

As regards observation of the Auditors made in para 3 (e) of their report relating to *non provision of Leave encashment and gratuity*, Directors are of the view that the Company being less than 5 years old, the provision was not considered necessary and its available resources are adequate to meet both present and future liabilities.

For and on behalf of the Board of Directors

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

	Sd/-	Sd/-
Mumbai	<b>(Chander Mohan)</b>	<b>(Saurabh Malhotra)</b>
Date: 27 <sup>th</sup> June, 2009	Chairman	Managing Director



## CORPORATE GOVERNANCE REPORT

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

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy, since its inception, has been to look at good Corporate Governance as a way of life, observing the highest level of ethics in all its dealings and maintaining fair and transparent governance.

### II. BOARD OF DIRECTORS

#### i) Composition and Category of Directors:

The strength of the Board was 6 Directors as on 31<sup>st</sup> March, 2009. The composition and category of Directors on the Board of the Company are:

Name	Executive / Non Executive	Promoter / Independent	Relationship With Other Directors
Mr. Chander Mohan	Executive - Chairman & Whole Time 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
Mr. Radhe Shyam	Non Executive	Independent	Not Related
Mr. Satyendra J Sonar	Non Executive	Independent	Not Related

#### ii) Number of Board Meetings held and attendance of each Director at the Board Meeting:

Date of Board Meetings	Chander Mohan	Saurabh Malhotra	Shipra Mediratta	Ashokkumar Doda	Radhe Shyam	Satyendra Sonar
23 <sup>rd</sup> June, 2008	Present	Present	Present	Present	Present	Present
30 <sup>th</sup> July, 2008	Present	Present	Present	Present	Present	Present
25 <sup>th</sup> August, 2008	Present	Present	Present	Present	Present	Present
24 <sup>th</sup> October, 2008	Present	Present	Present	Present	Present	Present
21 <sup>st</sup> January, 2009	Present	Present	Present	Present	Present	Present
24 <sup>th</sup> March, 2009	Present	Present	Present	Present	Present	Present
Total Attendance out of 6 Meetings.	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
Attendance at Last AGM	Present	Present	Present	Present	Present	Present

#### iii) Number of other Boards or other Committees in which the Directors hold memberships or Chairmanship:

Name of Director	No. of Other Companies where Director	Number of Committee Memberships / Chairmanships	
		Chairmanship	Membership
Mr. Chander Mohan	Nil	Nil	Nil
Mr. Saurabh Malhotra	Nil	Nil	Nil
Ms. Shipra Mediratta	Nil	Nil	SIGC – SEL**
Mr. Ashok Kumar Doda	2	SIGC – SEL**	AC – SEL*
Mr. Radhe Shyam	2	AC – SEL*	SIGC – SEL**
Mr. Satyendra J Sonar	1	Nil	AC – SEL*

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 the Directorships and Committee Memberships.

#### 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 have affirmed their compliance with the code. A declaration to this effect signed by the Chairperson of the Company is given elsewhere in the Annual Report.

### III. AUDIT COMMITTEE

The composition of the Audit Committee and their attendance at the Audit Committee Meetings are as follows:

Date of Audit Committee Meeting	Mr. Radhe Shyam	Mr. Ashok Kumar Doda	Mr. Satyendra Sonar
	Chairman & Non Executive Independent Director	Non Executive Independent Director	Non Executive Independent Director
23 <sup>rd</sup> June, 2008	Present	Present	Present
30 <sup>th</sup> July, 2008	Present	Present	Present
24 <sup>th</sup> October, 2008	Present	Present	Present
21 <sup>st</sup> January, 2009	Present	Present	Present
Total (out of 4 meetings)	4	4	4

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

### 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.

The remuneration of Executive Directors was approved by the shareholders of the Company at its Extra Ordinary General Meeting held on 8<sup>th</sup> September, 2005. Non-executive Directors are not paid any remuneration except sitting fees. The details remuneration paid during the period from April 1, 2008 to March 31, 2009 are as under:

Sr. No.	Name	Sitting Fees	Salary & Perks	Commission	Professional fees	Total
		Rs.	Rs.	Rs.	Rs.	Rs.
1	Mr. Chander Mohan	0	1890000	0	0	1890000
2	Mr. Saurabh Malhotra	0	1620000	0	0	1620000
3	Ms. Shipra Mediratta	77000	0	0	0	77000
4	Mr. Ashok Kumar Doda	105000	0	0	0	105000
5	Mr. Radhe Shyam	105000	0	0	0	105000
6	Mr. Satyendra J Sonar	77000	0	0	0	77000
<b>Total</b>		<b>364000</b>	<b>3510000</b>	<b>0</b>	<b>0</b>	<b>3874000</b>

#### Details of service contracts

Name	Designation	Current tenure	From	To	Approval of Members
Mr. Chander Mohan	Executive chairman	5 years	1 <sup>st</sup> September, 2005	31 <sup>st</sup> August, 2010	Extra Ordinary General Meeting held on 8 <sup>th</sup> September, 2005
Mr. Saurabh Malhotra	Managing Director	5 years	1 <sup>st</sup> September, 2005	31 <sup>st</sup> August, 2010	Extra Ordinary General Meeting held on 8 <sup>th</sup> September, 2005



**NOTES:**

1. The Company does not pay bonus, stock options, pension and performance linked incentives or fixed component incentives to the Directors.
2. The Company has not made any payment to the Non-Executive Directors except sitting fees.
3. Equity shares of Sakuma Exports Limited held by the Non-Executive Directors are as follows:

Directors	No. of shares held	
	As on March 31, 2009	As on March 31, 2008
Ms. Shipra Mediratta	Nil	Nil
Mr. Ashok Kumar Doda	Nil	Nil
Mr. Radhe Shyam	Nil	Nil
Mr. Satyendra J Sonar	Nil	Nil

**V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE**

The composition of the Shareholders/Investors Grievance Committee and their attendance at the Shareholders/Investors Grievance Committee Meetings are as follows:

Date of Shareholders Grievance Committee Meeting	Mr. Ashok Kumar Doda	Mr. Radhe Shyam	Ms. Shipra Mediratta
	Chairman & Non Executive Independent Director	Non Executive Independent Director	Non Executive Director
23 <sup>rd</sup> June, 2008	Present	Present	Present
30 <sup>th</sup> July, 2008	Present	Present	Present
24 <sup>th</sup> October, 2008	Present	Present	Present
21 <sup>st</sup> January, 2009	Present	Present	Present
Total (out of 4 meetings)	4	4	4

The Committee has delegated the power to approve the share transfers to its Registrar & Share Transfer Agent i.e. M/s. Big Share Services Private Limited. The Committee monitors the redressal of investor's grievances and takes on record the physical share transfers, issue of duplicates share certificates in lieu of share certificates lost/torn/misplaced etc, split/consolidation of share certificates, etc from time to time. The total number of complaints received and replied to the satisfaction of shareholders during the year under review was as follows:

Complaint Status for the period 01/04/2008 to 31/03/2009 (Equity Shares)

Category	No. of Compl. Received	No. of Compl Resolved	No. of Compl Pending
NON RECEIPT OF CREDIT	4	4	-
NON RECEIPT OF DIVIDEND WARRANT	3	3	-
NON RECEIPT OF INTEREST WARRANT	1	1	-
NON RECEIPT OF ANNUAL REPORTS	1	1	-
SEBI	8	8	-
STOCK EXCHANGE	1	1	-
<b>Total :</b>	<b>18</b>	<b>18</b>	<b>0</b>

Complaints Status for the period 01/04/2008 to 31/03/2009 (Cumulative Redeemable Preference Shares)

Category Received	No. of Compl. Resolved	No. of Compl	No. of Compl Pending
	0	0	0
Total :	0	0	0

As required by the Stock Exchanges, the Company has appointed Ms. Jyoti Deshpande, as the Compliance Officer to monitor the share transfer process and liaise with the regulatory authorities.

## VI. GENERAL BODY MEETINGS

Date, time and venue for the last 3 Annual General Meetings and Extra Ordinary General Meeting are given below;

Year	Nature of Special Resolutions Passed	Date	Time	Venue
2007 – 2008 (3 <sup>rd</sup> AGM)	Nil	20 <sup>th</sup> August, 2008	4.00 P.M.	Indian Merchants' Chamber, Churchgate Mumbai-400 020
2006 – 2007 (2 <sup>nd</sup> AGM)	Commencement of Business Activities in Other Object Clause of Memorandum of Association – Section 149(2-A)	9 <sup>th</sup> July, 2007	4.00 P.M.	Indian Merchants' Chamber, Churchgate Mumbai-400 020
2005 – 2006 (1 <sup>st</sup> AGM)	I. Commencement of Business Activities in Other Object Clause of Memorandum of Association Section 149(2-A) of the Companies Act, 1956.	26 <sup>th</sup> July, 2006	4.00 P.M.	Indian Merchants' Chamber, Churchgate Mumbai-400 020
	II. Variation in the terms of contract mentioned in the prospectus regarding the deployment of IPO proceeds amounting to Rs. 333 lacs (General Corporate Purpose) and to utilize partly or fully the said funds for the proposed diversified business activities to meet part of cost of the projects and for working capital purpose.			
	III. Borrowing Powers in excess of Paid up Capital and Free Reserves, subject to ceiling of Rs. 500 Crores – Sec 293(1)(d) of the Companies Act, 1956.			
	IV. To create mortgage/ charges/ hypothecation on the immovable/ movable properties, both present and future, of the company on such terms and conditions and at such times and in such form and manner, as the Board may deem fit, to secure such borrowing from time to time as security – Sec 293(1)(a) of the Companies Act, 1956.			



2005 – 2006 (Extra Ordinary General Meeting)	I. Appointment of Mr. Chander Mohan as Whole Time Director and payment of remuneration to him – Section 269 read with Schedule XIII of the Companies Act, 1956.	8 <sup>th</sup> September, 2005	4.00 P.M	Registered Office
	II. Appointment of Mr. Saurabh Malhotra as Managing Director and payment of remuneration to him – Section 269 read with Schedule XIII of the Companies Act, 1956.			

There were no other special resolutions passed by the Company at any of the above meetings. There were no special resolutions passed through postal ballot last year. At the ensuing Annual General Meeting, there are no resolutions proposed to be passed through postal ballot.

## VII. DISCLOSURES

- i. The Company has not entered into any materially significant related party transaction 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 SEBI 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. The Auditors have qualified for non-compliance of Accounting Standard 15 to which suitable reply has been given in the Directors Report.
- 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 2008– 2009.
- vi. The Company has complied with all mandatory requirements of clause 49 of Listing requirements.

## VIII. MEANS OF COMMUNICATION

Quarterly Results: The Company's quarterly results in the format prescribed by the Stock Exchanges are approved and taken on record by Board within the prescribed time frame and sent immediately to the Stock Exchanges on which the company's shares are listed. These results are published in the News Papers, i.e., Free Press Journal (English Language) and Navshakti (Marathi Language).

Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important, information is circulated to Members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

## IX. Auditors Certificate on Corporate Governance

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

## X. Declaration on compliance with code of conduct

The Board has laid down a code of conduct for the Board members and senior management of the Company.

It is hereby affirmed that all the Directors and senior management have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and senior management.

For Sakuma Exports Limited  
Sd/-  
Saurabh Malhotra  
Managing Director

## General Shareholder's Information

### Annual General Meeting

Day, Date and Time : Tuesday, 15<sup>th</sup> September, 2009 at 4.00 P.M.  
Venue : WALCHAND HIRACHAND HALL",  
4<sup>TH</sup> Floor, Indian Merchants' Chamber, Churchgate, Mumbai-400 020

### Financial Year

1<sup>st</sup> April – 31<sup>st</sup> March

### Book Closure

The Company's Register of Members and Share Transfer Books shall remain closed for the purpose of dividend on Preference Shares and Annual General Meeting from Tuesday, 8<sup>th</sup> September, 2009 to Tuesday, 15<sup>th</sup> September, 2009 (both days inclusive).

### Dividend

The dividend recommended by Directors, on approval by the Shareholders at the ensuing Annual General Meeting, will be paid to those Preference shareholders whose names appear on the Company's Register of Members as on 15<sup>th</sup> September, 2009..

### Listing on Stock Exchanges

The Company's equity shares, Cumulative Redeemable Preference Shares (CRPS), are listed at The following Stock Exchanges Located at:	Addresses of the Stock Exchanges
Bombay Stock Exchange, Mumbai (BSE)	Bombay Stock Exchange Limited. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
National Stock Exchange, Mumbai (NSE)	The National Stock Exchange of India Ltd., (NSE) Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
The Equity Stock Code of the Company is	532713 SAKUMA EQ
C R P S Stock Code of the Company is	700108 SAKUMA P1
The ISIN No for the Company's Equity	
Shares in Demat Form	INE190H01016
C R P S	INE190H04010
Depository Connectivity	NSDL and CDSL

### Market Price and Volume Data

Monthly high and low quotations as also the volume of shares traded on Mumbai Stock Exchange:

#### Equity Shares:

Month	Open	High	Low	Close	Volume
Apr-08	16.90	19.70	15.90	17.70	183999
May-08	16.90	19.00	15.05	15.70	151076
Jun-08	15.55	16.20	12.50	12.65	114995
Jul-08	12.20	15.25	11.05	14.26	173084
Aug-08	13.80	15.40	12.15	12.80	107099
Sep-08	12.50	13.47	9.54	10.05	107676
Oct-08	10.31	11.30	6.90	8.50	86023
Nov-08	9.20	9.50	6.30	6.58	60310
Dec-08	6.60	8.70	6.00	7.23	67453
Jan-09	7.20	8.99	6.00	6.04	59570
Feb-09	6.67	7.20	5.60	6.99	41631
Mar-09	6.41	7.00	5.06	5.57	79723



## Preference Shares

Month	Open	High	Low	Close	Volume
Apr-08	56.05	61.00	55.50	58.00	844
May-08	60.00	61.00	55.00	55.05	170
Jun-08	55.50	67.50	55.10	65.10	3170
Jul-08	65.00	74.00	57.00	67.10	1753
Aug-08	68.00	68.00	65.00	65.00	582
Sep-08	65.00	75.00	50.25	56.30	1516
Oct-08	58.00	58.00	36.05	40.42	379
Nov-08	48.50	58.50	46.00	50.15	339
Dec-08	55.05	57.00	50.15	55.05	124
Jan-09	57.00	66.85	47.97	57.56	196
Feb-09	69.00	69.00	50.50	50.50	61
Mar-09	59.99	69.00	57.00	57.20	4273

### Registrar & Share Transfer Agents:

Shareholders/Investors are requested to forward share transfer documents, dematerialisation request, correspondence regarding change of address, non-receipt of dividend or share certificates and other related correspondence directly to Big Share Services Private Limited at the following address:

Bigshare Services Private Limited,  
(SEBI Regn.No.INR00001385)  
E-2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East), Mumbai – 400 072  
Tel: 40430200 Fax: 28475207  
E mail: [srinivas@bigshareonline.com](mailto:srinivas@bigshareonline.com)  
URL: [www.bigshareonline.com](http://www.bigshareonline.com)

### Share Transfer Process

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

### Distribution of Shareholdings as on 31 March 2009

A.	Total Holders	% of Total holding	No of Share Holders	% of total Capital
Equity Shareholding held (In Rs.)				
1 - 5000	9,852	82.31264	19,52,270	11.88528
5000 - 10000	1,366	11.41282	10,88,807	6.62858
10001 - 20000	431	3.60097	6,57,213	4.00107
20001 - 30000	119	0.99424	3,08,175	1.87615
30001 - 40000	47	0.39268	1,66,159	1.01156
40001 - 50000	60	0.50130	2,85,329	1.73706
50001 - 100000	54	0.45117	3,87,204	2.35727
100001 - 99999999	40	0.33420	1,15,80,786	70.50303
	<u>11,969</u>	<u>100.00000</u>	<u>1,64,25,943</u>	<u>100.00000</u>

<b>B</b>	<b>No. of Cumulative Redeemable Preference Shares (CRPS) held holders (In Rs.)</b>	<b>Total Holders</b>	<b>% of Total holding</b>	<b>No of Share Holders</b>	<b>% of total Capital</b>
	1 - 5000	5,476	65.30710	1,27,689	12.76773
	5000 - 10000	2,043	24.36494	1,37,049	13.70364
	10001 - 20000	728	8.68217	1,02,978	10.29685
	20001 - 30000	58	0.69171	14,316	1.43147
	30001 - 40000	11	0.13119	3,800	0.37997
	40001 - 50000	15	0.17889	6,410	0.64094
	50001 - 100000	17	0.20274	11,728	1.17269
	100001 - 99999999	37	0.44126	5,96,122	59.60671
		<u>8,385</u>	<u>100.0000</u>	<u>10,00,092</u>	<u>100.00000</u>

#### **Dematerialisation of Shares**

To facilitate the public to hold the equity shares, Cumulative Redeemable Preference Shares in the demat form, the Company entered into a tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) and Bigshare Services Private Limited.

As on March 31, 2009, the demat and physical shares distribution is as follows:

- Equity Shares: 42.10% of the Company's total shares representing 69,14,896 shares were held in dematerialised form and the balance 57.90% representing 95,11,047 shares were held in physical form.
- Preference Shares: 99.96% of the Company's total shares representing 9,99,689 shares were held in dematerialised form and the balance 0.04% representing 403 shares were held in physical form. Any queries relating to the financial statements of the Company may be addressed at the

#### **Address of the Registered Office:**

17, Chemox House,  
7, Barrack Road,  
Bombay Hospital Lane,  
Mumbai – 400 020

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

Sd/-

Mumbai  
Date: 27<sup>th</sup> June, 2009

Saurabh Malhotra  
Managing Director



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### (A) Industry Overview and Future Outlook

During the year 2008-09, the world faced the worst ever financial crisis since 1929. Sub-prime lending of the west led to several financial failures. Solvency of even the leading global banks like Citi Bank, American Express was eroded significantly. This led to acute liquidity problem the world over and several governments came out to revive their banks by granting financial packages. The liquidity crunch led to high volatility of prices of commodities with a steep fall in the end. There were several instances of traders backing out from their commitments. The commercial environment was full of uncertainty and fear leading to steep decline in international trade. Due to this global meltdown, many of the entities engaged in global trade suffered heavy losses.

India also suffered the brunt of global melt down particularly in the field of exports. With world trade volumes contracting in 2009 for the first time since 1982, Indian exports also declined sharply as world trade growth turned negative. The export of agricultural commodities suffered all the more because of Government restrictions on most of the agricultural commodities. The restrictions on export of pulses, rice, wheat continued in order to bring down the inflation rate in the country. As regards sugar, which has been the main stay of our Company's operations during last 3 years, not only the export incentives were withdrawn, the export thereof was banned during the year. This virtually brought the export of our Company to standstill in September 2008. Left with no export options, the management started working on developing the local trade. It was not an easy task because right market appropriate for us had to be identified; new channels of distribution, brokers, clients, and logistics had to be developed. By December end our Company stabilized the domestic trading in sugar.

The sugar industry is primarily cyclical in nature. The sugar production which increased from 126 lakh tones in 2004-05 to 193 lakh tonnes in 2005-06 peaked to 283 lakh tones in 2006-07 and then started declining. The production is estimated to be less than 150 lakh tones in 2008-09. The country has been managing with carry over of past stocks. India, which has been one of the leading exporters of sugar, is itself in a situation of sugar deficit. The domestic sugar prices have increased by more than 90% from Rs 1266 per quintal (excluding excise) during 2007-08 to around Rs 2300 per quintal over a year. The government has already permitted the import of white sugar through state agencies and is likely to allow free imports to tide over the situation. The chances of export of sugar in next two years are dim. However, country reaped robust crops of wheat and rice in the current year and has enough surpluses of these commodities for exports. Limited export of non basmati rice has been permitted, canalized through state agencies. It is expected that government may allow free exports of these commodities in near future. With our strong business relation with Multinationals engaged in commodity trade, we hope to resume export of these commodities in the coming months.

With uncertainties in the global market, ever changing government policies regarding export of agricultural commodities, cyclical nature of agricultural crops and changing cropping patterns, the long term survival of traders engaged in international trade of commodities will depend upon the degree of flexibility in their operations. They should be able to undertake exports, imports and domestic trade as the conditions permit. Similarly, the international traders of the agricultural commodities should adopt multi product model with flexibility to vary the commodity mix as warranted by the domestic and global demand and supply position.

### (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, sale orders are immediately tied up with suppliers for procurement.

#### 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, 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 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.

#### **[D] Quality Control**

The Company maintains high standards of quality. Before shipment the cargo is tested by company's field staff, brokers' representatives and by reputed quality resting, S G S India, Geo Chem Laboratories, Caleb Bret etc, Our field staff are well trained and have been provided with quality judgment and are 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.

#### **(G) Diversification**

During the current year, the Company started manufacturing of P.P. bags by taking a manufacturing unit on lease in Ahmedabad. Being the 1<sup>st</sup> year and prices of petroleum products being highly volatile, there was only modest production worth Rs. 34.01 Lacs. It is expected the production will improve during the year 2009-10.

#### **Cautionary Statement:**

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

For and on behalf of the Board of Directors

Sd/-

Saurabh Malhotra  
Managing Director

Mumbai.  
Date: 27<sup>th</sup> June, 2009



## 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 (1D) of the Listing Agreement with the Stock Exchange and Board of Directors and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31<sup>st</sup> March, 2009.

Sd/-

Saurabh Malhotra

Managing Director

Place: Mumbai

Date: 27<sup>th</sup> June, 2009.

## AUDITOR'S CERTIFICATE 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 March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended / pending for a period exceeding one month as on March 31, 2009.

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 Mehta Bhandari & Associates,  
Chartered Accountants

Dilip S. Mehta  
Partner  
Membership No. 25422

Mumbai  
Date: 27<sup>th</sup> June, 2009



## AUDITORS REPORTS

### THE MEMBERS,

### SAKUMA EXPORTS LIMITED

1. We have audited the attached Balance Sheet of **SAKUMA EXPORTS LTD.** as at 31st March, 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amount and disclosure in financial statements. An audit also include assessing the accounting principal used and significant estimates made by management, as well as evaluating the over all financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the companies (Auditor's Report) (Amendment) order 2004 issued by the Central Government in terms of sub-section (4A) Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Said Order.

Further to our comments in the Annexure referred to above, 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 accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
- c) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account maintained by the company.
- d) On the basis of written representation received from directors as on 31<sup>st</sup> March 2009 and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2009 from being appointed as a director of the Company in terms of section 274 (1) (g) of the Companies Act, 1956.
- e) In our opinion the Balance Sheet, Profit and Loss account and Cash Flow Statement comply with the accounting standards referred to in sub- section (3C) of Section 211 of the Companies Act, 1956 *subject to non provision of leave encashment and gratuity, which is accounted for on cash basis. Had the provision for employee benefits would have been made as per actuary valuation instead of cash basis, the profit would have been lowered and current liability would have been higher. In the absence of actuary valuation we can not quantify effect on profit and loss account and current liability. Refer note no 12 in schedule no. O Significant accounting policy and notes to accounts.*
- f) In our opinion, and to the best of our information and according to the explanations given to us, the said Accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and faire view in conformity with accounting principles generally accepted in India subject to (e) above :
  - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.
  - ii) In the case of the Profit and Loss Account of the 'Profit' of the company for the year ended on that date.
  - iii) In the case of Cash Flow Statements, of the cash flows of the Company for the year ended on that date.

### FOR MEHTA BHANDARI & ASSOCIATES

#### Chartered Accountants

Dilip S. Mehta

Partner

M. No.25422

PLACE: MUMBAI

DATED: 27.06.2009

## ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of Auditors' report of even date, On the basis of such checks / audit procedures as we considered appropriate on the books of accounts produces before us and according to the information and explanation given to us during the course of audit, we state the :

- i. In respect of its fixed assets:
  - (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets are physically verified by the management, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to above verification no material discrepancies between the book records and the physical inventory have been noticed.
  - (c) No substantial part of the fixed assets has been disposed off by the Company during the year.
- ii. In respect of its inventory:
  - (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, Company has maintained proper records of stock and no material discrepancies were noticed on physical verification.
- iii. (a) The Company had neither taken nor granted secured or unsecured loan to / from directors, companies and other parties covered in the register maintained under section 301 of the Companies Act, 1956 in the previous year. Accordingly sub clause (b), (c), & (d) are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit no major weaknesses has been noticed in the internal controls and there is no continuing failure for the same.
- v. (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the company has not made any transactions exceeding the value of Rs. **five lacs** with any party listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4 (v) (b) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- vi. The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government under section 209 (1)(d) of the Act for the maintenance of the cost records in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations provided to us, the company is generally regular in depositing with appropriate authorities undisputed amount of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, cess and other material statutory dues wherever applicable to it and no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2009 for a period of more than six months from the date they became payable.



(b) According to the records of the company, dues of Income Tax that has not been deposited on account of any dispute is as follows:

Stature	Nature of Dues	Amount (Rs.)	Forum where the dispute is pending
Income Tax Act, 1961	For A.Y. 2002-03 Interest levied by the department.	2,45,931/-	Chief Commissioner of Income Tax (A)
Income Tax Act, 1961	For A.Y. 2006-07 Deemed Dividend Income added by the department	77,069	Chief Commissioner of Income Tax (A)

Further, there is no other dues in respect of sales-tax, customs duty, wealth-tax, excise duty and cess that have not been deposited on account of any dispute

- x. The company has no accumulated losses as at March 31, 2009 and it has not incurred any cash loss in the financial year ended on that date.
- xi. According to records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
- xii. Based on our examination of the records and the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanation provided to us the nature of activities of the Company does not attract any special statute applicable to chit fund/ nidhi / mutual benefit fund/ society.
- xiv. The nature of Company's business/activities during the year does not include dealing in shares, securities, debentures or other investments, hence the requirement of offering comments on this clause is not applicable.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others, from banks or financial institutions during the year.
- xvi. The company has not taken any term loan during the year.
- xvii. On the basis of an overall examination of the balance sheet and cash flow statement of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- xix. No debentures have been issued by the Company during the year.
- xx. The Company has not raised any money by public issues during the year.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audited practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**FOR MEHTA BHANDARI & ASSOCIATES**

**Chartered Accountants**

**Dilip S. Mehta**

Partner

M. No. 25422

PLACE : MUMBAI

DATED : 27.06.2009



## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

### The Members

#### **Sakuma Exports Limited.**

We have examined the compliance of conditions of Corporate Governance by Sakuma Exports Limited, for the year ended on March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation there of, adopted by the Company for ensuring the compliance of the 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended / pending for a period exceeding one month as on March 31, 2009.

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

### **MEHTA BHANDARI & ASSOCIATES**

#### **Chartered Accountants**

**Dilip S. Mehta**

Partner

M. No. 25422

PLACE : MUMBAI

DATED : 27.06.2009



## BALANCE SHEET AS AT 31.03.2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009	AS AT 31.03.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	264,268,630	264,268,630
Reserves & Surplus	B	356,216,230	336,549,079
<b>Loan Funds</b>			
Secured Loans	C	90,055,285	58,888,029
Deferred Tax Liability		17,534,885	12,881,894
		<u>728,075,029</u>	<u>672,587,632</u>
<b>APPLICATION OF FUND</b>			
<b>Fixed Assets</b>			
Gross Block	D	82,176,509	81,627,171
Less : Depreciation		19,825,123	8,195,395
Net Block		<u>62,351,386</u>	<u>73,431,776</u>
<b>Investments</b>	E	364,115,020	336,210
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	23,139,619	125,738,476
Sundry Debtors		13,789,900	345,930,359
Cash & Bank Balances		243,204,366	62,505,028
Other Current Assets		2,180,986	808,900
Loans & Advances		58,060,303	122,192,519
<b>Total Current Assets</b>		<u>340,375,174</u>	<u>657,175,282</u>
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities	G	7,500,822	31,262,704
Provisions		36,981,788	38,525,055
<b>Total Current Liabilities</b>		<u>44,482,610</u>	<u>69,787,759</u>
<b>Net Current Assets</b>		<u>295,892,564</u>	<u>587,387,523</u>
<b>Deferred Tax Assets</b>			-
<b>MISCELLANEOUS EXPENDITURE</b>			
(to the extent not written off or adjusted)	H	5,716,059	11,432,123
		<u>5,716,059</u>	<u>11,432,123</u>
		<u>728,075,029</u>	<u>672,587,632</u>
Notes to Accounts	O		

As per our report of even date  
Dilip S. Mehta & Associates

Dilip S. Mehta  
Partner  
M. No. 25422  
Chartered accountants

Mumbai,  
Dated : 27.06.2009

For and on behalf of the Board

Chander Mohan  
(Chairman)  
  
Saurabh Malhotra  
(Managing Director)

A.K.Doda  
Director  
  
S. J. Sonar  
Director

Radhe Shyam  
Director  
  
Shipra Mediratta  
Director



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>Year Ended 31.03.2009 Rs.</b>	<b>Year Ended 31.03.2008 Rs.</b>
<b><u>INCOME</u></b>			
Sales	I	3,982,288,338	5,885,380,669
Increase/(Decrease) in stock	J	(102,598,857)	(57,062,680)
Other Income	K	(2,278,655)	51,198,413
		<u>3,877,410,826</u>	<u>5,879,516,402</u>
<b><u>EXPENDITURE</u></b>			
Purchases		3,522,602,097	5,352,754,175
Personnel Expenses	L	7,870,934	7,149,818
Sales and Administrative Expenses	M	283,620,367	433,351,440
Finance Charges	N	7,387,397	8,080,180
Public Issue Expenses W/off		5,716,062	5,716,062
		<u>3,827,196,857</u>	<u>5,807,051,675</u>
<b>Profit Before Depreciation and Tax</b>		<b>50,213,969</b>	<b>72,464,727</b>
Depreciation	D	11,629,728	6,687,629
<b>Profit before Tax</b>		<b>38,584,241</b>	<b>65,777,098</b>
Provision for Taxes			
- Current Tax		8,010,000	9,240,000
- Fringe Benefit Tax		266,132	231,000
- Deferred Tax		4,652,991	13,007,597
<b>Profit After Tax</b>		<b>25,655,118</b>	<b>43,298,501</b>
Add: Surplus b/f from previous year		69,130,649	41,291,203
<b>Profit available for appropriation</b>		<b>94,785,768</b>	<b>84,589,704</b>
Income Tax of Earlier Years		137,680	-
Proposed Dividend			
- Equity Dividend		-	8,212,972
- Preference Dividend		5,000,460	5,000,460
- Tax on Dividend		849,828	2,245,623
Profit Transferred to Balance Sheet		<u>88,797,800</u>	<u>69,130,649</u>
<b>Earning Per Share</b>			
- Basic		1.20	2.30
- Diluted		-	-
Notes to Accounts	O		

**As per our report of even date  
For Mehta Bhadari & Associates**

**Dilip S. Mehta**  
Partner  
M. No. 25422  
Chartered accountants

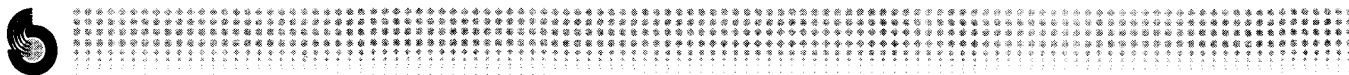
Mumbai,  
Dated : 27.06.2009

**For and on behalf of the Board**

**Chander Mohan**  
(Chairman)  
  
**Saurabh Malhotra**  
(Managing Director)

**A.K.Doda**  
Director  
  
**S. J. Sonar**  
Director

**Radhe Shyam**  
Director  
  
**Shipra Mediratta**  
Director



## SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2009

	AS AT 31.03.09	AS AT 31.03.08
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
19000000 (P.Y. 19000000) Equity Shares of Rs.10/- each	190,000,000	190,000,000
1100000 (P.Y. 1100000) Preference Shares of Rs.100/- each	<u>110,000,000</u>	<u>110,000,000</u>
	<u>300,000,000</u>	<u>300,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
16425943 (16425943) Equity Shares of Rs.10/- each fully paid up	164,259,430	164,259,430
1000092 (1000092) 5% Cummulative Redeemable Preference Shares of Rs.100/- each fully paid up	<u>100,009,200</u>	<u>100,009,200</u>
	<u>264,268,630</u>	<u>264,268,630</u>
<b>SCHEDULE "B"</b>		
<b>RESERVES &amp; SURPLUS</b>		
Securities Premium	267,418,430	267,418,430
Balance in Profit & Loss Account	<u>88,797,800</u>	<u>69,130,649</u>
	<u>356,216,230</u>	<u>336,549,079</u>
<b>SCHEDULE "C"</b>		
<b>SECURED LOANS</b>		
Overdraft against Deposits (Secured against lien on Term Deposit of Rs. 1000.00 lacs)	90,055,285	-
Working Capital Loan from bank (Secured by Hypothecation of Stock, Export receivable and personally guaranteed by Chairman & Managing Director of the company & also collateral security of term deposits of Rs. 152.24 lacs) (P.Y. Rs.143.91 Lacs)	-	58,888,029
	<u>90,055,285</u>	<u>58,888,029</u>

### SCHEDULE "D"

#### FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 01.04.2008	ADDITIONS	AS ON 31.03.2009	AS ON 01.04.2008	FOR THE YEAR	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
Leased Land	1,270,000		1,270,000	63,500	60,325	123,825	1,146,175	1,206,500
Computer & Printer	584,206	242,300	826,506	277,096	194,806	471,902	354,604	307,110
Motor Car	5,354,417	-	5,354,417	2,367,961	773,193	3,141,154	2,213,263	2,986,456
Fax Machine	33,160	-	33,160	6,932	4,747	11,679	21,481	26,228
Air Conditioner	124,000	-	124,000	18,373	14,693	33,066	90,934	105,627
Furniture & Fixture	131,388	19,754	151,142	22,397	22,937	45,334	105,808	108,991
Plant & Machinery	74,130,000	287,284	74,417,284	5,439,136	10,559,026	15,998,162	58,419,122	68,690,864
	81,627,171	549,338	82,176,509	8,195,395	11,629,728	19,825,123	62,351,386	73,431,776
Previous Year	2,789,639	78,843,800	81,627,171	1,507,766	6,687,629	8,195,395	73,431,776	1,275,605

**AS AT**  
**31.03.09**                      **AS AT**  
**31.03.08**

**SCHEDULE "E"**

**INVESTMENTS**

Un Quoted

N.S.C	6,100	6,100
L.I.C MUTUAL FUND-Liquid Plan	364,108,920	330,110
No of Units as on 31st Mar'2009-33186235.76 (P.Y 30064 units )		
	<b>364,115,020</b>	<b>336,210</b>

**SCHEDULE "F"**

**CURRENT ASSETS, LOANS & ADVANCES**

**A. CURRENT ASSETS**

**Inventories (As certified by the Management)**

Traded Goods	23,139,619	125,738,476
	<b>23,139,619</b>	<b>125,738,476</b>

**Sundry Debtors (Unsecured, considered good)**

Debts outstanding for period exceeding six months	6,007,575	4,471,295
Other debts	7,782,325	341,459,064
	<b>13,789,900</b>	<b>345,930,359</b>

**Cash & Bank Balances**

Cash in hand	1,807	44,270
With Scheduled Banks		
- on current account	7,978,352	7,869,574
- on deposit accounts	235,224,207	54,591,184
	<b>243,204,366</b>	<b>62,505,028</b>

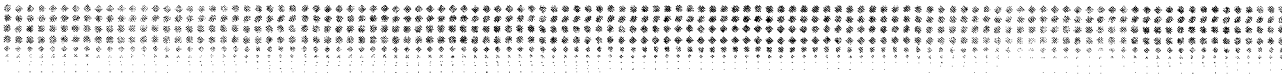
**Other Current Assets**

Accrued Interest on Bank Deposits	2,180,986	231,805
Accrued income of Sale of Power	-	461,593
Duty Drawback Receivable	-	115,502
	<b>2,180,986</b>	<b>808,900</b>

**B. LOANS & ADVANCES( Unsecured,Cosidered good)**

*Advance recoverable in cash or in kind*

- For Suppliers and services	713,315	77,753,730
- Others	9,478,079	27,050
Deposits	11,445,800	11,355,800
Taxes paid in Advance	36,423,109	26,683,468
Other Advance		6,372,471
	<b>58,060,303</b>	<b>122,192,519</b>

AS AT  
31.03.09AS AT  
31.03.08**SCHEDULE "G"**  
**CURRENT LIABILITIES AND PROVISIONS****A. Current Liabilities**

Sundry Creditors

A) Trade

B) Others

Advance From Customer

Other Liabilities

Investor Education and Protection Fund

- Unclaimed Application Money

- Unclaimed Dividend

-	4,250,671
3,777,244	22,082,799
1,051,133	392,117
1,532,208	3,542,783
814,327	814,327
325,910	180,007
<b>7,500,822</b>	<b>31,262,704</b>

**B. Provisions**

Provision for Taxation

Proposed Dividend

31,981,328	25,311,623
5,000,460	13,213,432

<b>36,981,788</b>	<b>38,525,055</b>
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**SCHEDULE "H"****MISCELLANEOUS EXPENDITURE**

(to the extent not written off or adjusted)

Preliminary Expenses

Public issue Expenses

884,585	1,326,881
10,547,536	15,821,304
<b>11,432,121</b>	<b>17,148,185</b>
5,716,062	5,716,062
<b>5,716,059</b>	<b>11,432,123</b>

Less:- 1/5th written of during the period

**SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31.03.2009**Current Year  
Rs.Previous Year  
Rs.**SCHEDULE "I"**

SALES

- Export Sales

- Domestic Sales

Sale of Power

Export Incentives

2,055,095,193	5,357,685,861
1,783,755,680	374,178,845
7,702,176	2,317,989
135,735,289	151,197,974
<b>3,982,288,338</b>	<b>5,885,380,669</b>

**SCHEDULE "J"**

INCREASE/(DECREASE) IN STOCK

Opening Stock

Closing Stock

125,738,476	182,801,156
23,139,619	125,738,476
<b>(102,598,857)</b>	<b>(57,062,680)</b>

	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE "K"</b>		
<b>OTHER INCOME</b>		
Foreign Exchange Difference (net)	(19,530,792)	44,137,580
Interest on Fixed Deposits	12,650,192	3,775,557
Dividend	2,278,809	19,549
Sundry Balance written off	13,560	285,841
Interest on other advance	620,000	2,979,886
Duty Drawback	460,217	-
Misc. Income	914,697	-
Prior Period Income	314,662	-
	<b><u>(2,278,655)</u></b>	<b><u>51,198,413</u></b>
<b>SCHEDULE "L"</b>		
<b>PERSONNEL EXPENSES</b>		
Salaries & Bonus	3,811,942	3,227,495
Directors Remuneration	3,510,000	3,300,000
Staff welfare Expenses	548,992	622,323
	<b><u>7,870,934</u></b>	<b><u>7,149,818</u></b>
<b>SCHEDULE "M"</b>		
<b>SALES &amp; ADMINISTRATIVE EXPENSES</b>		
Rent	462,810	338,930
Rates & Taxes	158,452	22,528
Advertisement Expenses	98,125	103,130
Electricity Charges	397,920	389,403
Computer Software Expenses	73,200	233,626
Insurance Expenses	1,673,425	2,067,923
Membership & Subscription	15,500	37,605
Printing & Stationery	440,477	1,566,528
Communication Expenses	1,014,383	1,628,795
Repairs & Maintenance	296,324	132,521
Office Expenses	23,703	336,210
Legal & Professional Charges	1,125,460	1,065,609
Internal Audit Fees	255,000	100,000
Statutory & Tax Audit Fees	210,000	190,000
Conveyance & Travelling	2,018,113	2,467,117
Sales Tax/Vat	5,221,366	5,816,574
Transport, Loading & Wherehousing	23,709,076	44,041,780
Clearing, Forwarding & Freight Charges	237,000,841	354,300,454
Brokerage & Commision	4,530,923	5,334,812
Directors Sitting Fees	357,000	322,000
Sundry Expenses	3,405,250	12,855,895
Wind Mill Expenses	1,133,020	-
	<b><u>283,620,367</u></b>	<b><u>433,351,440</u></b>
<b>SCHEDULE "N"</b>		
<b>FINANCE CHARGES</b>		
Bank Charges	6,183,115	6,000,129
Bank Interest	1,204,282	2,080,051
	<b><u>7,387,397</u></b>	<b><u>8,080,180</u></b>



## SCHEDULE -O

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### (A) SIGNIFICANT ACCOUNTING POLICIES

##### 1 Basis for preparation of financial statements.

The Financial Statements have been prepared under the historical – cost convention, in accordance with the Generally Accepted Accounting Principals in India, the applicable accounting standards issued by the Institute of Chartered Accountants of India. All income and expenditure having a material bearing on the financial statement are recognized on the accrual basis except for export incentives such as DEPB, DFAI which are recognised on receipt basis.

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known /materialized.

##### 2 Revenue Recognition.

Sales are recognized net of discount allowed. Export sales are recognised based on the Let Export Date of Shipping Bill. Domestic sales are recognised based on the date of invoice.

Export incentives in the form of credit earned on exports made during the year, under Duty Entitlement Pass Book (DEPB) / Duty Free Replenishment Certificate (DFRC) / Duty Free Advance Authorization (DFAI) are accounted for at the time of sale of such licence in the open market. Duty Drawback is recognized as revenue on accrual basis to the extent it is probable that realization is certain.

Interest is recognized using the time proportion method, based on interest rates on the particular deposits. Dividend income from investments is recognized when Company's right to receive the payment is established.

##### 3. Purchases :

Purchases are inclusive of Excise Duty, freight when applicable but net of Discounts allowed.

##### 4. Prior Period Items

All identifiable items of income and expenditure pertaining to prior period are accounted through “ Prior Period Adjustment Account”.

##### 5 Fixed Assets

Fixed assets are stated at original cost of acquisition. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

##### 6. Depreciation

Depreciation on the fixed assets is provided on Written Down Value Method at the rates and manner provided in Schedule XIV of the Companies Act, 1956.

##### 7. Foreign Currency Transactions

Export sales are recorded on the basis of exchange rates prevailing at the beginning of the month of sales and the difference between the actual realization (either by taking spot rate or by utilization of forward contract) and the rate at which the invoice is booked is transferred to Foreign currency fluctuation account. The export sales outstanding for realization at the end of the period is recorded at exchange rate at the end of the period Where realizations are deposited into and disbursement made out of a foreign currency bank account, all transactions are recorded at a rate on the date of transaction.

##### 8. Inventories

Inventories are valued at cost or Net Realisable Value whichever is lower. Cost is determined on FIFO basis.

## 9. Investments

Investment is stated at cost.

## 10. Preliminary and Shares Issue Expenses

Preliminary and Share Issue expenses are written off over a period of 5 years.

## 11 Accounting for taxes on income

Provision for Current Tax is made based on the tax payable for the year under the income tax Act, 1961. Deferred tax on timing difference between taxable income and accounting income is accounted for, using the tax rates and tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax depreciation and unabsorbed tax losses are recognized only when the realization is considered certain.

## 12. Employee Benefits

- Contribution to Provident Fund is charged to the Profit & Loss account as incurred.
- The liability for Leave Encashment and Gratuity have been provided for on payment basis.

## (B) NOTES ON ACCOUNTS

### 1. Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and are disclosed by way of notes to Financial Statements.

Contingent Liabilities not provided for in respect of:

(Amount in Rupees)

	Current Year	Previous Year
Disputed income tax demand for the A.Y. 2002-03 pending before CCIT.	2,45,931/-	2,45,931/-
Disputed income tax demand for the A.Y. 2006-07 pending before CCIT.	77,069/-	-
Dispute due to quality issue of sesame seeds supplied by M/s Pinakin Super Industries, Mehsana since goods were rejected by overseas buyer	7,96,100/-	7,96,100/-
Dispute due to quality issue of sesame seeds supplied by Mr. Jasmine dhirajlal vithani proprietor of M/s Odhavji Kalidas & sons, Rajkot since goods were rejected by overseas buyer	7,91,350/-	7,91,350/-
Dispute with M/s. Om Shree Ganesh Containers Pvt. Ltd. who has filed suit u/s 138 of the Negotiable Instruments Act for stopping on account payment.	13,68,260/-	-

### 3. Delivery Through Commodity Exchange

Transactions which stipulate physical delivery of the goods and where the Company intends to take & give such delivery are recorded at Contract Value.

### 4. Deferred Tax

In view of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India deferred tax liability is provided on timing difference between taxable income and accounting income. Deferred tax asset is recognized on the basis of virtual certainty of their realization. Calculation of Deferred Tax is as follows:

Carrying Amount of Assets as per Books	Rs.6,23,51,386/-
Carrying Amount of Assets as per Income Tax	Rs.1,07,63,023/-
Deferred Tax Liability	Rs.1,75,34,885/-
Less : Deferred tax Liability Provided earlier	Rs.1,28,81,894/-
Net Deferred tax Liability Provided	Rs. 46,52,991/-



- 5 In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the balance sheet, if realized in the ordinary course of business.
- 6 Managerial remuneration under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule - XIII of the Companies Act, 1956 paid or payable during the financial year to the Directors are as under:

Particulars	2008-09 (Amount in Rs.)	2007-08 (Amount in Rs.)
Remuneration to Directors	35,10,000	33,00,000

Since no commission is payable, the computation of net profits in accordance with section 349 of the Companies Act, 1956 and relevant details of calculation of commission is not given.

## 8. Segment Reporting

### Primary Segment

The company is engaged in trading of commodities & Wind Power Generation. Information is given below

#### PRIMARY SEGMENT INFORMATION

Particulars	Manufacturing & Trading of Commodities	Sale of Power	Total
Segment Revenue	383,88,50,873	77,02,176	384,65,53,049
Exports Incentives	13,57,35,289	-	13,57,35,289
Segment Profit or Loss before Tax & Interest	4,38,38,718	(40,50,195)	3,97,88,523
Less : Interest	12,04,282	-	12,04,282
Profit Before Tax	4,26,34,436	(40,50,195)	3,85,84,241
Other Information			
Depreciation	10,10,377	1,06,19,351	1,16,29,728
<b>Segment Assets</b>			
Carrying amount of segment assets	1,51,99,474	6,01,49,894	7,53,49,368
Additions to fixed assets	2,62,054	2,87,284	5,49,338

#### SECONDARY SEGMENT INFORMATION FOR MANUFACTURING AND TRADING OF COMMODITIES EXCLUDING EXPORT INCENTIVE

Particulars	Domestic	Exports	Total
Revenue	178,37,55,680 (37,41,78,845)	205,50,95,193 (535,76,85,861)	383,88,50,873 (573,18,64,706)
Carrying amount of segment assets	37,46,720 (1,88,79,255)	74,32,650 (28,38,77,387)	1,11,79,370 (30,27,56,642)
Carrying amount of fixed assets	Unallocated	Unallocated	27,86,089 (35,34,413)
Additions to Fixed Assets	Unallocated	Unallocated .	2,62,054 (34,43,800)

The above information does not include information pertaining to sale of power as the sale of power is done only in domestic market.



**Earning Per Share (EPS)**

	Current Year	Previous Year
Net Profit as per Profit and Loss Account available for Equity Shareholders	1,96,67,150	3,74,48,212
For Basic EPS	1,64,25,943	1,63,01,358
Weighted average number of equity shares		
Earning Per Share (Weighted Average) - Basic	1.20	2.30

**10. Information relating to Turnover, Purchases and Stocks**

The company is engaged in trading of goods, hence disclosure relating to licensed capacity, installed capacity and production is not applicable. Quantitative details of traded goods are as under (Rs. in lacs)

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	QTY	Rs.	QTY	Rs.	QTY	Rs.	QTY	Rs.
Groundnut	144.46 (700.37)	56.44 (226.47)	4027.33 (11205.70)	1649.46 (4122.70)	3999.75 (11761.61)	1646.77 (4253.17)	172.04 (144.46)	68.24 (56.44)
RSL	NIL (NIL)	NIL (NIL)	NIL (1697.00)	NIL (547.51)	NIL (1697.00)	NIL (507.11)	NIL (NIL)	NIL (NIL)
Sugar	10291.71 (12141.21)	1175.37 (1586.91)	222963.87 (458837.56)	33624.94 (47721.68)	232681.43 (460687.05)	36985.86 (52140.30)	574.14 (10291.71)	119.35 (1175.37)
Maize	313.62 (167.66)	25.57 (14.63)	2617.03 (3961.62)	240.45 (296.17)	2861.38 (3815.67)	314.94 (349.50)	69.26 (313.62)	6.13 (25.57)
P.P.Bags	NIL	NIL	99.00	65.45	33.08	34.01	65.93	37.67
Rice	NIL (NIL)	NIL (NIL)	NIL (550.00)	NIL (79.64)	NIL (550.00)	NIL (95.33)	NIL (NIL)	NIL (NIL)
<b>TOTAL</b>	<b>10749.79</b>	<b>1257.38</b>	<b>229707.23</b>	<b>35580.30</b>	<b>239575.64</b>	<b>38981.58</b>	<b>881.37</b>	<b>231.39</b>

The Company has installed the two windmills at Kutch Gujarat.

	C.Y	P.Y
Installed Capacity	1.2 MW	1.2 MW
No of Unit generated during the year	2287141	696852
No of unit sold During the year	2287141	696852

**11. The foreign Exchange earnings and outgo are as follows:**

(Amount in Rupees)

	Current Year	Previous Year
(a) Expenditure in Foreign Currency		
- Traveling Expenses	3,78,617	4,60,500
- Ocean Freight and Insurance	11,45,76,236	13,02,91,271
- Others	NIL	NIL
(b) Earning in Foreign Currency		
- Export of Goods on FOB basis	194,71,57,426	513,96,33,990



12. Auditors Remuneration includes

(Amount in Rupees)

	Current Year	Previous Year
i) As auditors (including service tax)	1,60,000/-	1,50,000/-
ii) As Tax Auditor (including service tax)	50,000/-	40,000/-
<b>TOTAL</b>	<b>2,10,000/-</b>	<b>1,90,000/-</b>

13. Related Party Disclosure

Related party disclosure as required by Accounting Standard – 18, “Related Party Disclosure” issued by the Institute of Chartered Accountants of India -are given below:

**A. Name and Relationship of the Related Parties:**

**i) Key Management Personnel:**

- a. Mr. Saurabh Malhotra
- b. Mr. Chander Mohan
- c. Shipra Mediratta

**ii) Relatives of Key Management Personnel:**

- a. Smt. Kusum Malhotra
- b. Smt. Vanita Malhotra

**Note:** Related party relationship is as defined by the company and relied upon by the Auditor.

**B. Transaction with the related party during the period:**

Transaction with Related Parties	Key Mgmt Personnel	Associated Concerns	Relatives of Key Management
Remunerations	35,10,000/- (33,00,000/-)	NIL (NIL)	NIL (NIL)

14. During the year the Company has purchased and sold the mutual fund units, the details whereof are under:

Fund	Purchases		Sales	
	Units	Value Rs.	Units	Value Rs.
LIC Mutual Fund-Liquid Fund	47302682.74	51,94,08,936.23	14116447.02	15,50,00,000

15. There were no dues to SSI units, which are identified based on the information available with the management for a sum exceeding Rs. 1.00 lacs and are overdue for more than 30 days as at 31.03.2009.

16. Previous year figures have been regrouped/ rearranged/ reclassified wherever necessary, to make them comparable with the figures of the current year.

**As per our report of even date  
For Mehta Bhadari & Associates**

**Dilip S. Mehta**  
Partner  
M. No. 25422  
Chartered accountants

Mumbai,  
Dated : 27.06.2009

**For and on behalf of the Board**

**Chander Mohan**  
(Chairman)

**Saurabh Malhotra**  
(Managing Director)

**A.K.Doda**  
Director

**S. J. Sonar**  
Director

**Radhe Shyam**  
Director

**Shipra Mediratta**  
Director

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2009

PARTICULARS	Current Year	Previous Year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	38,584,241	65,777,098
Adjustment For :		
- Depreciation	11,629,728	6,687,629
- Interest Expense	1,204,282	2,080,051
- Preliminary & Share Issue Expenses	5,716,062	5,716,062
- Earlier Period taxes	(137,680)	-
- Interest received	(13,270,192)	(6,755,443)
<b>Operating Profit before Working Capital Changes</b>	<b>43,726,441</b>	<b>73,505,397</b>
Adjustment For		
- (Incr)/Decr.in inventories	102,598,857	57,062,680
- (Incr)/Decr.in Debtors	332,140,459	(104,961,219)
- (Incr)/Decr.in Loans & Advances	74,008,338	37,287,156
- (Incr)/Decr.in Other current Assets	(1,372,086)	1,381,339
- Incr/(Decr).in Current Liabilities	(23,761,882)	(20,242,022)
<b>Cash Generated From Operations</b>	<b>527,340,127</b>	<b>44,033,331</b>
Income Tax Paid	10,086,753	9,764,884
<b>Net Cash - Operating Activities</b>	<b>517,253,374</b>	<b>34,268,447</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Inflow:		
Interest Received	13,270,193	6,755,443
	<u>13,270,193</u>	<u>6,755,443</u>
Outflow:		
Acquisition of Fixed Assets	(549,338)	(78,843,800)
Net Purchase of Investments	(363,778,810)	(19,549)
<b>Net Cash Investing Activities</b>	<b>(351,057,955)</b>	<b>(72,107,906)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Inflow:		
Proceeds From Issue of Share Capital	-	2,491,700
Share Premium Received	-	747,510
Proceeds From Secured Loans	31,167,257	(40,085,139)
Proceeds From Unsecured Loans	-	-
Preliminary & Share Issue Expenses	-	-
	<u>31,167,257</u>	<u>(36,845,929)</u>
Outflow:		
Dividend Paid (Including Dividend Tax)	15,459,055	15,313,297
Interest Paid	1,204,282	2,080,051
<b>Net Cash - Financing Activities</b>	<b>14,503,920</b>	<b>(54,239,277)</b>
<b>Net Cash &amp; Cash Equivalents ( A+B+C)</b>	<b>180,699,338</b>	<b>(92,078,736)</b>
Opening Balance	62,505,028	154,583,764
Closing Balance	243,204,366	62,505,028

As per our report of even date  
For Mehta Bhadari & Associates

Dilip S. Mehta  
Partner  
M. No. 25422  
Chartered accountants

Mumbai,  
Dated : 27.06.2009

Sakuma Exports Limited

For and on behalf of the Board

Chander Mohan  
(Chairman)  
  
Saurabh Malhotra  
(Managing Director)

A.K.Doda  
Director  
  
S. J. Sonar  
Director

Radhe Shyam  
Director  
  
Shipra Mediratta  
Director



## Balance Sheet Abstract and Company's General Business Profile

### 1. Registration Details

Registered No.	:	11-155765	State Code	:	11
Balance Sheet Date	:	31 <sup>st</sup> March, 2009			

### 2. Capital Raised During the year (Rupees in Thousands)

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil
Promoter's Contribution	:	Nil			

### 3. Position of Mobilisation and Deployment of Funds (Rupees in Thousands)

<b>Total Liabilities</b>	:	728075.03	<b>Total Assets</b>	:	728075.03
<b>Sources of Funds</b>	:		<b>Application of Funds</b>	:	
Paid up Capital	:	264268.63	Net Fixed Assets	:	62351.39
Reserves and Surplus	:	356216.23	Investments	:	364115.02
Secured Loans	:	90055.29	Net Current Assets	:	295892.56
Unsecured Loans	:	NIL	Miscellaneous Exp	:	5716.06
Deferred Tax Liability	:	17534.88			

### 4. Performance of Company

Turnover	:	3982288.34
Other Income	:	(2278.66)
Total Expenditure	:	3827196.86
Profit/Loss before tax	:	38584.24
Profit/Loss after tax	:	25655.12
Basic Earning per share	:	Rs. 1.20/-
Diluted Earning per share	:	NIL
Dividend Rate	:	NIL

### 5. Generic Name of Principal Products of the Company

Item Code No. (ITC Code)	:	N.A.
Product Description	:	N.A.

For and on behalf of the Board

**Chander Mohan**  
Chairman

**A.K.Doda**  
Director

**Saurabh Malhotra**  
Managing Director

**Radhe Shyam**  
Director

**S.J. Sonar**  
Director

**Shipra Mediratta**  
Director



# SAKUMA EXPORTS LIMITED

Registered Office : 17, Chemox House, 7, Barrack Road, Bombay Hospital Lane, New Marine Lines, Mumbai - 400 020.

## ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

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

Folio No.	
-----------	--

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

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

NAME AND ADDRESS OF THE SHAREHOLDER \_\_\_\_\_

I, hereby record my attendance at the Fourth Annual General Meeting to be held on Tuesday, 15th September, 2009 at WALCHAND HIRACHAND HALL", 4TH Floor, Indian Merchants' Chamber, Churchgate, Mumbai-400 020 at 4.00 p.m.

Signature of the Shareholder of Proxy



# SAKUMA EXPORTS LIMITED

Registered Office : 17, Chemox House, 7, Barrack Road, Bombay Hospital Lane, New Marine Lines, Mumbai - 400 020.

## 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.	
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Client ID*	
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No. of Equity Shares held	
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I/We \_\_\_\_\_ of \_\_\_\_\_

-----being a member/members of **Sakuma Exports Limited** hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ of failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our behalf at the Fourth Annual General Meeting of the Company to be held on Tuesday, 15th September, 2009 at WALCHAND HIRACHAND HALL", 4TH Floor, Indian Merchants' Chamber, Churchgate, Mumbai-400 020 at 4.00 p.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

\*Applicable for investors holding shares in dematerialised form.

Affix a Re 1.00 revenue stamp
--

Note : (1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

(2) Proxy form should be signed by all the joint shareholders.

## **Book-Post**

*If undelivered, please return to:*

**Sakuma Exports Limited**

17, Chemox House, 7, Barrack Road,  
Bombay Hospital Lane, New Marine Lines,  
Mumbai-400 020.