



Sakuma Exports Limited

13th Annual Report 2017 -2018



SAKUMA EXPORTS LIMITED

BOARD OF DIRECTORS

*Mr. Chander Mohan – Executive Chairman
Mr. Saurabh Malhotra – Chairman & Managing Director
Mr. Ashok Kumar Doda – Independent Director
Mr. Radhe Shyam – Independent Director
Mr. Om Parkash Singal – Independent Director
Ms. Shipra Malhotra – Non Independent Director
#Mr. Vivek Grover – Non Executive Director
**Ceased to be Director n.e.f. 4th May, 2017*
#Appointed as Director n.e.f. 29th May, 2017

AUDIT COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

*Mr. Chander Mohan
#Mr. Saurabh Malhotra
Ms. Shipra Malhotra
Mr. Om Parkash Singal
**Ceased to be Director n.e.f. 4th May, 2017*
#Appointed as Chairman of the Committee n.e.f. 29th May, 2017

STATUTORY AUDITORS

M/s. M. L. Sharma & Co., Chartered Accountants
107, Chartered House, 297-299,
Dr. C.H. Street, Behind Dolours Church,
Marine Lines, Mumbai – 400 002

BANKERS

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

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

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NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Saturday, 29th September, 2018 at 10.30 a.m. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the:
 - Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors' thereon; and
 - Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, and the Report of the Auditors' thereon.
2. To declare dividend @ 10% i.e. ₹ 1/- per equity share for the financial year 2017 – 18.
3. To appoint a Director in place of Ms. Shipra Malhotra (DIN: 01236811), who retires by rotation and being eligible, offers herself for re-appointment.
4. Appointment of Statutory Auditors

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014 (“the Rules”), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. M. L. Sharma & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 109963W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial year 2018 – 19, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

SPECIAL BUSINESS:

5. To adopt new set of Articles of Association of the Company 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 Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and actions as may be necessary, proper or expedient to give effect to this resolution.”

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting (the AGM or Meeting) is annexed herewith.



2. **In terms of provisions of Section 105 of the Companies Act, 2013, A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting i.e. by 10.30 a.m. on Thursday, 27th September, 2018. As per Secretarial Standard 2 on General Meeting, the proxy should carry a valid photo-id card to the venue to tender vote.**
3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from Saturday, 22nd September, 2018 to Saturday, 29th September, 2018, both days inclusive for determining the names of members eligible for final dividend on equity shares, if declared in the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
10. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr. Prakash Taparia (companysecretary@sakumaexportsltd.com).
11. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Share Transfer Agent, Bigshare Services Private Limited.
12. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH – 13 for this purpose.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents for receiving communication from the Company in electronic form. Members of the Company, who have registered their e-mail ID, are entitled to receive such communications in physical form upon request.
14. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended 31st March, 2010 and unclaimed amount out of redemption of Preference

shares carried out in the financial year 2010-11 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 26th September, 2017 (date of the last Annual General Meeting) on the website of the Company (www.sakumaexportsltd.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

For Equity Shareholders:

| Financial Year | Date of Declaration of Dividend | Last Date of claiming Unpaid Dividend |
|------------------------------|---------------------------------|---------------------------------------|
| Final Dividend 2010 – 2011 | 18.08.2011 | 22.09.2018 |
| Final Dividend 2011 – 2012 | 26.09.2012 | 31.10.2019 |
| Final Dividend 2012 – 2013 | 29.07.2013 | 02.09.2020 |
| Final Dividend 2013 – 2014 | 28.08.2014 | 02.10.2021 |
| Final Dividend 2014 – 2015 | 11.08.2015 | 15.09.2022 |
| Interim Dividend 2015 – 2016 | 11.03.2016 | 15.04.2023 |
| Final Dividend 2016 – 2017 | 26.09.2017 | 31.10.2024 |

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

- The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting relating to Documents & Information to Shareholders with respect to the Director being appointed and Director retiring by rotation and being eligible, seeking re-appointment are as under:

| | |
|--|--|
| Name | Ms. Shipra Malhotra |
| Director Identification Number(DIN) | 01236811 |
| Date of Birth | 02/08/1972 |
| Nationality | Indian |
| Date of Appointment on Board | 25/01/2007 |
| Qualifications | M.Com Part(I) Post Graduate with specialization in Human Resource Management (HRM) |
| Shareholding in Sakuma Exports Limited | 500 Shares |
| Expertise in specific functional areas | She has been conducting seminars / workshops on HRM Communication skill, Negotiation skills and other soft skills in the corporate world |
| Directorships in other Public Limited Companies* | Nil |
| Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee) | Nil |

- Route Map showing directions to reach to the venue of the 13th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards 2 on General Meetings.



PROCESS FOR MEMBERS OPTING FOR E-VOTING

Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Secretarial Standard 2 on General Meeting and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide shareholders facility to exercise their right to vote on resolutions proposed to be considered at the 13th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the shareholders using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through ballot papers shall also be made available at the venue of the AGM and the shareholders attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot papers at the venue.
3. The remote e-voting period commences on Wednesday, 26th September, 2018 (9:00 am) and ends on Friday, 28th September, 2018 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of Saturday, 22nd September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the shareholder casts his vote on a resolution, the shareholder shall not be allowed to change it subsequently.
4. The process and manner for remote e-voting are as under:
 - A. In case a shareholder receives an Email from NSDL [for shareholders whose Email IDs are registered with the Company / Depository Participant(s)] :
 - a) Open Email and open PDF file viz. “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - c) Click on Shareholder – Login
 - d) Put user ID and password as initial password / PIN noted in step (a) above. Click Login.
 - e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g) Select “EVEN” of “**SAKUMA EXPORTS LIMITED**”.
 - h) Now you are ready for remote e-voting as Cast Vote page opens.
 - i) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - j) Upon confirmation, the message “Vote cast successfully” will be displayed.

k) Once you have voted on the resolution, you will not be allowed to modify your vote.

l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to noticetome@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a shareholder receives physical copy of the Notice of AGM (for shareholders whose Email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy):

a) Initial password is provided as below / at the bottom of the Attendance Slip of the AGM:

| EVEN (Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|--|----------------|---------------------|
|--|----------------|---------------------|

b) Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

5. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

6. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.

7. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) related to e-voting process.

8. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018.

9. Any person, who acquires shares of the Company and become shareholder of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, 22nd September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer / RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

10. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

11. A person, whose name is recorded in the Register of Shareholders or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

12. M/s. P. P. Shah & Co., Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

13. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



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

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

**Place: Mumbai
Date: 28th May, 2018**

**Saurabh Malhotra
Chairman & Managing Director**

ANNEXURE TO THE NOTICE

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

ITEM NO. 5 – ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

The existing Articles of Association (AOA) of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956.

In order to make the Articles of Association of the Company in tandem with the relevant sections/provisions under the Companies Act, 2013 and rules made thereunder, it is proposed to replace the existing Articles of Association of the Company by a new set of AOA. Accordingly, in lieu of amendments to various articles in the existing Articles of Association, it is considered prudent and desirable to adopt a new set of Articles of Association of the Company, in substitution for, and to the exclusion of the existing Articles of Association of the Company. The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the members of the Company by way of a Special Resolution is required for adoption of a new set of Articles of Association of the Company. Accordingly, this matter has been placed before the members for approval.

The Board commends the Special Resolution set out at item No. 5 of the Notice for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at item No. 5 of the Notice.

A copy of the existing as well as new Articles of Association of the Company is available for inspection at the Registered Office of the Company during working hours on any working day upto the date of the Annual General Meeting.

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

**Place: Mumbai
Date: 28th May, 2018**

**Saurabh Malhotra
Chairman & Managing Director**

**BOARD'S REPORT**

TO THE MEMBERS OF
SAKUMA EXPORTS LIMITED

The Directors take pleasure in presenting the Thirteenth Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018. The Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL RESULTS

Key highlights of standalone and consolidated financial results for Sakuma Exports Limited for the financial year 2017 – 18 are tabulated below:

| Particulars | Standalone | | Consolidated | |
|--|-----------------|-----------------|------------------|-----------------|
| | 2017 – 18 | 2016 – 17 | 2017 – 18 | 2016 – 17 |
| Sales & Other Income | 2,19,886.94 | 2,02,867.87 | 4,55,672.82 | 3,92,711.41 |
| Profit Before Depreciation & Tax | 2,775.46 | 2,261.78 | 5,910.349 | 4,520.13 |
| Depreciation | 47.31 | 59.51 | 47.31 | 59.51 |
| Profit Before Tax | 2,728.14 | 2,202.27 | 5,863.04 | 4,460.63 |
| Provision for Tax: | | | | |
| - Current Tax | 887.50 | 750.00 | 960.68 | 821.14 |
| - Deferred Tax | (2.18) | (8.28) | (2.18) | (8.28) |
| - Income Tax of Earlier Years | 3.10 | 15.97 | 3.10 | 15.97 |
| Minority Interest and share of loss of associate | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Profit After Tax | 1,850.07 | 1,448.95 | 4,911.79 | 3,636.11 |
| Add: Surplus from Previous Period | 4,758.03 | 3,309.08 | 9,857.49 | 6,595.13 |
| Profit Available for Appropriation | 6,608.11 | 4,758.03 | 14,769.28 | 10,231.24 |
| Appropriation | 0.00 | 0.00 | (529.78) | (373.75) |
| Dividend on Equity Shares | (164.26) | 0.00 | (164.26) | 0.00 |
| Dividend Tax | 0.00 | 0.00 | 0.00 | 0.00 |
| Adjustment relating to Minority Interest | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer to Statutory Reserve | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance carried to Balance Sheet | 6,443.85 | 4,758.03 | 14,075.25 | 9,857.49 |

2. HIGHLIGHTS OF PERFORMANCE

- Total Consolidated Income for the year increased by 16.03% to ₹ 4,55,672.82 Lacs as compared to ₹ 3,92,711.41 Lacs in Previous year.
- Total Consolidated Net Sales for the year were ₹ 4,54,574.55 Lacs as compared to ₹ 3,91,532.95 Lacs in Previous year, a growth of 16.10%.
- Total Consolidated Profit before Tax for the year was ₹ 5,863.04 Lacs as compared to ₹ 4,460.62 Lacs in Previous year, a growth of 31.46%.

3. MANAGING DIRECTOR CERTIFICATION

Certificate from Mr. Saurabh Malhotra, Managing Director, pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year under review was placed before the Board of Directors of your Company at its meeting held on 28th May, 2018.

4. BUSINESS OPERATIONS REVIEW AND FUTURE PROSPECTS

It was a transformative year with the introduction of Goods & Services Tax (GST), an important development that has created a single national market and will benefit both consumer and the trade including the Agri commodities and consumer goods sector. While commodity trade conditions remained volatile during early implementation, it has since stabilized and gradual improvement is being seen in overall demand in Agri commodities. The year witnessed the implementation of GST across country on 01st July 2017, followed by the second round of tax slab reductions implemented by the Government in November. This was a year of uncertainty in the commodity markets and hence, there was a cautious sentiments in commodity trade.

Your Company was agile in transitioning to the new tax regime, given the backdrop of this large transition that the country underwent, the operating environment for your Company throughout the year remained challenging.

The Indian economy witnessed another challenging year with real GDP growth declining to 6.6% vis-a-vis 7.1% in 2016-17, reflecting short term disruption caused by GST implementation, residual impact of cash crunch & deceleration in net exports.

While the global economy continued to witness slow growth during the current year as well, the Indian economy on a macro level stayed fairly robust. Weak performance seen in global economy resulting to slowdown in growth in most emerging and developing economies, driven by weaker capital inflow and a depressed global trade. Imposition of anti-dumping duties and higher tariff between USA-EU & USA-China would result to negative impact on the global trade in short term.

India, however was one of the faster growing economy in the World with a currency that performed better than most other emerging market currencies.

At around 5% growth in 2018, the strong growth momentum in the emerging markets & developing economies is likely to sustain and improve marginally mainly due to robust performance of Agri commodity exporting countries such as Brazil, USA, Argentina, Thailand, Malaysia etc. and an anticipated pick-up in growth in India. Growth in China, however, is projected to slow down in 2018 following tariff issues, reflecting on-going rebalancing of economy towards a more sustainable and broad based commodity consumption and services led growth.

Year in retrospect – Company Performance:

In this challenging business environment, your Company delivered a strong performance despite continuance of export duty barrier throughout the year on export of Sugar from India. This segment contributes a major share in export business of the Company. The Company continued to strive sourcing cargoes from other competitive origins but due to logistic constraints & limitations, the volume of business could not be fully replenished. At the fag end of the year, the Government rolled back much needed export duty on Sugar to clear the glut.

On the domestic front normal & satisfactory monsoon helped higher Sugarcane production in the major Sugar producing states which resulted in higher Sugar output but owing to deterrent of export duty, Indian Sugar prices continued to remain un-competitive in the global markets which deprived the Company to regain it's export market share.

To sustain the pace of growth, the Company is continuing to increase it's market share in Edible Oil, Grain and other business segments over previous year with increased top and bottom lines. New locations opened last year to expand Edible Oil business have been contributing good business volume with increased market share and trade margins. The Company also forayed into new business segment of 'Petrochemicals & Minerals' during the year by importing some trial shipments to test the domestic markets and to explore opportunities of business in this new vertical. The Government also increased import duties on various edible oils in a phased manner during the year to support domestic oilseed prices in order to protect farmers' interest in the face of declining prices of the products in the global markets. To support higher indigenous production, hike in MSP of Oilseeds, Grain & Pulses for the ensuing Kharif season is also expected which is likely to boost the production of these commodities and surplus will offer an opportunity to export at competitive prices.

In the year under review, overall business grew by 16.03 % driven by better product mix and higher volume. Overall turnover on consolidated basis was at ₹ 4,556.73 Crores (Previous year ₹ 3,927.11 Crores) with EBITDA at ₹ 68.29 Crores (Previous year ₹ 56.44 Crores). PAT at ₹ 49.01 Crores (Previous year ₹ 36.32 Crores). On Standalone basis turnover was at ₹ 2,198.87 Crores (previous year 2,028.68 Crores) with PAT at ₹ 18.40 Crores (previous year 14.45 Crores).

Your Company's performance for the year 2017-18 has to be viewed in the context of the aforesaid challenging economic and market environment.

Going forward, on the positive side India remains the fastest growing major economy in the World. The pace of GDP growth is to gather momentum in the medium term on the back of favorable global economies tailwinds, pick up in private investment and implementation of key policy reforms. India continues to be one of the largest Sugar producer in the World with estimated



Sugar production of about 32.50 Million Tonnes during season 2017-18 & about 35.50 Million Tonnes in 2018-19 season, which will leave an estimated export surplus of about 13.50 Million Tonnes during 2018 – 19 season, considering huge opening stock of 10.50 Million Tonnes. Since the roll-back of export duty on Sugar, the Company has secured sizable export order which will add to the top & bottom lines of the current year working.

In India, favourable demographics, rise in income, growing awareness due to technology, easy access to products & services and changing lifestyles are contributing to major shifts in consumer behaviour and offering immense potential for the Agri commodities and food related business. Your Company is fully geared up to capture business opportunities in the changing environment and confident to keep the trajectory of growth in the years to come.

• **Working of Subsidiaries:**

The overall performance of 2 major subsidiary Companies has been good and in line with the expectation.

Sakuma Exports Pte Ltd., Singapore posted a turnover of USD 16,93,60,764 during the year as against USD 13,21,08,355 recorded in the previous year. A growth of 28.20% in topline on y-o-y basis. Net Profit after tax of this subsidiary for the year rose to USD 7,26,556 (Previous Year USD 6,78,860).

The performance of another subsidiary in Dubai namely, Sakuma Exim DMCC has shown growth in 2017 post the improvement in liquidity condition in Gulf and African markets towards the end of 2016. The Geopolitical scenario of west Asian economies is also showing promising growth which has led to improvement in demand in the global trade. This subsidiary clocked a turnover of AED 72,24,64,108 during the year (Previous Year AED 57,60,44,219). A growth of 25.41% with an increase of 21.76% in Net Profit of AED to 1,33,91,388 from AED 1,09,98,333 in previous year.

5. APPLICABILITY OF INDIAN ACCOUNTING STANDARDS

Your Company had adopted Ind-AS with effect from 01st April, 2017 pursuant to a notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has published Ind-AS Financials (Standalone and Consolidated) for the financial year ended 31st March, 2018 along with comparable as on 31st March, 2017 and Opening Statement of Assets and Liabilities as on 1st April, 2016.

Your Company has shared all four quarters re-stated Ind-AS Profit and Loss Statement with investors along with quarterly results for comparison.

6. GOODS AND SERVICES TAX (GST)

The Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on businesses. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide stimulus to the business and contribute to the Hon'ble Prime Minister's mission of 'Make in India'.

Your Company has successfully implemented and migrated to GST with effect from 01st July, 2017 and changes across IT systems, Supply Chain and operations have been made keeping in mind the sweeping changes that GST has brought in.

7. DIVIDEND

Your Directors are of the view that your Company is currently on the path of growth which requires higher capital deployment to fund the businesses hence need to conserve resources. Keeping in view the objective, Directors are pleased to recommend a final dividend of Re. 1/- per share of ₹ 10/- each for the year 2017-18. The outgo of dividend for the current year amounts to ₹ 2,13,25,943/-.

8. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

During the year 2017 – 18, unclaimed Dividend on Preference Shares of ₹ 49,203/- was transferred to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. The said amount represent Dividend for the year 2009 – 10 which remain unclaimed for a period of 7 years from its due date of payment.

During the year 2017 – 18, unclaimed amount out of redemption of Preference shares carried out in the financial year 2010-11 of ₹ 4,17,360/- was transferred to the Investor Education and Protection Fund established by the Central Government, in compliance with Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. The said amount represents redemption of preference shares in the year 2010 – 11 which remain unclaimed for a period of 7 years from its due date of payment.

9. TRANSFER TO RESERVES

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

10. CAPITAL EXPENDITURE

Capital Expenditure during the year, towards Tangible & Intangible Assets, amounted to ₹ 4.55 Lacs, a major part of which was spent on Office Equipment and Computers and Intangible Assets.

11. CONSOLIDATED FINANCIAL STATEMENTS

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

12. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was ₹ 21.32 Crores. During the year under review, your Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. The Promoter and Promoter Group are holding 1,23,63,425 shares equivalent to 57.97% of the total Issued and Paid-up Share Capital.

The Company has increased its Authorized Share Capital from ₹ 30,00,00,000 to ₹ 40,00,00,000. The appropriate fees and stamp duty has been paid to Registrar of Companies, Mumbai. The necessary forms MGT-14 and SH-7 has been filed with Registrar of Companies, Mumbai and approval from Registrar of Companies, Mumbai for the same has been received.

Your Company has issued 49,00,000 equity shares on preferential basis of ₹ 10/- each at a premium of ₹ 97/- to the allottees for which your Company has filed Return of Allotment (form PAS-3) with Registrar of Companies, Mumbai. The said shares were listed on BSE Ltd. and National Stock Exchange of India.

13. CHANGE OF OBJECT CLAUSE

Your Company has changed its Main object by inserting 3 new main objects in the Memorandum of Association of your Company to commence the business of manufacturing of commodities by acquiring an Undertaking / Plant on lease or ownership through Postal Ballot. Your Company has received the Registration Certificate for registration of alteration of object clause from Registrar of Companies, Mumbai, Maharashtra dated 09th February, 2018.

14. DEPOSITS

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

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

16. SUBSIDIARY COMPANIES

As on 31st March, 2018, your Company has following five subsidiaries:

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

**Audited Financial statement of your Company's Subsidiaries**

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

(₹ in Lakhs)

| Sr. No. | Particulars | Sakuma Exim DMCC | Sakuma Exports PTE Limited | Sakuma Exports (Ghana) Ltd | Sakuma Exports Tanzania Pvt. Ltd |
|---------|--|------------------|----------------------------|----------------------------|----------------------------------|
| 1. | Reporting Period | Apr - Mar | Apr - Mar | Apr - Mar | Apr - Mar |
| 2. | Reporting Currency | AED | USD | GHC | TZS |
| 3. | Country | U.A.E | Singapore | Ghana | Tanzania |
| 4. | Exchange Rate | 17.71 | 65.14 | 14.76 | 65.14 |
| 5. | Share Capital | 8.86 | 107.48 | 0.00 | 0.98 |
| 6. | Reserves and Surplus | 7448.46 | 1245.83 | 0.87 | 0.00 |
| 5. | Total Assets | 28126.85 | 14893.90 | 0.00 | 0.00 |
| 8. | Total Liabilities | 28126.85 | 14893.90 | 0.00 | 0.00 |
| 9. | Investment other than Investment in subsidiary | 0.00 | 0.00 | 0.00 | 0.00 |
| 10. | Turnover | 126826.25 | 109107.30 | 0.00 | 0.00 |
| 11. | Profit Before Taxation | 2760.30 | 552.10 | 0.00 | 0.00 |
| 12. | Provision for Taxation | 0.00 | (73.18) | 0.00 | 0.00 |
| 13. | Profit After Taxation | 2760.30 | 478.92 | 0.00 | 0.00 |
| 14. | Dividend Paid | (178.12) | 0.00 | 0.00 | 0.00 |

17. DIRECTORS**17.1 Appointment of Director**

Your Company has at its Board Meeting held on 29th May, 2017 appointed Mr. Vivek Grover as Director (Non Executive Non Independent) of your Company w.e.f. 29th May, 2017. The approval from Members has been taken at Item No. 5 in Notice of 12th Annual General Meeting held on 26th September, 2017.

17.2 Retirement by Rotation

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

17.3 Declaration by Independent Directors

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

17.4 Familiarization Programme for Independent Directors

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

17.5 Annual Board Evaluation

According to Regulation of 25(3) of the SEBI (LODR) Regulations, 2015 and Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 05th January, 2017 issued by SEBI on Guidance Note on Board Evaluation, a meeting of the Independent Directors was held on 12th February, 2018 to inter alia, evaluate the performance of the Board as a Whole, Non-Independent Directors, including the Chairman. Before the Meeting of Independent Directors, the Board in its meeting held on the same day evaluated the performance of the Independent Directors and Committees of the Board.

17.6 Key Managerial Personnel

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

1. *Mr. Chander Mohan, Executive Chairman – WTD
2. Mr. Saurabh Malhotra – Chairman & Managing Director

**Ceased to be Director m.e.f. 4th May, 2017*

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

17.7 Remuneration Policy

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

17.8 Change of Compliance Officer

Your Company has at its Board Meeting held on 12th February, 2018 accepted the resignation of Mr. Raju Pillai w.e.f. 12th February, 2018. Your Company has at its Board Meeting held on 12th February, 2018 appointed Mr. Prakash Taparia as Compliance Officer in place of Mr. Raju Pillai w.e.f. 12th February, 2018.

Your Company has intimated the same to the necessary authorities such as the Stock Exchange(s) where the securities of Company are listed i.e. BSE Ltd. and National Stock Exchange of India, Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the Registrar and Share Transfer Agent (RTA) of your Company i.e. Bigshare Services Private Limited regarding the change of Compliance Officer.

17.9 Board Meetings

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

During the year your Company has held 7 (Seven) Board Meetings which were held on 29th May, 2017; 24th August, 2017; 13th September, 2017; 14th October, 2017; 12th December, 2017; 29th December, 2017 and 12th February, 2018. The maximum interval between any two meetings did not exceed 120 days.

18. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the Annual Financial Statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2018 and of the profit of your Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) that the Annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.



19. PLEDGE OF SHARES

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

| Name of the Promoter | No. of Shares pledged | As a % of total shares held |
|----------------------|-----------------------|-----------------------------|
| Late Chander Mohan | 3,10,000 | 20.22 |
| Saurabh Malhotra | 9,10,000 | 28.19 |
| Total | 12,20,000 | 7.43 |

20. RELATED PARTY TRANSACTIONS

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

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

- Contracts/arrangement/transactions which are not at arm's length basis
- Any Material contracts/arrangement/transactions

21. COMPLIANCE OF SECRETARIAL STANDARDS

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

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

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

23. DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013

No material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of your Company and date of this report.

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

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

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

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

No complaint has been raised during the year ended 31st March, 2018.

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

There are no companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the financial year 2017 – 18.

26. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

27. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

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

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

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

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

28. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

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

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

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

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

29. INFORMATION SYSTEM

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

30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

31. AUDITORS**31.1 Statutory Auditors**

Your Company’s Auditors, M/s. M. L. Sharma & Co., Chartered Accountants, who retire at the forthcoming Annual General Meeting of your Company, are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of your Company. As required under Regulation 33 of the SEBI (LODR) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.



31.2 Statutory Auditors' Observations

The Report given by the Auditors on the financial statements of your Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report except as qualified in Secretarial Audit Report.

31.3 Secretarial Audit

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

31.4 Qualifications in Secretarial Audit Report

A. Appointment of Company Secretary & Chief Financial Officer:

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer, consequently the Annual Audited Financial Statements are not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Raju Pillai, General Manager, Accounts & Treasury as Compliance Officer who resigned w.e.f. 12th February, 2018 and thereafter Mr. Prakash Taparia, General Manager was appointed as Compliance Officer who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (iii) The Volume and Scope of work for the Company Secretary & Chief Financial Officer are less and it is not a full time work and the job of Company Secretary & Chief Financial Officer are not attractive commensurate with the scope of work and salary.

B. Corporate Social Responsibility :

As per Section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 35.95 Lacs for the year 2017 – 18, ₹ 28.19 Lacs for the year 2016 – 17, ₹ 19.37 Lacs for the year 2015 – 16 and ₹ 17.79 Lacs for the year 2014 – 15. The total cumulative unspent amount is ₹ 101.31 Lacs, out of which the Company has spent a sum of ₹ 60 Lacs during the financial year to charitable trusts for education. In this regard the management of the Company has provided the following reply:

The Company has spent ₹ 60 Lacs in form of contributions to multiple trusts imparting education. Also the company has identified some schools for the purpose of making contributions in terms of resources like Furniture, Laptops and projectors etc. The unspent amount of CSR amounting to ₹ 41,31,516/- will be spend during the current financial year 2018 – 19.

32. CORPORATE GOVERNANCE

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

33. MANAGEMENT DISCUSSION AND ANALYSIS

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

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

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

A. Conservation of Energy

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

B. Technology absorption, adaptation and innovation

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

C. Foreign Exchange Earning & Outgo (Amount in ₹)

| Particulars | 2017-2018 | 2016-2017 |
|--|----------------|----------------|
| (a) Expenditure In Foreign Currency | | |
| Professional and Consultancy Fees | - | 3,75,102 |
| Travelling Expenses | 13,82,751 | 31,29,960 |
| Business Promotion | - | 3,55,328 |
| Ocean Freight | 2,14,60,884 | 1,94,48,774 |
| Import of Goods | 4,81,69,11,918 | 5,67,78,20,015 |
| (b) Earnings In Foreign Currency | | |
| Export of Goods on FOB basis | 4,94,05,54,256 | 1,50,95,45,268 |
| Dividend received from Overseas subsidiary | 1,78,12,200 | - |

35. LISTING WITH STOCK EXCHANGES

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

36. EXTRACT OF ANNUAL RETURN

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

37. PARTICULARS OF EMPLOYEES

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

38. HUMAN RESOURCES

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

39. ENVIRONMENT AND SAFETY

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



40. ENHANCING SHAREHOLDERS VALUE

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

41. GREEN INITIATIVES

Electronic copies of the Annual Report 2017 – 18 and Notice of the 13th Annual General Meeting are sent to all members whose email addresses are registered with your Company/ Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017 – 18 and Notice of the 13th Annual General Meeting under Section 101 of the Companies Act, 2013 are sent in the permitted mode. Members requiring physical copies can send a request to your Company.

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

42. ACKNOWLEDGEMENTS

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

43. CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 28th May, 2018

Saurabh Malhotra
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Economic Overview

Indian economic overview:

India continues to be among the world's fastest growing major economies, despite temporary hiccups caused by demonetization and Goods and Services Tax ("GST") implementation. The country's GDP growth is pegged at 6.7% in 2017; and is likely to accelerate to 7.4% in 2018 and 7.8% in 2019 on the back of continued traction in private consumption and gradual easing of the teething issues following the implementation of these reforms. The economy grew 7.7% during the January-March period, surpassing China's growth of 6.8% during the same period.

GST implementation may help reduce internal barriers to trade, enhance efficiency, and improve tax compliance over the medium term. The Government of India's continued emphasis on wide-ranging reforms are aimed at improving productivity and incentivising private investments. Going forward, these initiatives will be among the prominent growth enablers for India. The Government is focusing on broad-basing growth in which every section of society has a participatory role. Lowering constraints on job creation by liberalising labour market norms, reducing infrastructure bottlenecks and strengthening the educational framework are key enablers to drive India's inclusive growth.

Global economic overview:

According to estimates of the International Monetary Fund ("IMF"), global economy grew 3.8% in 2017, compared to 3.1% in 2016. Higher momentum in private consumption and revival in net exports further fuelled the growth of emerging economies of China and India in the year gone by.

Global economic growth is likely to be healthy in 2018 and 2019, despite unpredictable headwinds. IMF raised its estimates for global growth to 3.9% in each of these two years. Improving prospects for commodity exporters is likely to bolster economic growth in Asia after three years of weakness.

1. Industry Structure and Developments:

Under the present global scenarios where economic policies are inward looking and where regimes are getting over protectionist towards their domestic markets, the trading in general and Agri Commodities trading in particular have been a great challenge for all market players.

With consolidation in global trading behemoths as well as Global Shipping and Transportation sectors along with long terms policy changes in both Industrial and emerging world, the trading activity has become both dynamic and influenced by global developments & techniques, patterns and size of business transactions.

With advance usage of technologies by all stake holders and information availability, the linkage between domestic and global economies are becoming more protuberant which has hugely impacted the trading techniques and risk management of all market players involved in trading activities i.e Traders, Producers and Consumers.

Greater Economic activities and economic growth have not only brought opportunities with the country but also have presented opportunities in third country trade, high seas trade along with outright, OTC and futures trade through commodity exchanges worldwide.

Participation in global Commodity exchanges have emerged as one of the most important risk management tool which provides various options to cover the potential risk in underlying trade opportunity.

Historically, trading is divided into 3 components. Domestic trade, exports and imports. In the present context of increasing links in the global trade & challenging market conditions, it has become extremely important and necessary to remain participant in value chain and activities in all domains to capture the best available opportunities. Your Company is fundamentally been following this policy in all the commodity businesses i.e Sugar, Edible Oil, Pulses, Cotton and Animal feed etc to successfully translate opportunities into fruitful results for the company.

2. Opportunities and Threats:

Being agrarian economy, our country provides strong opportunities for trading business in Commodities. On one hand, the general population, sustainable increase in middle class consumer base and economic growth over the last many years have been providing ready consumer base and "DEMAND" for the Y-O-Y organic growth to Agri trading companies and on the other hand, the political will to sustainably increase the farm incomes by increasing the minimum support price of farm produce has led to "SUPPLIES" supporting the demand.



Additionally, democratic political set up, rule of law provides long term stability and economic growth despite different political parties ruling from time to time.

The Indian economy is heavily dependent on agriculture and the livelihood of the Indian farmer largely depends on the Monsoon rains. Vagaries of nature present one of the major threat to Indian economy.

Good monsoon are the backbone of sustainably balanced agriculture production. Any long terms shortfall in monsoon rainfall leads to shortage of agriculture produce impacting inflation & making exports un-remunerative. At the same time, Continuous Good Monsoon lead to Y-O-Y surplus crops situation for some years.

While Government role and financial support in this regard brings some relief in challenging situations but most of the times Government support remains insufficient, uncertain & untimely, leading to hindrance in achieving continued desired results. Sudden change in export and import duties, introduction of stock limits for traders to control inflation are some of the prime examples, Governments creating barriers to International trade which in turn leads force majeure situation & instability in world market.

Due to lack of understanding, retrospective implementation of the sudden policy changes by the local administration. The importers/exporters who try to bridge the gap between demand & supply to reduce the inflationary pressure ultimately gets adversely affected.

The global trade is being continuously hampered by un-abating hostilities in some of the Middle East & North African countries making global trade risky. Unprecedented migration of population to the neighboring & European countries also build additional pressure on their resources. Also another threat to global trade is impact of devaluation of currency of countries on inflation, which in turn can lead to distortion in international trade activities.

It has always been Company’s continuous endeavor to explore opportunities in logistics & support services areas taking into account the global challenges and macro - economic factors and maintain the cost of operations & achieve economies of scale.

3. Segment –wise or product – wise performance:

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

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

Specifically, your company is very much geared up and ready to focus on its expertise in sugar exports business as sugar exports is expected to bring immense opportunities for leading players like us for next 1 to 2 years on account of unsustainably high production surplus of sugar cane following the increase of high yield of sugar cane and increase in cane area in major sugar cane producing regions in Western and Northern India. Table below shows the estimated sugar production and Exports numbers for sugar season 2018-19 (Oct-18-SEPT-19).

| Particulars (2018-19) | Estimated Quantity (In Million Metric Tonnes) |
|----------------------------------|--|
| Opening Stock | 10.50 |
| Production | 35.50 |
| Consumption | 26.00 |
| Surplus | 20.00 |

Your company is expected to immensely benefit during the sugar exports program due to its presence in Maharashtra which will produce majority of exportable surplus sugar and will be ready to capture the opportunities of exports due to proximity of ports from the sugar factories in Maharashtra and Karnataka.

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

4. Outlook

Company continued to strive not only to maintain topline but also was successful in achieving higher growth by innovation & tapping new markets and adding new commodities in the basket. The company also continued its focus on domestic markets and attained better sales than last year to maintain the growth in this segment of business.

We expect the profitability ratios to improve in the coming years as profit margins of subsidiary companies are better and their share of overall business are increasing.

Risk and Concerns:

a. Foreign Exchange Risk

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

b. Commodity Price Risk

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

c. Risk elements in business transactions

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

d. Physical risks to cargo

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

5. Internal control systems and their adequacy:

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

6. Discussion on financial performance with respect to operational performances:

There has been substantial increase during the year 2016-17 in financial and operational performance of the company. Topline increased by 16.10% and bottom line increased 31.46% over the previous year.

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

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 28th May, 2018

Saurabh Malhotra
Chairman & Managing Director

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

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

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

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

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

*Ceased to be Director *m.e.f.* 4th May, 2017

#Appointed as Chairman *m.e.f.* 29th May, 2017

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

The Profit of Sakuma for 3 immediately preceding financial year

| Financial Years | Net Profit Before Tax (In ₹) |
|-----------------|------------------------------|
| 2016 – 17 | 22,17,19,406 |
| 2015 – 16 | 19,29,30,061 |
| 2014 – 15 | 12,46,43,003 |
| Total | 53,92,92,470 |
| Average | 17,97,64,157 |
| 2% | 35,95,283 |

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

The Company is required to spend ₹ 35,95,283/- towards CSR. The carried forward amount of CSR spending for the financial year 2014 – 15 is ₹ 17,79,866/-; 2015 – 16 is ₹ 19,37,002/- and 2016 – 17 is ₹ 28,19,365/-.

5. **Details of CSR spend for the financial year:**

- Total amount spent for the financial year: ₹ 60,00,000/-
- Amount to be spent, if any: ₹ 41,31,516/-

c. Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

| Sr. No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: | Cumulative expenditure upto to the reporting period | Amount spent: Direct or through implementing agency | Implementing agency |
|---------|------------------------------------|--|---|---|---|---|---|--|
| 1 | Promotion of Education | Education | New Delhi | 104.00 | 10.00 | 10.00 | 10.00 IA | Lala Sher Singh Memorial Jeevan Vigyan Trust Society |
| 2 | Promotion of Education | Education | Patdi, Gujarat | | 20.00 | 20.00 | 20.00 IA | Shri Swaminarayan Gurukul |
| 3 | Promotion of Education | Education | Ahmedabad, Gujarat | | 30.00 | 30.00 | 30.00 IA | All India Social Education Charitable Trust |

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

The unspent amount of CSR amounting to ₹ 41,31,516/- will be spend during the current financial year 2018 – 19.

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

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

Place: Mumbai

Date: 28th May, 2018

Saurabh Malhotra

Chairman of the Committee and Managing Director



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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Sakuma Exports Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sakuma Exports Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
2. The Securities Contracts ('Regulation') Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during audit period)**.
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008. **(Not Applicable to the Company during audit period)**.
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent), Regulations, 1993 regarding the Companies Act, 2013 and dealing with the clients.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009. **(Not Applicable to the Company during audit period)**.
 - h) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 1998. **(Not Applicable to the Company during audit period)**.

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

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

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

A. Appointment of Company Secretary & Chief Financial Officer:

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer, consequently the Annual Audited Financial Statements are not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Raju Pillai, General Manager, Accounts & Treasury as Compliance Officer who resigned w.e.f. 12th February, 2018 and thereafter Mr. Prakash Taparia, General Manager was appointed as Compliance Officer who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of the Companies Act, 2013 and the SEBI Act and rules made thereunder.
- (iii) The Volume and Scope of work for the Company Secretary & Chief Financial Officer are less and it is not a full time work and the job of Company Secretary & Chief Financial Officer are not attractive commensurate with the scope of work and salary.

B. Corporate Social Responsibility :

As per Section 135 of the Companies Act, 2013, the CSR is applicable to the Company. The Company is required to spend approximately ₹ 35.95 Lacs for the year 2017 – 18, ₹ 28.19 Lacs for the year 2016 – 17, ₹ 19.37 Lacs for the year 2015 – 16 and ₹ 17.79 Lacs for the year 2014 – 15. The total cumulative unspent amount is ₹ 101.31 Lacs, out of which the Company has spent a sum of ₹ 60 Lacs during the financial year to charitable trusts for education.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Company has increased the Authorized Share Capital from ₹ 30,00,00,000 to ₹ 40,00,00,000 and altered the Capital Clause of Memorandum of Association and Articles of Association of the Company.
2. The Company has issued 49,00,000 equity shares on preferential basis to promoters and non promoters.



3. The Company has altered its main object of Memorandum of Association of the Company. The Registrar of Companies, Mumbai has approved the change of main object of Memorandum of Association the Company w.e.f. 09th February, 2018.

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

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

Place: Mumbai
Date: May 28, 2018

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

ANNEXURE 'C' TO BOARD'S REPORT**EXTRACT OF ANNUAL RETURN
As on the financial year ended 31.03.2018***[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]***FORM NO. MGT – 9****I. REGISTRATION AND OTHER DETAILS**

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the Company | CIN / GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|---------|-----------------------------------|------------|----------------------------------|------------------|--------------------|
| 1. | Sakuma Exim DMCC | DMCC 32027 | Subsidiary | 100% | 2(87) |
| 2. | Sakuma Exports Pte Limited | 201302691Z | Subsidiary | 100% | 2(87) |
| 3. | Sakuma Exports (Ghana) Ltd. | CB-1174 | Step down Subsidiary | 100% | 2(87) |
| 4. | Sakuma Exports Tanzania Pvt. Ltd. | CI100993 | Step Down Subsidiary | 100% | 2(87) |



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

i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01.04.2017) | | | | No. of Shares held at the end of the year (As on 31.03.2018) | | | | % Change during the year |
|---|--|----------|-----------------|-------------------|--|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total shares | Demat | Physical | Total | % of Total shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 7882460 | 0 | 7882460 | 47.99 | 8907460 | 0 | 8907460 | 41.77 | -6.23 |
| b) Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt.(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corporate | 3455965 | 0 | 3455965 | 21.04 | 3455965 | 0 | 3455965 | 16.21 | -4.83 |
| e) Bank/FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total(A) (1): | 11338425 | 0 | 11338425 | 69.03 | 12363425 | 0 | 12363425 | 57.97 | -11.06 |
| (2) Foreign | | | | | | | | | |
| a) NRIs-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Other-Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Corporate | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks/ FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub- Total (A) (2): | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2) | 11338425 | 0 | 11338425 | 69.03 | 12363425 | 0 | 12363425 | 57.97 | -11.06 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds / UTI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Banks/FI | 11483 | 0 | 11483 | 0.07 | 2935 | 0 | 2935 | 0.01 | -0.06 |
| c) Central Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FIIs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-Total (B)(1): | 11483 | 0 | 11483 | 0.07 | 2935 | 0 | 2935 | 0.01 | -0.06 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 275527 | 0 | 275527 | 1.68 | 1017146 | 0 | 1017146 | 4.77 | +3.09 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to ₹ 2 Lacs | 3258354 | 637 | 3258991 | 19.84 | 2644664 | 637 | 2645301 | 12.40 | -7.44 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lacs | 1239832 | 0 | 1239832 | 7.55 | 2282610 | 0 | 2282610 | 10.70 | +3.15 |

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 01.04.2017) | | | | No. of Shares held at the end of the year (As on 31.03.2018) | | | | % Change during the year |
|--|--|------------|-----------------|-------------------|--|------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total shares | Demat | Physical | Total | % of Total shares | |
| c) Others (specify) | | | | | | | | | |
| i) NRI | 209452 | 0 | 209452 | 1.27 | 74512 | 0 | 74512 | 0.35 | -0.92 |
| ii) OCBs | 0 | 0 | 0 | 0.00 | 2805000 | 0 | 2805000 | 13.15 | 13.15 |
| iii) Clearing Members | 24180 | 0 | 24180 | 0.15 | 66961 | 0 | 66961 | 0.31 | +0.16 |
| iv) Directors / Relatives | 68053 | 0 | 68053 | 0.41 | 68053 | 0 | 68053 | 0.32 | -0.09 |
| Sub-Total (B)(2): | 5075398 | 637 | 5076035 | 30.90 | 8958946 | 637 | 8959583 | 42.01 | +11.12 |
| Total Public Shareholding Public Group (B)= (B)(1)+(B)(2) | 5086881 | 637 | 5087518 | 30.97 | 8961881 | 637 | 8962518 | 42.03 | +11.06 |
| Total (A) + (B) | 16425306 | 637 | 16425943 | 100.00 | 21325306 | 637 | 21325943 | 100.00 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 16425306 | 637 | 16425943 | 100.00 | 21325306 | 637 | 21325943 | 100.00 | 0.00 |

ii) Shareholding of Promoters

| Sr. No. | Shareholders Name | Shareholding at the beginning of the year (As on 01.04.2017) | | | Shareholding at the end of the year (As on 31.03.2018) | | | % change in shareholding during the year |
|---------|--|--|----------------------------------|--|--|----------------------------------|--|--|
| | | No. of Shares | % of total shares of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged/encumbered to total shares | |
| 1. | Saurabh Malhotra | 3228341 | 19.65 | 28.19 | 3228341 | 15.14 | 28.19 | -4.51 |
| 2. | Kusum Chander Mohan Malhotra | 3110000 | 18.93 | 0.00 | 3110000 | 14.58 | 0.00 | -4.35 |
| 3. | Chander Mohan Malhotra | 1533119 | 9.33 | 20.22 | 1533119 | 7.19 | 20.22 | -2.14 |
| 4. | Vanitha Malhotra | 10000 | 0.06 | 0.00 | 1035000 | 4.85 | 0.00 | +4.79 |
| 5. | Shipra Malhotra | 500 | 0.00 | 0.00 | 500 | 0.00 | 0.00 | 0.00 |
| 6. | Tanya Mediratta | 500 | 0.00 | 0.00 | 500 | 0.00 | 0.00 | 0.00 |
| 7. | Sakuma Finvest Pvt. Ltd. | 698720 | 4.25 | 0.00 | 698720 | 3.28 | 0.00 | -0.97 |
| 8. | GMK System And Logistics Private Ltd. | 90000 | 0.55 | 0.00 | 90000 | 0.42 | 0.00 | -0.13 |
| 9. | Sakuma Infrastructure And Realty Private Limited | 2667245 | 16.24 | 0.00 | 2667245 | 12.51 | 0.00 | -3.73 |
| | Total | 11338425 | 69.03 | 10.76 | 12363425 | 57.97 | 9.87 | -11.06 |



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

| | Shareholding at the beginning of the year (As on 01.04.2017) | | Cumulative Shareholding during the year (As on 31.03.2018) | |
|---|---|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| Vanitha Malhotra | | | | |
| At the beginning of the year | 10000 | 0.06 | | |
| Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | 1025000 (preferential allotted on 14.10.2017) | +4.79 | 1035000 | 4.85 |
| At the end of the year | | | 1035000 | 4.85 |

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year (As on 01.04.2017) | | Shareholding at the end of the year (As on 31.03.2018) | |
|---------|---------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1. | Ashok Mittal | 150712 | 0.92 | 5000 | 0.03 |
| 2. | Gouresh H Sinari HUF | 53701 | 0.32 | 31721 | 0.19 |
| 3. | Sreenivas Vemulapalli | 48942 | 0.30 | 41852 | 0.25 |
| 4. | Mahendra Girdharilal | 46987 | 0.28 | 0 | 0.00 |
| 5. | Daksha Vishanji Kotak | 42112 | 0.25 | 42112 | 0.26 |
| 6. | Dr. Ramesh Chimanlal Shah | 25000 | 0.15 | 0 | 0.00 |
| 7. | Maria De Fatima Do Nascimento Lobo | 34989 | 0.21 | 0 | 0.00 |
| 8. | Dhirajlal S. Mehta | 36595 | 0.22 | 0 | 0.00 |
| 9. | Subramanian P | 194500 | 1.18 | 223090 | 1.05 |
| 10. | Pankaj Lata Nigam | 126999 | 0.77 | 276676 | 1.30 |
| 11. | Kamad Prakash Nigam | 104882 | 0.64 | 191167 | 1.63 |
| 12. | Ajay Kumar Pandey | 56169 | 0.34 | 69678 | 0.42 |
| 13. | Amit Vijay Prabhu | 55250 | 0.33 | 0 | 0.00 |
| 14. | Amit Dhansukhlal Mayani | 55154 | 0.33 | 80263 | 0.00 |
| 15. | Nilesh A Shah | 50000 | 0.30 | 0 | 0.00 |
| 16. | Al Malaki Foodstuff Trading LLC | 0 | 0.00 | 1430000 | 6.71 |
| 17. | R R Foodstuff Trading LLC | 0 | 0.00 | 1375000 | 6.45 |
| 18. | Chandurkar Investment Private Limited | 0 | 0.00 | 335000 | 1.57 |
| 19. | Rahil Shaikh | 0 | 0.00 | 200000 | 0.94 |
| 20. | Moksh Mercantile Private Limited | 0 | 0.00 | 200000 | 0.94 |
| 21. | Om Procurements & Projects Limited | 0 | 0.00 | 135000 | 0.63 |
| 22. | R. M. Kothari | 0 | 0.00 | 100000 | 0.47 |
| 23. | Anupama Gupta | 0 | 0.00 | 100000 | 0.47 |
| 24. | Manish Singal | 0 | 0.00 | 100000 | 0.47 |
| 25. | Samir Karkhanis | 0 | 0.00 | 100000 | 0.47 |
| 26. | Narendra Katira | 0 | 0.00 | 100000 | 0.47 |

v) Shareholding of Directors and Key Managerial Personnel

| | Shareholding at the beginning of the year (As on 01.04.2017) | | Cumulative Shareholding during the year (As on 31.03.2018) | |
|--|--|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| A. DIRECTORS | | | | |
| At the beginning of the year | Promoter directors' shareholding and their changes has already been given in earlier table. Mr. Radhe Shyam (Independent Director) is holding 68,053 shares at the beginning and at the end of the year; Mr. Om Parkash Singal (Independent Director) is holding 10 shares at the beginning and at the end of the year and Mr. Ashok Doda (Independent Director) is holding 100 shares at the beginning and at the end of the year. Mr. Vivek Grover (Non Executive Non Independent Director) does not hold any shares in the Company at the beginning and at the end of the year. | | | |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc) | | | | |
| At the end of the year | | | | |
| B. KEY MANAGERIAL PERSONNEL | | | | |
| At the beginning of the year | Not Applicable | | | |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc) | | | | |
| At the end of the year | | | | |

V. INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness (Amount in ₹) |
|---|----------------------------------|----------------------|-------------|----------------------------------|
| Indebtedness at the beginning of the financial year (01.04.2017) | | | | |
| i) Principal Amount | 1,19,11,19,846 | 11,42,36,288 | 0.00 | 1,30,53,56,134 |
| ii) Interest due but not paid | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Interest accrued but not due | 0.00 | 0.00 | 0.00 | 0.00 |
| Total (i+ii+iii) | 1,19,11,19,846 | 11,42,36,288 | 0.00 | 1,30,53,56,134 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 31,48,93,32,546 | 2,23,19,225 | 0.00 | 31,51,16,51,771 |
| Reduction | 32,31,16,21,961 | 4,84,00,832 | 0.00 | 32,36,00,22,793 |
| Net Change | (82,22,89,415) | (2,60,81,607) | 0.00 | (84,83,71,022) |
| Indebtedness at the end of the financial year (31.03.2018) | | | | |
| i) Principal Amount | 36,88,30,431 | 8,11,86,430 | 0.00 | 45,00,16,861 |
| ii) Interest due but not paid | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Interest accrued but not due | 0.00 | 69,68,251 | 0.00 | 69,68,251 |
| Total (i+ii+iii) | 36,88,30,431 | 8,81,54,681 | 0.00 | 45,69,85,112 |

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

| Sr. No. | Particulars of Remuneration | Name of MD / WTD / Manager | | Total Amount (In ₹) |
|---------|---|--|--|---------------------|
| | | *Chander Mohan Executive Chairman & WTD | Saurabh Malhotra Chairman & MD | |
| 1. | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 0.00 | 72,00,000 | 72,00,000 |
| | (b) Value of perquisites under Section 17(2) income Tax Act, 1961 | 0.00 | 0.00 | 0.00 |
| | (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0.00 | 0.00 | 0.00 |
| 2. | Stock Options | 0.00 | 0.00 | 0.00 |
| 3. | Sweat Equity | 0.00 | 0.00 | 0.00 |
| 4. | Commission | 0.00 | 0.00 | 0.00 |
| | - as % of profit | 0.00 | 0.00 | 0.00 |
| | - others, specify | 0.00 | 0.00 | 0.00 |
| 5. | Others, please specify | 0.00 | 0.00 | 0.00 |
| | TOTAL (A) | 0.00 | 72,00,000 | 72,00,000 |
| | Ceiling As Per The Act | Minimum Remuneration upto ₹ 14,00,000 per month | Minimum Remuneration upto ₹ 14,00,000 per month | |

*Ceased to be Director *n.e.f.* 4th May, 2017

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

| Particulars of Remuneration | Ashokkumar Doda | Radhe Shyam | Om Parkash Singal | Total Amount (In ₹) |
|--|-----------------|-------------|-------------------|---------------------|
| - Fee for attending Board / Committee Meetings | 3,15,000 | 3,15,000 | 1,65,000 | 7,95,000 |
| - Commission | 0.00 | 0.00 | 0.00 | 0.00 |
| - Others, please specify | 0.00 | 0.00 | 0.00 | 0.00 |
| Total (B)(1) | | | | 7,95,000 |

2. Other Non Executive Directors

| Particulars of Remuneration | Shipra Malhotra | Vivek Grover | Total Amount (In ₹) |
|--|-----------------|--------------|------------------------------------|
| - Fee for attending Board / Committee Meetings | 3,15,000 | 2,65,000 | 5,80,000 |
| - Commission | 0.00 | 0.00 | 0.00 |
| - Others, please specify | 0.00 | 0.00 | 0.00 |
| Total (B)(2) | | | 5,80,000 |
| Total (B) = (B)(1)+(B)(2) | | | 13,75,000 |
| Overall Ceiling as per the Act | | | Upto ₹ 1,00,000 per meeting |

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

| Sr. No. | Particulars of Remuneration | Name of KMP | | | Total Amount (In ₹) |
|---------|---|------------------|------------------------------|-------------------------------|---------------------|
| | | Raju Pillai* | Prakash Taparia [§] | -- Chief Executive Officer | |
| 1. | Gross Salary | | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 15,70,830 | 2,49,333 | 0.00 | 18,20,163 |
| | (b) Value of perquisites under Section 17(2) income Tax Act, 1961 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. | Stock Options | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. | Sweat Equity | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. | Commission | 0.00 | 0.00 | 0.00 | 0.00 |
| | - as % of profit | 0.00 | 0.00 | 0.00 | 0.00 |
| | - others, specify | 0.00 | 0.00 | 0.00 | 0.00 |
| 5. | Others, please specify | 0.00 | 0.00 | 0.00 | 0.00 |
| | TOTAL (C) | 15,70,830 | 2,49,333 | 0.00 | 18,20,163 |

*Resigned *m.e.f.* 12th February, 2018

[§]Appointed *m.e.f.* 12th February, 2018

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

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



ANNEXURE 'D' TO BOARD'S REPORT

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

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

PARTICULAR OF EMPLOYEES

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

| Sr. No. | Requirements | Details |
|----------------|---|---|
| 1. | The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year. | 26.49 times |
| 2. | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year. | Key Managerial Personnel *Mr. Chander Mohan – Executive Chairman – Nil% Mr. Saurabh Malhotra – Chairman & MD – Nil% |
| 3. | The percentage increase in the median remuneration of employees in the financial year. | 10% |
| 4. | The number of permanent employees on the rolls of company as on 31 st March, 2018. | 55 Employees |
| 5. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Nil |
| 6. | Affirmation that the remuneration is as per the remuneration policy of the Company. | Remuneration paid during the year ended 31 st March, 2018 is as per the Remuneration Policy of the Company |

*Ceased to be Director *m.e.f.* 4th May, 2017

CORPORATE GOVERNANCE REPORT

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

Regulations, 2015

For The Financial Year 31st March, 2018

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

1. CORPORATE GOVERNANCE

1.1 Company's Philosophy on Corporate Governance

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

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

The Company believes that sound corporate governance is critical to enhance and retain investors' trust. The Company's corporate governance philosophy is based on the following principles:

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

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

1.2 The Governance Structure

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

- a. **Board of Directors** – The Sakuma Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.
- b. **Committee of Directors** – With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. Each of these Committees has been mandated to operate within a given framework.



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

2. BOARD OF DIRECTORS

2.1 Composition and Category of Directors

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

| Name | Executive/ Non Executive | Promoter/ Independent | Relationship with Directors |
|-----------------------|-----------------------------|--------------------------|---|
| *Mr. Chander Mohan | Executive | Promoter | Father of Mr. Saurabh Malhotra and Ms. Shipra Malhotra |
| Mr. Saurabh Malhotra | Executive | Promoter | Son of Late Mr. Chander Mohan and brother of Ms. Shipra Malhotra |
| Ms. Shipra Malhotra | Non Executive | Promoter | Daughter of Late Mr. Chander Mohan and Sister of Mr. Saurabh Malhotra |
| Mr. Ashok Kumar Doda | Non Executive | Independent | Not Related to any Directors |
| Mr. Radhe Shyam | Non Executive | Independent | Not Related to any Directors |
| Mr. Om Parkash Singal | Non Executive | Independent | Not Related to any Directors |
| #Mr. Vivek Grover | Non Executive | Non – Independent | Not Related to any Directors |

*Ceased to be Director *m.e.f.* 4th May, 2017

#Appointed as Director *m.e.f.* 29th May, 2017

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

The Company is also compliant with composition of Board of Directors with minimum two Independent Directors as prescribed under Section 149(4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI Regulations.

2.2 Board Training and Induction

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

2.3 Board Meetings held during the Year

| Dates on which the Board Meetings were held | Total Strength of the Board | No. of Directors Present |
|---|-----------------------------|--------------------------|
| 29 th May, 2017 | 5 | 6 |
| 24 th August, 2017 | 6 | 4 |
| 13 th September, 2017 | 6 | 5 |
| 14 th October, 2017 | 6 | 5 |
| 12 th December, 2017 | 6 | 6 |
| 29 th December, 2017 | 6 | 6 |
| 12 th February, 2018 | 6 | 6 |

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

| Dates of Board Meetings | *Chander Mohan | Saurabh Malhotra | Shipra Malhotra | Ashok Kumar Doda | Radhe Shyam | Om Parkash Singal | #Vivek Grover |
|--|----------------|------------------|-----------------|------------------|----------------|-------------------|----------------|
| 29 th May, 2017 | NA | Present | Present | Present | Present | Present | Present |
| 24 th August, 2017 | NA | Present | Present | Present | Present | Absent | Absent |
| 13 th September, 2017 | NA | Present | Present | Present | Present | Absent | Present |
| 14 th October, 2017 | NA | Present | Present | Present | Present | Absent | Present |
| 12 th December, 2017 | NA | Present | Present | Present | Present | Present | Present |
| 29 th December, 2017 | NA | Present | Present | Present | Present | Present | Present |
| 12 th February, 2018 | NA | Present | Present | Present | Present | Present | Present |
| Total Attendance (out of 7 Board Meetings) | NA | 7 | 7 | 7 | 7 | 4 | 6 |
| Attendance at Last AGM | NA | Present | Present | Present | Present | Present | Present |

*Ceased to be Director m.e.f. 4th May, 2017

#Appointed as Director m.e.f. 29th May, 2017

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

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

*Ceased to be Director m.e.f. 4th May, 2017

#Appointed as Director m.e.f. 29th May, 2017

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

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



3. COMMITTEES OF THE BOARD

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

3.1 Audit Committee

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

3.1.1 Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly Un-audited Financial Results and Limited Review Report thereon / Audited Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditor its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Indian Accounting Standards (IND-AS).
- Review the investments made by the Company.

3.1.2 Internal Controls and Governance Processes

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

3.1.3 Audit

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

- To recommend to the Board the remuneration of the Statutory Auditors / Cost Auditors.
- To discuss with the Statutory Auditors / Chief Internal Auditors any significant difficulties encountered during the course of the Audit.
- Review annual Cost Audit Report submitted by the Cost Auditor.

3.1.4 Other Duties

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

The composition of the Audit Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Dates of Meeting | Radhe Shyam* | Ashok Kumar Doda [#] | Om Parkash Singal [§] |
|----------------------------------|--------------|-------------------------------|--------------------------------|
| 29 th May, 2017 | Present | Present | Present |
| 13 th September, 2017 | Present | Present | Absent |
| 12 th December, 2017 | Present | Present | Present |
| 12 th February, 2018 | Present | Present | Present |
| Total (out of 4 meetings) | 4 | 4 | 3 |

*Chairman & Non – Executive Independent Director

[#]Member & Non – Executive Independent Director

[§]Member & Non – Executive Independent Director

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

M/s. M. L. Sharma & Co., Statutory Auditors attended the Audit Committee Meetings.

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

The Chairman of the Audit Committee will be present at the Annual General Meeting, to answer the shareholders queries, if any.

3.2 Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Stakeholders' Relationship Committee comprises three Members of which two Members are Independent Directors.

3.2.1 Terms of Reference of the Committee

- transfer / transmission of shares / debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares / debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;



- to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the Stakeholders’ Relationship Committee as at 31st March, 2018 and details of the Members participation at the Meetings of the Committee are as under:

| Dates of Meeting | Ashok Kumar Doda* | Shipra Malhotra# | Radhe Shyam[§] |
|----------------------------------|--------------------------|-------------------------|--------------------------------|
| 29 th May, 2017 | Present | Present | Present |
| 13 th September, 2017 | Present | Present | Present |
| 12 th December, 2017 | Present | Present | Present |
| 12 th February, 2018 | Present | Present | Present |
| Total (out of 4 meetings) | 4 | 4 | 4 |

*Chairman & Non – Executive Independent Director

#Member & Non – Executive Promoter Director

§Member & Non – Executive Independent Director

3.2.2 Compliance Officer

As required by the Listing Agreement, the Company has appointed Mr. Raju Pillai as the Compliance Officer till 12th February, 2018 and thereafter Mr. Prakash Taparia as Compliance Officer w.e.f. 12th February, 2018. Email address of Compliance Officer is companysecretary@sakumaexportsltd.com

3.2.3 Status of Transfers

During the year ended 31st March, 2018, no shares in physical form were processed for transfer. There were no pending share transfers as on 31st March, 2018.

3.2.4 Complaints

During the financial year ended 31st March, 2018, 10 complaints were received from the shareholders. Out of the total complaints received during the year no complaints were pending as on 31st March, 2018. The complaints relate to non-receipt of annual report, dividend, share transfers, etc.

| | |
|--|-----|
| Opening as on 1 st April, 2017 | Nil |
| Received during the year | 10 |
| Disposed of during the year | 10 |
| Closing as on 31 st March, 2018 | Nil |

3.3 Nomination and Remuneration Committee (NRC)

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

3.3.1 Terms of Reference

- The Committee shall identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment and removal and shall carry out evaluation of every directors performance.
- Lay down the criteria for determining the qualifications, positive attributes and independence of a Director and further recommend to the Board the policy for remuneration of Director, Key Managerial Personnel and Employees.

3.3.2 Remuneration Policy

While formulating the policy the Committee has to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The composition of the Nomination and Remuneration Committee as at 31st March, 2018 and the details of Members participation at the Meetings of the Committee are as under:

| Date of Meeting | Radhe Shyam* | Om Parkash Singal [#] | Shipra Malhotra [§] |
|----------------------------|--------------|--------------------------------|------------------------------|
| 29 th May, 2017 | Present | Present | Present |
| Total | 1 | 1 | 1 |

*Chairman & Non – Executive Independent Director

[#] Member & Non – Executive Independent Director

[§]Member & Non – Executive Promoter Director

3.4 Corporate Social Responsibility (CSR) Committee

3.4.1 Terms of Reference

Pursuant to the requirement of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Policy was adopted by the Board of Directors at its meeting held on 13th February, 2016. This Policy has been placed in the Website of the Company at the web link <http://www.sakumaexportsltd.com/policies.html>

The composition of the Corporate Social Responsibility Committee as at 31st March, 2018 and the details of Members' participation at the Meetings of the Committee are as under:

| Date of Meeting | Saurabh Malhotra* | Shipra Malhotra [#] | Om Parkash Singal [§] |
|---------------------------------|-------------------|------------------------------|--------------------------------|
| 12 th February, 2018 | Present | Present | Present |
| Total | 1 | 1 | 1 |

*Chairman & Executive Director

[#]Member & Non – Executive Promoter Director

[§]Member & Non – Executive Independent Director

3.5 Risk Management Committee (Non-Mandatory)

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

- Foreign Exchange risk



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

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

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

3.6 Independent Directors' Meeting

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

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

The Nomination and Remuneration Committee in its meeting held on 10th February, 2015 had adopted the performance evaluation criteria for the Independent Directors and the same had been applied by the Board in its meeting held on 12th February, 2018 for evaluating the performance of the Independent Directors. All the Independent Directors attended the meeting held on 12th February, 2018 and discussed the above points.

3.7 Policy for Selection and Appointment of Directors and their Remuneration

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

3.7.1 Criteria of Selection of Non Executive Directors

- The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

3.7.2 Remuneration

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

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

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

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

Remuneration for the Executive Chairman & Managing Director

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

3.7.4 Remuneration Policy for the Senior Management Employees

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

3.8 Performance Evaluation

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



A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as Managing Relationships, Leadership, Strategy Formulation and execution, financial planning / performance, Relationships with the Board, External Relations, Human Resources Management/ Relations, Succession, Product/Service Knowledge, and Personal Qualities etc. The performance evaluation of the Independent Directors and Committees of the Board were carried out by the entire Board. The performance evaluation of the Board as a Whole, the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

3.9 Details of Remuneration paid to all Directors

The aggregate remuneration paid to the Directors for the year ended 31st March, 2018 is as under:

| Name of Directors | Designation | Salary & Perquisites | Commission | Sitting Fees | Total Amount (In ₹) |
|-------------------|--------------------------|----------------------|------------|--------------|---------------------|
| *Chander Mohan | Executive Chairman | - | - | - | - |
| Saurabh Malhotra | Managing Director | 72,00,000 | - | - | 72,00,000 |
| Shipra Malhotra | Non – Executive Director | - | - | 3,15,000 | 3,15,000 |
| Ashok Kumar Doda | Independent Director | - | - | 3,15,000 | 3,15,000 |
| Radhe Shyam | Independent Director | - | - | 3,15,000 | 3,15,000 |
| Om Parkash Singal | Independent Director | - | - | 1,65,000 | 1,65,000 |
| #Vivek Grover | Non – Executive Director | - | - | 2,65,000 | 2,65,000 |

*Ceased to be Director m.e.f. 4th May, 2017

#Appointed as Director m.e.f. 29th May, 2017

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

Details of Service Contracts:

| Name and Designation | Current Tenure | From | To |
|---|----------------|---------------------------------|-------------------------------|
| *Mr. Chander Mohan Executive Chairman | 3 years | 1 st September, 2016 | 31 st August, 2019 |
| Mr. Saurabh Malhotra Managing Director | 3 years | 1 st September, 2016 | 31 st August, 2019 |

*Ceased to be Director m.e.f. 4th May, 2017

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

| Non – Executive Directors | No. of shares held as on 31 st March, 2018 | No. of shares held as on 31 st March, 2017 |
|---------------------------|---|---|
| Shipra Malhotra | 500 | 500 |
| Ashok Kumar Doda | 100 | 100 |
| Radhe Shyam | 68,053 | 68,053 |
| Om Parkash Singal | 500 | 500 |
| Vivek Grover | Nil | Nil |

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

4. SUBSIDIARY COMPANIES

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

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

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

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

5. DISCLOSURES

5.1 Related Party Transactions

Transactions with related parties, as per requirements of Indian Accounting Standard (Ind-AS 24), are disclosed in notes to accounts annexed to the financial statements.

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Indian Accounting Standard (Ind-AS 24) has been made in the Annual Report.

The Board has approved a policy for Related Party Transactions.

5.2 Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the SEBI or by any statutory authority on any matters related to capital markets during the last three years.

5.3 Compliance with Indian Accounting Standards

In the preparation of the Financial Statements, the Company has followed the Indian Accounting Standards notified pursuant to the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

5.4 Internal Financial Controls

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

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

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

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

5.5 MD Certification

The MD have issued certificate pursuant to the provisions of the SEBI Regulations certifying that the Financial Statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.



5.6 Code of Conduct for the Board Members and Senior Management

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

In terms of the resolution passed by the Board of Directors in their meeting held on 28th May, 2018, the Board has authorized Mr. Saurabh Malhotra, Chairman and Managing Director to sign all Certificates as may be required, to comply with the statutory requirements.

Accordingly, a declaration from the Chairman and Managing Director that all Board Members and Senior Management personnel have duly complied with the Code of Conduct for the financial year ended 31st March, 2018 forms part of the Annual report.

5.7 Vigil Mechanism / Whistle Blower Policy

During the financial year 2017 – 18, in accordance with the Regulation 22 of the SEBI Regulations and pursuant to Section 177 (9) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has adopted a Whistle Blower Policy. The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. As per the Whistle Blower Policy, the employees are free to report violations of laws, rules, regulations or un-ethical conduct to their immediate superior. The confidentiality of those reporting / violations is maintained and they are not subjected to any discriminatory practice.

5.8 Prevention of Insider Trading

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

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

5.9 Communication with the Members/ Shareholders

- The un-audited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The Audited Annual Results are announced within 60 days from the close of the financial year as per the requirements of the SEBI Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are published within forty-eight hours in leading English and Marathi daily newspapers. The Audited Financial Statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.
- The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same. The Annual Report of the Company, the quarterly / half yearly and the Annual Financial Results and the press releases of the Company are also placed on the Company's website www.sakumaexportsltd.com and can be downloaded.
- In compliance with SEBI Regulations, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication is filed electronically on BSE's Online Portal – BSE Listing Centre and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited. The Company has complied with filing submissions through BSE's Online Portal and NSE's Online Portal.

6. GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended: 31st March, 2018

6.1 Investor Services

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

Bigshare Services Private Limited

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

6.2 Address for correspondence with Depositories

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

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

6.3 Registered Office & Correspondence Address

Sakuma Exports Limited

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

Website: www.sakumaexportsltd.com

Contact Person: Mr. Prakash Taparia, Compliance Officer

Email Address: companysecretary@sakumaexportsltd.com

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

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

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

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

6.4 Plant Location

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



6.5 Market Information

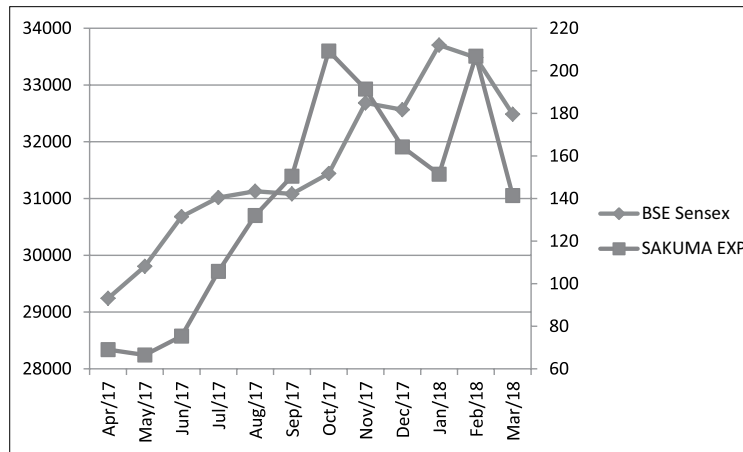
Listing on Stock Exchanges

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

| Name & Address of the Stock Exchanges | Stock Code/ Scrip Code | ISIN Number for CDSL (Dematerialised shares) |
|---|------------------------|--|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 | 532714 | INE190H01016 |
| The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 | SAKUMA | |

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

Index Comparison



*Monthly High and Low Prices of the Equity Shares of the Company for the year ended 31st March, 2018:

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

| Month | Open Price | High Price | Low Price | Close Price | No. of Shares | No. of Trades | Total Turnover (₹) | * Spread (₹) | |
|--------|------------|------------|-----------|-------------|---------------|---------------|--------------------|--------------|--------|
| | | | | | | | | H-L | C-O |
| Apr-17 | 65.25 | 72.40 | 64.25 | 69.00 | 230712 | 2034 | 15957677 | 8.15 | 3.75 |
| May-17 | 69.25 | 69.35 | 62.00 | 66.50 | 85124 | 734 | 5574370 | 7.35 | -2.75 |
| Jun-17 | 67.50 | 90.85 | 66.10 | 75.35 | 929119 | 9883 | 76000879 | 24.75 | 7.85 |
| Jul-17 | 75.00 | 107.00 | 75.00 | 105.75 | 1071757 | 13554 | 103734062 | 32.00 | 30.75 |
| Aug-17 | 106.00 | 137.90 | 90.00 | 132.05 | 785342 | 13575 | 89965143 | 47.90 | 26.05 |
| Sep-17 | 129.50 | 168.10 | 124.95 | 150.50 | 1117800 | 22534 | 165286871 | 43.15 | 21.00 |
| Oct-17 | 150.35 | 216.30 | 136.00 | 209.30 | 1809784 | 34344 | 348078475 | 80.30 | 58.95 |
| Nov-17 | 210.80 | 282.00 | 149.70 | 191.40 | 1224996 | 24443 | 292450251 | 132.30 | -19.40 |
| Dec-17 | 200.95 | 210.95 | 160.65 | 164.25 | 139928 | 1784 | 25902354 | 50.30 | -36.70 |
| Jan-18 | 168.00 | 177.70 | 135.50 | 151.40 | 97424 | 1099 | 15698835 | 42.20 | -16.60 |
| Feb-18 | 158.95 | 210.40 | 152.55 | 206.90 | 124372 | 1521 | 23243080 | 57.85 | 47.95 |
| Mar-18 | 202.00 | 205.00 | 140.00 | 141.40 | 91482 | 1091 | 15387127 | 65.00 | -60.60 |

Annual Fees:

The Company has paid Annual Custody Fees for the year 2016 – 17 and 2017 – 18 to both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

The Company has paid Annual Listing Fees for the year 2017 – 18 to the BSE Ltd. and National Stock Exchange of India Limited within the stipulated time.

6.6 Shareholders' rights

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

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

The above-mentioned rights may not necessarily be absolute.

7. SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS**7.1 Share transfers**

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

7.2 Nomination facility for shareholding

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

7.3 Permanent Account Number (PAN)

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

7.4 Dividend**➤ Payment of dividend through National Electronic Clearing Service (NECS):**

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



➤ **Unclaimed Dividends:**

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Central Government. The Company has in November 2018 transferred to the said fund, the dividends for the year ended 31st March, 2010 for the Preference Shares which have remained unclaimed / unpaid and in February 2018 transferred the unclaimed amount out of redemption of Preference shares carried out in the financial year 2010-11.

For Equity Shareholders:

| Financial Year | Date of Declaration of Divided | Last Date of claiming Unpaid Dividend |
|------------------------------|--------------------------------|---------------------------------------|
| Final Dividend 2010 – 2011 | 18.08.2011 | 22.09.2018 |
| Final Dividend 2011 – 2012 | 26.09.2012 | 31.10.2019 |
| Final Dividend 2012 – 2013 | 29.07.2013 | 02.09.2020 |
| Final Dividend 2013 – 2014 | 28.08.2014 | 02.10.2021 |
| Final Dividend 2014 – 2015 | 11.08.2015 | 15.09.2022 |
| Interim Dividend 2015 – 2016 | 11.03.2016 | 15.04.2023 |
| Final Dividend 2016 – 2017 | 26.09.2017 | 31.10.2024 |

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

➤ **Dividend History (last 5 Years)**

| Sr. No. | Financial Year | Final / Interim | Dividend % | Total Dividend (In ₹) |
|---------|----------------|-----------------|------------|-----------------------|
| 1. | 2016 – 17 | Final | 10% | 1,64,25,943 |
| 2. | 2015 - 16 | Interim | 10% | 1,64,25,943 |
| 3. | 2014 – 15 | Final | 10% | 1,64,25,943 |
| 4. | 2013 – 14 | Final | 10% | 1,64,25,943 |
| 5. | 2012 – 13 | Final | 10% | 1,64,25,943 |

7.5 Transfer of ‘Underlying Shares’ into Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years)

Members attention is invited to Regulation 39(4) and Schedule VI of the SEBI Regulations. As per the said Regulations, in cases where unclaimed dividends have been transferred to Investor Education and Protection Fund (IEPF) for a consecutive period of seven years, the underlying shares are also required to be transferred to IEPF. The said Regulation has come into effect from 1st December, 2015.

7.6 Dealing with securities which have remained unclaimed

Members are hereby informed that as per Regulation 39(4) read with Schedule VI of the SEBI Regulations, the Company is in the process of dematerializing unclaimed shares which are retained with the Company. These shares would be held by the Company on behalf of the holders of such shares in an “Unclaimed Suspense Account” to be opened with a depository. At the end of seven years, hereof, these shares shall be transferred by the Company to the IEPF. Dividends remaining unclaimed in respect of such shares shall also be held in a separate suspense account and would likewise be transferred to IEPF at the end of seven years.

The Company has sent out reminders to those Members whose share Certificate have remained unclaimed, to contact the Company immediately in the matter.

Members may note that the lawful claimant in respect of these shares / dividend will be able to claim such shares dividend from the Company till such time they remain in the Unclaimed Suspense Account as aforesaid.

7.7 Pending Investors’ Grievances

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

7.8 Dematerialization of Shares and Liquidity

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

CDSL.

As on 31st March, 2018, 99.99% of the Company's total paid up capital representing 2,13,25,306 equity shares were held in dematerialised form and the balance 0.01% representing 637 equity shares were held in physical form.

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

As on 31st March, 2018, there are 637 outstanding shares lying in the demat suspense account / unclaimed suspense account.

7.10 Reconciliation of Share Capital Audit

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

Distribution of Shareholding as on 31st March, 2018

| Range (In Shares) | No. of Shareholders | % to capital | Total Shareholding (In Shares) | % to capital |
|-------------------|---------------------|---------------|-----------------------------------|---------------|
| 1 – 500 | 6666 | 86.90 | 891509 | 4.18 |
| 501 – 1000 | 504 | 6.57 | 405597 | 1.90 |
| 1001 – 2000 | 223 | 2.91 | 339301 | 1.59 |
| 2001 – 3000 | 78 | 1.02 | 199727 | 0.94 |
| 3001 – 4000 | 32 | 0.42 | 116349 | 0.55 |
| 4001 – 5000 | 38 | 0.49 | 179726 | 0.84 |
| 5001 – 10000 | 51 | 0.66 | 387594 | 1.82 |
| 10001 & Above | 79 | 1.03 | 18806140 | 88.18 |
| Total | 7671 | 100.00 | 21325943 | 100.00 |

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

Shareholding Pattern as on 31st March, 2018 (Equity Shares)

| | Category | No. of Shares Held | % Of Share Holding |
|-----------|--|--------------------|--------------------|
| A. | Promoter (s) Holding | | |
| | Promoter (s) | | |
| | - Indian Promoters | 8907460 | 41.77 |
| | - Group Companies | 3455965 | 16.21 |
| | Sub – Total(A) | 12363425 | 57.97 |
| B. | Non-Promoters Holding | | |
| | Institutional Investors | | |
| i. | Mutual Funds & UTI | 0.00 | 0.00 |
| ii. | Banks, Financial Inst, Insurance Company (Central/ | 0.00 | 0.00 |
| iii. | State Govt Inst/Non-Govt Inst) | 0.00 | 0.00 |
| | FII (s) | | |
| | Others | | |
| i. | Corporate Bodies | 1017146 | 4.77 |
| ii. | Indian Public | 4927911 | 23.10 |
| iii. | NRI | 74512 | 0.35 |
| iv. | OCBS | 2807935 | 13.18 |
| v. | Directors / Relatives | 68053 | 0.32 |
| vi. | Clearing Members | 66961 | 0.31 |
| | Sub – Total (B) | 8962518 | 42.03 |
| | GRAND TOTAL (A+B) | 21325943 | 100.00 |

Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2018

| Sr. No. | Names of the shareholders | | No. of Shares | % of Capital |
|---------|--|---------|-----------------|--------------|
| 1. | Promoters | | | |
| | Saurabh Malhotra | 3228341 | 12363425 | 57.97 |
| | Kusum Chander Mohan Malhotra | 3110000 | | |
| | Sakuma Infrastructure And Realty Private Limited | 2667245 | | |
| | Chander Mohan Malhotra | 1533119 | | |
| | Vanitha Malhotra | 1035000 | | |
| | Shipra Malhotra | 500 | | |
| | Tanya Mediratta | 500 | | |
| | Sakuma Finvest Pvt Ltd | 698720 | | |
| | GMK System And Logistics Private Ltd | 90000 | | |
| | Others | | | |
| 2. | Al Malaki Foodstuff Trading LLC | | 1430000 | 6.71 |
| 3. | R R Foodstuff Trading LLC | | 1375000 | 6.45 |
| 4. | Chandurkar Investment Private Limited | | 335000 | 1.57 |
| 5. | Pankaj Lata Nigam | | 276676 | 1.30 |
| 6. | Subramanian P | | 223090 | 1.05 |
| | Total | | 16003191 | 75.05 |

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

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

Particulars of Past Three Annual General Meetings

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

| Financial Year Ending | Nature of Meeting | Nature of Special Resolution Passed | Date & Time | Location |
|-----------------------|----------------------|-------------------------------------|--------------------------|---|
| 31.03.2015 | 10 th AGM | Note 1 | 11.08.2015 10.30 a.m. | Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| 31.03.2016 | 11 th AGM | Note 2 | 01.09.2016 10.30 a.m. | Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| 31.03.2017 | 12 th AGM | Note 3 | 26.09.2017 10.30 a.m. | Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| 31.03.2017 | EGM | Note 4 | 26.09.2017 11.30 a.m. | Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |

Note 1:

1. Special Resolution under Section 149, 152 of the Companies Act, 2013 in respect of appointment of Mr. Om Parkash Singal as Independent Director.

Note 2:

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

Note 3:

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

Note 4:

1. Ordinary Resolution under Section 61 of the Companies Act, 2013 in respect of increase in Authorized Share Capital of the Company.
2. Ordinary Resolution under Section 13 and 61 of the Companies Act, 2013 in respect of Alteration of Memorandum of Association of the Company Consequent to the increase in Authorized Share Capital of the Company.
3. Special Resolution under Section 14 of the Companies Act, 2013 in respect of Alteration of Articles of Association of the Company Consequent to the increase in Authorized Share Capital of the Company.
4. Special Resolution under Section 42 and 62 (1) (c) of the Companies Act, 2013 in respect of Issue of 4900000 Equity shares on a preferential allotment / private placement basis.

Note 4:

1. There was 1 (One) Special Resolution passed through postal ballot last year to alter the object clause of the Memorandum of Association of the Company under Section 13 of the Companies Act, 2013 as per the Postal Ballot Notice dated 29th December, 2017.
2. Except to the above, no resolutions are proposed to be passed or passed through postal ballot.



DECLARATIONS
FINANCIAL CALENDAR 2018-19

| | |
|--|---|
| Board Meeting for consideration of Accounts for the financial year ended 31 st March, 2018 and recommendation of dividend | 28 th May, 2018 |
| Posting of Annual Reports | On or before 05 th September, 2018 |
| Book Closure Dates | Saturday, 22 nd September, 2018 to Saturday, 29 th September, 2018 (both days inclusive) |
| Last date for receipt of Proxy Forms | Thursday, 27 th September, 2018 by 10.30 a.m. |
| Date, Time & Venue of the 13 th Annual General Meeting | Saturday, 29 th September, 2018, at 10.30 a.m. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 |
| Dividend Payment Date | On or before 29 th October, 2018 |
| Probable date of dispatch of warrants | On or before 29 th October, 2018 |
| Board Meeting for consideration of unaudited quarterly results for the financial year ended 31 st March, 2019 | Within Forty Five days from the end of the quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges |
| Audited results for the current financial year ending 31 st March, 2019 | Within Sixty days from the end of the last quarter, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges |

For and on behalf of the Board of Directors

Place: Mumbai
Date: 28th May, 2018

Saurabh Malhotra
Chairman & Managing Director

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

This is to state that the Company had duly adopted a Code of Conduct in the meeting of the Board of Directors held on 15th May, 2014. After adoption of the Code of Conduct, the same was circulated to all the Board of Members and senior management personnel for compliance. The Code of Conduct has also been posted on the website of the Company. The Company has since received declaration from all the Board Members and Senior Management Personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year 31st March, 2018. The same has been duly noted by the Board in its meeting held on 28th May, 2018.

Place: Mumbai

Date: 28th May, 2018

Saurabh Malhotra
Chairman & Managing Director



MANAGING DIRECTOR CERTIFICATION

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

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

- A.** I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2018 and that to the best of my knowledge and belief, I state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 2. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- C.** I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
- D.** I have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
1. significant changes, if any, in internal control over financial reporting during the year;
 2. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over the financial reporting.

Yours Sincerely

Saurabh Malhotra
Chairman & Managing Director

Place: Mumbai

Date: 28th May, 2018

AUDITOR'S CERTIFICATE

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

**To
The Members of
Sakuma Exports Limited**

1. We have examined the compliance of conditions of Corporate Governance by Sakuma Exports Limited, for the financial year ended 31st March, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of Sub – Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as “SEBI (LODR) Regulations, 2015”).
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate governance stipulated in the Listing Regulation-2015.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with corporate governance requirements by the company.
5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, clause (i) of Sub – Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations, 2015 **subject to the following qualification**
6. **As per the Listing Regulations-2015 under common obligations of Listed Entities the company is required to appoint a company secretary as the compliance officer. The company has not appointed company Secretary consequently the Annual Audited Financial Statements are not signed by the Company Secretary.**
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

**Chartered Accountants
(V. L. Bajaj)
Partner
Membership No.104982**

**Place : Mumbai
Date : 28th May, 2018**



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SAKUMA EXPORTS LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying Standalone IND AS financial statements of **SAKUMA EXPORTS LIMITED**, (“the company”), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Standalone IND AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and change in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND-AS) specified under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS financial statement 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 Standalone IND AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act, and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone IND AS financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone IND AS financial statements, whether due to fraud or error. In making, those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the Standalone IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the Standalone IND AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the IND AS, of the financial position of the Company as at 31st March, 2018, and its **Profits** (financial performance Including Other Comprehensive Income), its cash flows and changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rule issued thereunder.
- (e) On the basis of the Written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure - B**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - a. The company has disclosed the impact of pending litigations on its financial position in its standalone IND AS financial statement – Refer Note 32 to the standalone financial statement.
 - b. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the standalone financial statements.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d. The reporting on disclosure relating to specified Bank Notes is not applicable for the year under ended 31st March 2018.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 28, 2018

(V. L. BAJAJ) PARTNER
Membership No.104982



ANNEXURE - A TO THE INDEPENDENT AUDITORS REPORT

The Annexure - A referred to in our Report of even date to the Members of SAKUMA EXPORTS LIMITED for the year ended 31st March, 2018. We report that:

1. (a) According to information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (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) The Company does not own any immovable property (Except leasehold properties) accordingly provision of clause 1 (iii) of the order is not applicable to the company.
2. According to information and explanations given to us by the management, the physical verification of the Inventories has been Conducted by the management at reasonable intervals. In our opinion, procedure of physical verification is reasonable and adequate with regards to size of the company and nature of its business.
3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the companies Act, 2013 and Accordingly, provision of clause 3 (iii), (iii) (a), (iii) (b) & (iii) (c) of the order, are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 of the Act. In respect of loans granted to, guarantees or security in respect of any loan and Investments made in body corporate by the Company, the provisions of Section 186 of the Act has been complied with.
5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under apply.
6. In our opinion and according to the information and explanations given to us the Company is not required to maintain cost records specified by the central government under section 148 (1) of the Companies Act, 2013.
7. (a) According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing provident fund dues, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2018 for a period exceeding six months from the date they became payable;
 - (b) According to information and explanations given to us and the books and records examined by us, there are no disputed amounts payables for Statutory dues except for Income Tax as mentioned below.

| Statute & Nature of dues | Pending Amount of Dispute | Period | Forum where dispute is pending |
|-----------------------------------|---------------------------|------------|---|
| Income Tax Act, 1961 (Income Tax) | ₹ 2,13,014/- | AY 2009-10 | Asst. CIT , Income Tax |
| West Bengal VAT Act, 2003 | ₹ 59,300/- | AY 2010-11 | Sales Tax Appellate and Revisional Board. |

8. According to information and explanations given to us the company has not defaulted in repayment of loans or borrowings to a financial institution or bank and company does not have any outstanding loans or borrowing from Government or dues to debenture holders during the year.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and the Company has not availed any term loans during the current year and accordingly the provision of clause 3 (ix) of the order is not applicable to the Company.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion, and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
13. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required under Ind AS “24”, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
14. During the current year the Company has made preferential allotment of fully paid up Equity Shares and has complied with all the requirements of section 42 of the Companies Act, 2013.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors.
16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS**

**Place: Mumbai
Date: May 28, 2018**

**(V. L. BAJAJ) PARTNER
Membership No.104982**



ANNEXURE – B TO THE INDEPENDENT AUDITORS REPORT

The Annexure – B referred to in our Report of even date to the Members of SAKUMA EXPORTS LIMITED for the year ended 31st March, 2018. We report that:

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

We have audited the internal financial controls over financial reporting of **Sakuma Exports Limited** (“the Company”) as of March 31, 2018 in conjunction with our audit of the Standalone IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS**

**Place: Mumbai
Date: May 28, 2018**

**(V. L. BAJAJ) PARTNER
Membership No.104982**



Standalone Balance Sheet as at March 31, 2018

(in ₹)

| Particulars | Note No. | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|----------|-----------------------|-----------------------|-----------------------|
| A ASSETS | | | | |
| 1 Non-current assets | | | | |
| (a) Property, plant and equipment | 3 | 2,17,41,817 | 2,57,58,956 | 3,05,91,036 |
| (b) Intangible assets | 4 | 2,88,689 | 5,47,260 | 2,39,809 |
| (c) Financial Assets | | | | |
| (i) Investments | 5 | 1,05,52,825 | 1,05,52,825 | 1,09,99,802 |
| (ii) Other Financial Assets | 6 | 59,25,772 | 52,58,821 | 84,78,407 |
| (d) Other Non - Current Assets | 7 | 46,71,698 | 3,10,592 | 1,81,10,212 |
| | | 4,31,80,801 | 4,24,28,454 | 6,84,19,266 |
| 2 Current assets | | | | |
| (a) Inventories | 8 | 1,37,79,77,606 | 92,30,39,751 | 61,92,47,691 |
| (b) Financial Assets | | | | |
| (i) Trade receivables | 9 | 1,56,09,10,528 | 3,78,67,06,191 | 2,62,65,29,340 |
| (ii) Cash and cash equivalents | 10 | 30,96,84,644 | 27,12,71,400 | 36,16,15,566 |
| (iii) Loans, Advances and Deposits | 11 | 74,16,220 | 76,14,975 | 54,77,101 |
| (iv) Other financial assets | 12 | 2,46,10,457 | 2,01,46,089 | 1,24,70,920 |
| (c) Other current assets | 13 | 49,78,56,745 | 25,79,34,404 | 82,03,88,615 |
| | | 3,77,84,56,200 | 5,26,67,12,810 | 4,44,57,29,233 |
| TOTAL - ASSETS (A) | | 3,82,16,37,001 | 5,30,91,41,264 | 4,51,41,48,499 |
| B EQUITY AND LIABILITIES | | | | |
| 1 Shareholder's funds | | | | |
| (a) Equity Share Capital | 14 | 21,32,59,430 | 16,42,59,430 | 16,42,59,430 |
| (b) Other Equity | 15 | 1,48,70,65,751 | 84,20,74,928 | 70,38,46,517 |
| | | 1,70,03,25,181 | 1,00,63,34,358 | 86,81,05,947 |
| 2 Non-current liabilities | | | | |
| (a) Deferred tax liabilities (net) | 30(d) | 36,65,268 | 38,83,334 | 47,11,398 |
| (b) Provisions | 16 | 20,87,475 | 13,74,944 | 8,67,765 |
| | | 57,52,743 | 52,58,278 | 55,79,163 |
| 3 Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 17 | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |
| (ii) Trade payables | 18 | 1,20,56,92,401 | 2,30,47,34,297 | 1,48,12,15,304 |
| (iii) Other financial liabilities | 19 | 7,09,95,056 | 7,08,12,277 | 9,20,80,025 |
| (b) Other current liabilities | 20 | 34,75,18,573 | 54,05,66,717 | 66,94,94,007 |
| (c) Short-term provisions | 21 | 3,42,67,915 | 7,46,34,486 | 3,78,18,225 |
| | | 2,11,55,59,077 | 4,29,75,48,628 | 3,64,04,63,389 |
| TOTAL - EQUITY AND LIABILITIES (B) | | 3,82,16,37,001 | 5,30,91,41,264 | 4,51,41,48,499 |

Corporate Information & Significant Accounting Policies 1 & 2

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

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

Vikas L Bajaj

Partner

M.No. 104982

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra

Chairman & Managing Director

Mr. Radhe Shyam

Director

Place : Mumbai

Date : May 28, 2018

Place : Mumbai

Date : May 28, 2018

Statement of Profit and Loss for the year ended March 31, 2018

| | | (in ₹) | | |
|-------------|---|---------|-----------------------------------|-----------------------------------|
| Particulars | | Note No | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
| 1 | Revenue from operations | 22 | 21,86,40,07,010 | 20,16,88,23,154 |
| 2 | Other income | 23 | 12,46,87,348 | 11,79,63,783 |
| 3 | Total revenue (1+2) | | 21,98,86,94,358 | 20,28,67,86,937 |
| 4 | Expenses | | | |
| | (a) Purchases of Stock-in-trade | 24 | 20,56,65,87,397 | 19,77,97,18,800 |
| | (b) Changes in inventories of stock-in-trade | 25 | (45,49,37,854) | (30,37,92,059) |
| | (c) Employee benefits expense | 26 | 5,07,43,008 | 5,25,29,635 |
| | (d) Finance costs | 27 | 9,18,56,183 | 11,23,88,451 |
| | (e) Depreciation and amortisation expenses | 28 | 47,31,201 | 59,50,789 |
| | (f) Other expenses | 29 | 1,45,68,99,972 | 41,97,64,027 |
| | Total expenses | | 21,71,58,79,907 | 20,06,65,59,643 |
| 5 | Profit / (Loss) before exceptional items and tax (3 - 4) | | 27,28,14,451 | 22,02,27,294 |
| 6 | Exceptional items | | - | - |
| 7 | Profit / (Loss) before tax (5 + 6) | | 27,28,14,451 | 22,02,27,294 |
| 8 | Tax expense: | 30(a) | | |
| | (a) Current tax | | 8,90,59,576 | 7,65,97,176 |
| | (b) Deferred tax | 30(d) | (2,18,066) | (8,28,064) |
| | | | 8,88,41,510 | 7,57,69,112 |
| 9 | Profit / (Loss) for the Year (7 ± 8) | | 18,39,72,941 | 14,44,58,182 |
| 10 | Other Comprehensive Income | | | |
| | Items that will not be reclassified subsequently to statement of profit and loss | | | |
| | Remeasurements gains/(losses) on defined benefit plans | 30(b) | 10,34,451 | 4,36,695 |
| | Income tax relating to above | | - | - |
| | Items that will be reclassified subsequently to statement of profit and loss | | | |
| | Net movement of cash flow hedges | | - | - |
| | Income tax relating to above | | - | - |
| | Total Other Comprehensive Income for the year | | 10,34,451 | 4,36,695 |
| 11 | Total Comprehensive Income for the year(9+10) | | 18,50,07,392 | 14,48,94,877 |
| 12 | Earnings per share (of ₹ 10/- each): | 31 | | |
| | (a) Basic | | 9.90 | 8.82 |
| | (b) Diluted | | 9.90 | 8.82 |
| | Corporate Information & Significant Accounting Policies | 1 & 2 | | |

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

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

Vikas L Bajaj

Partner

M.No. 104982

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra

Chairman & Managing Director

Mr. Radhe Shyam

Director

Place : Mumbai

Date : May 28, 2018

Place : Mumbai

Date : May 28, 2018



Standalone Statement of Cash Flows for the year ended March 31, 2018

(in ₹)

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|--|--------------------------------------|--------------------------------------|
| A. Cash flow from operating activities | | |
| Profit Before Tax | 27,28,14,451 | 22,02,27,295 |
| Adjustments to reconcile profit before tax to net cash flows: | | |
| Depreciation and amortisation | 47,31,201 | 59,50,789 |
| Claims Filed during the Year not Received (Net) | (43,31,794) | (1,62,69,369) |
| Finance costs | 9,18,56,183 | 11,23,88,451 |
| Interest income | (1,47,15,137) | (3,74,98,899) |
| Provision for Doubtful Debts | 70,09,817 | 6,44,574 |
| Dividend income | (1,78,84,012) | (46,31,609) |
| Investments written off | - | 16,100 |
| Finance costs (including fair value change in financial instruments) | 14,84,388 | 34,08,794 |
| Effect of foreign exchange rate variations on hedging instruments | 11,09,373 | (66,66,466) |
| Remeasurements gains/(losses) on defined benefit plans | 10,34,451 | 4,36,695 |
| Net (gain) / loss on sale of investments | (7,98,825) | (83,66,021) |
| Operating profit / (loss) before working capital changes | 34,23,10,096 | 26,96,40,334 |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Inventories | (45,49,37,855) | (30,37,92,060) |
| Trade receivables | 2,20,65,70,979 | (1,15,72,28,275) |
| Loans, Advances and Deposits | 6,09,845 | (24,33,724) |
| Other financial assets | (11,18,450) | 66,66,466 |
| Other current assets | (23,63,69,028) | 56,22,19,951 |
| Other non-current assets | (43,61,106) | 92,96,467 |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | (1,09,32,25,149) | 82,17,08,407 |
| Other Financial liabilities | 20,34,093 | (1,94,36,528) |
| Other current liabilities | (19,30,48,144) | (12,89,27,290) |
| Provisions | 7,12,531 | 5,07,179 |
| Short-term provisions | (5,94,41,153) | 3,58,56,239 |
| | 50,97,36,659 | 9,40,77,166 |
| Net income tax (paid) / refunds | (6,99,84,995) | (6,71,34,002) |
| Net cash flow from / (used in) operating activities (A) | 43,97,51,664 | 2,69,43,164 |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets, including capital advances | (4,55,492) | (14,26,160) |
| Proceeds from sale of fixed assets | - | - |
| Current investments not considered as Cash and cash equivalents | | |
| - Purchased | (1,21,50,00,000) | (4,84,69,89,330) |
| - Proceeds from sale | 1,21,57,98,826 | 4,85,44,52,029 |
| Proceeds from Sale of Subsidiary | | 13,34,200 |
| Interest received | 1,41,32,079 | 3,61,53,750 |
| Dividend received on Investments | 71,811 | 46,31,609 |
| Dividend received from Subsidiary | 1,78,12,200 | - |
| Net cash flow from / (used in) investing activities (B) | 3,23,59,424 | 4,81,56,098 |

Standalone Statement of Cash Flows for the year ended March 31, 2018

| | (in ₹) | |
|--|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
| C. Cash flow from financing activities | | |
| Net increase / (decrease) in working capital borrowings | (82,36,34,111) | (12,25,91,265) |
| Proceeds from other short-term borrowings | (2,60,81,607) | 6,95,36,288 |
| Repayment of other short-term borrowings | | |
| Finance cost | (9,18,56,183) | (11,23,88,451) |
| Increase/ (decrease) in shareholders funds | 52,43,00,000 | - |
| Dividends paid | (1,64,25,943) | - |
| Net cash flow from / (used in) financing activities (C) | (43,36,97,844) | (16,54,43,428) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 3,84,13,244 | (9,03,44,166) |
| Cash and cash equivalents at the beginning of the year | 27,12,71,400 | 36,16,15,566 |
| Cash and cash equivalents at the end of the year | 30,96,84,644 | 27,12,71,400 |
| | | |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents at the end of the year * | 30,96,84,644 | 27,12,71,400 |
| * Comprises: | | |
| (a) Cash in hand | 9,11,069 | 4,61,586 |
| (b) Balances with banks | | |
| (i) In current accounts | 5,92,42,040 | 56,04,435 |
| (ii) In EEFC accounts | - | 304 |
| (iii) In deposit accounts | 24,86,42,745 | 26,39,07,182 |
| (iv) In earmarked accounts | 8,88,790 | 12,97,893 |
| | 30,96,84,644 | 27,12,71,400 |

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) The accompanying notes form an integral part of the standalone financial statements.

In terms of our report attached.

For **M.L.SHARMA & CO.**
Chartered Accountants
FRN: 109963W

Vikas L Bajaj
Partner
M.No. 104982

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra Mr. Radhe Shyam
Chairman & Managing Director Director

Place : Mumbai
Date : May 28, 2018

Place : Mumbai
Date : May 28, 2018



Standalone Statement of Changes in Equity for the year ended March 31, 2018

(in ₹)

| Equity Share Capital | Balance as at April 01, 2016 | Changes in equity share capital during the year | Balance as at March 31, 2017 | Changes in equity share capital during the year | Balance as at March 31, 2018 |
|---|------------------------------|---|------------------------------|---|------------------------------|
| Paid up Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid-up) | 16,42,59,430 | - | 16,42,59,430 | 4,90,00,000 | 21,32,59,430 |

OTHER EQUITY

(in ₹)

| Particulars | Other equity | | | | | Total other equity |
|-----------------------------------|--|--|---|--|---|--------------------|
| | Securities premium reserve [refer note 15(B)(b)] | Capital redemption reserve [refer note 15(B)(a)] | Retained earnings [refer note 15(B)(d)] | Items of Other Comprehensive Income [refer note 30(b)] | Cash Flow Hedging Reserve [refer note 15(B)(c)] | |
| As at April 1, 2016 | 26,74,18,430 | 10,00,09,200 | 33,09,08,271 | - | 55,10,616 | 70,38,46,517 |
| Profit for the year | - | - | 14,44,58,182 | - | - | 14,44,58,182 |
| Other comprehensive income | - | - | - | 4,36,695 | - | 4,36,695 |
| Others | - | - | - | - | (66,66,466) | (66,66,466) |
| Total comprehensive income | - | - | 14,44,58,182 | 4,36,695 | (66,66,466) | 13,82,28,411 |
| Payment of dividend | - | - | - | - | - | - |
| As at March 31, 2017 | 26,74,18,430 | 10,00,09,200 | 47,53,66,453 | 4,36,695 | (11,55,850) | 84,20,74,928 |
| Profit for the year | - | - | 18,39,72,941 | - | - | 18,39,72,941 |
| Other comprehensive income | - | - | - | 10,34,451 | - | 10,34,451 |
| Issue of Equity Shares | 47,53,00,000 | - | - | - | - | 47,53,00,000 |
| Others | - | - | - | - | 11,09,373 | 11,09,373 |
| Total comprehensive income | 47,53,00,000 | - | 18,39,72,941 | 10,34,451 | 11,09,373 | 66,14,16,765 |
| Payment of Dividend | - | - | 1,64,25,943 | - | - | 1,64,25,943 |
| As at March 31, 2018 | 74,27,18,430 | 10,00,09,200 | 64,29,13,452 | 14,71,146 | (46,477) | 1,48,70,65,751 |

The accompanying notes are an integral part of the financial statements

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

Vikas L Bajaj
Partner
M.No. 104982

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra
Chairman & Managing DirectorMr. Radhe Shyam
DirectorPlace : Mumbai
Date : May 28, 2018Place : Mumbai
Date : May 28, 2018

Notes forming part of the financial statements

1 Corporate information

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

Authorisation of Financial Statements: The financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2018.

2.1 Basis of accounting and preparation of financial statements

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

These financial statements for the year ended March 31, 2018 are the first financials with comparatives, prepared under IND AS. For all previous periods including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under the Companies (Accounting Standard) Rule 2006 (as amended) and relevant provisions of the act (hereinafter referred to as “Previous GAAP”) used for its statutory reporting requirement in India.

The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments). The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non current as per the Company’s normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Summary of significant accounting policies:

2.2 Use of estimates

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

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

2.3 Fair Value Remeasurements:

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

2.4 Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.5 Property, Plant and Equipment

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



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

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

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

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

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

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

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

2.6 Intangible Assets

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

2.7 Depreciation and Amortisation

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

2.8 Investments

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

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

Investments in Subsidiaries

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

2.9 Leases

Operating Lease:

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

2.10 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories have been computed to include all cost of purchase, and other cost incurred in bringing the goods to the present location and condition.

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

2.11 Cash & Cash Equivalents

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

2.12 Income Tax

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

Current Tax

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

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

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

Deferred tax

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

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

Deferred tax assets and liabilities are offset only if:

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

2.13 Financial Assets**(a) Initial recognition and measurement**

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

(b) Subsequent measurement

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



(i) Debt Instruments

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

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

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

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

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

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

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

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

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

(ii) Equity Instruments

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

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

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

(c) Derecognition

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

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

Impairment of financial assets

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

Income Recognition

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

2.14 Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

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

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

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

(ii) Financial Liabilities measured at amortised cost

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

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

Derecognition

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

2.15 Offsetting of financial instruments

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

2.16 Fair Value of Financial Instruments

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

Fair Value Hierarchy

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

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

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

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

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

2.18 Revenue recognition

(a) Sale of Goods



Timing of recognition

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

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

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

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

Measurement of revenue

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

(b) Other income

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

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

2.19 Foreign currency Translations

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and Balances

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

Monetary Items

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

Non - Monetary Items

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

2.20 Employee benefits

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

(a) Defined contribution plans

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

(b) Defined benefit plans

Defined Benefit Plan i.e. gratuity is recognised on accrual basis based on the actuarial valuation in accordance with the requirement of Ind AS 19.

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

(c) Privilege leave entitlements

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

2.21 Borrowing costs

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

2.22 Segment reporting

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

2.23 Earnings per share

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

2.24 Impairment of Non-financial assets

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

2.25 Provisions

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

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

2.26 Contingent Liabilities

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



Notes forming part of the financial statements

Note 3: Property, plant and equipment

| Particulars | Leasehold Land ₹ | Windmill - Owned ₹ | Plant and Machinery - Owned ₹ | Furniture and Fixtures ₹ | Motor Vehicle ₹ | Office Equipment | | Total ₹ |
|--|---------------------|-----------------------|----------------------------------|-----------------------------|--------------------|-------------------------------------|-------------|-------------|
| | | | | | | Computer & Computer Equipments ₹ | Others ₹ | |
| Gross Carrying amount | | | | | | | | |
| Deemed Cost as at April 1, 2016 | 6,08,273 | 1,98,52,916 | 18,01,903 | 1,36,181 | 72,69,068 | 3,80,492 | 5,42,203 | 3,05,91,036 |
| Additions | - | - | 39,468 | 1,45,175 | - | 2,51,533 | 3,75,390 | 8,11,566 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | 6,08,273 | 1,98,52,916 | 18,41,371 | 2,81,356 | 72,69,068 | 6,32,025 | 9,17,593 | 3,14,02,602 |
| Additions | - | - | - | - | - | 1,86,074 | 1,96,338 | 3,82,412 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 6,08,273 | 1,98,52,916 | 18,41,371 | 2,81,356 | 72,69,068 | 8,18,099 | 11,13,931 | 3,17,85,014 |
| Accumulated Depreciation | | | | | | | | |
| As at April 1, 2016 | - | - | - | - | - | - | - | - |
| Depreciation for the year | 1,04,417 | 23,06,281 | 2,06,465 | 66,454 | 23,40,976 | 2,83,194 | 3,35,859 | 56,43,646 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | 1,04,417 | 23,06,281 | 2,06,465 | 66,454 | 23,40,976 | 2,83,194 | 3,35,859 | 56,43,646 |
| Depreciation for the year | 50,386 | 20,38,357 | 1,84,627 | 55,449 | 15,55,702 | 2,06,729 | 3,08,301 | 43,99,551 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 1,54,803 | 43,44,638 | 3,91,092 | 1,21,903 | 38,96,678 | 4,89,923 | 6,44,160 | 1,00,43,197 |
| Net book value: | | | | | | | | |
| As at April 1, 2016 | 6,08,273 | 1,98,52,916 | 18,01,903 | 1,36,181 | 72,69,068 | 3,80,492 | 5,42,203 | 3,05,91,036 |
| As at March 31, 2017 | 5,03,856 | 1,75,46,635 | 16,34,906 | 2,14,903 | 49,28,092 | 3,48,831 | 5,81,734 | 2,57,58,956 |
| As at March 31, 2018 | 4,53,470 | 1,55,08,278 | 14,50,279 | 1,59,453 | 33,72,390 | 3,28,176 | 4,69,771 | 2,17,41,817 |

Note:

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 17.
- (ii) For Property, Plant and Equipment existing as on the date of transition to the IND AS, the company has used Indian GAAP carrying value as the deemed cost.
- (iii) All Property, Plant and equipment are held in the name of the Company.

Notes forming part of the financial statements

Note 4 Intangible Asset

| Particulars | Computer Software ₹ | Total ₹ |
|--|------------------------|-----------------|
| Gross carrying amount | | |
| Deemed Cost as at April 1, 2016 | 2,39,809 | 2,39,809 |
| Additions | 6,14,594 | 6,14,594 |
| Disposals | - | - |
| As at March 31, 2017 | 8,54,403 | 8,54,403 |
| Additions | 73,080 | 73,080 |
| Disposals | - | - |
| As at March 31, 2018 | 9,27,483 | 9,27,483 |
| Accumulated Depreciation | | |
| As at April 1, 2016 | - | - |
| Depreciation for the year | 3,07,143 | 3,07,143 |
| Disposals | - | - |
| As at March 31, 2017 | 3,07,143 | 3,07,143 |
| Depreciation for the year | 3,31,650 | 3,31,650 |
| Disposals | - | - |
| As at March 31, 2018 | 6,38,793 | 6,38,793 |
| Net book value: | | |
| As at April 1, 2016 | 2,39,809 | 2,39,809 |
| As at March 31, 2017 | 5,47,260 | 5,47,260 |
| As at March 31, 2018 | 2,88,689 | 2,88,689 |

Note 5: Investments

| Particulars | Face Value | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|--|------------|------------------------------|------------------------------|-----------------------------|
| Investments (At cost): | | | | |
| A. Unquoted equity Shares Non-Trade | | | | |
| Investment in subsidiaries | | | | |
| (a) 50 (March 31, 2017 : 50, April 01, 2016: 50) equity shares in Sakuma Exim DMCC, UAE | 1000 AED | 7,00,581 | 7,00,581 | 7,00,581 |
| (b) Nil (March 31, 2017 : Nil, April 01, 2016: 147) equity shares in GKM General Trading LLC, UAE [Refer Note (i)] | 1000 AED | - | - | 4,30,877 |
| (c) 165000 (March 31, 2017 : 165000, April 01, 2016 : 165000) equity shares in Sakuma Exports Pte Limited, Singapore | 1 USD | 95,92,244 | 95,92,244 | 95,92,244 |
| Total - Unquoted Non Trade Investments(A) | | 1,02,92,825 | 1,02,92,825 | 1,07,23,702 |
| B. Investment in Others | | | | |
| (a) Investment in government securities - NSC | | - | - | 16,100 |
| (b) Investment in Gold Bond | | 2,60,000 | 2,60,000 | 2,60,000 |
| Total - Other investments (B) | | 2,60,000 | 2,60,000 | 2,76,100 |
| Aggregate value of Investments (A) + (B) | | 1,05,52,825 | 1,05,52,825 | 1,09,99,802 |

Note:

- (i) The company has wound up the subsidiary company, GKM General Trading LLC, Dubai post the approval of accounts in FY 2016-2017 and accordingly investments were repatriated on the basis of liquidation application filed with appropriate authorities.

**Notes forming part of the financial statements****Note 6 Other Financial Assets - Non Current**

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|--|------------------------------|------------------------------|-----------------------------|
| Unsecured, considered good | | | |
| Security deposits (Receivable from Related Party - Refer note 34) | 59,25,772 | 52,58,821 | 84,78,407 |
| Total | 59,25,772 | 52,58,821 | 84,78,407 |

Note:**(i) Leasing Arrangements****Operating Lease:**

The Company has entered a lease agreement, resulting in a non-cancellable operating lease. There is no restriction placed upon the Company by entering these leases. The lease term is of five years.

Lease rental on the said lease of ₹ 65.36 Lacs (March 31, 2017 ₹72.37 Lacs) has been charged to Statement of Profit and Loss.

Future minimum rentals payable under non-cancellable operating leases as at March 31, 2018 are, as follows:

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Not later than one year | 63,00,000 | 63,00,000 | 30,75,000 |
| Later than one year but not more than five years | 1,57,50,000 | 2,20,50,000 | - |
| Later than five years | - | - | - |

Note 7 Other Non - Current Assets

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|--|------------------------------|------------------------------|-----------------------------|
| Unsecured considered doubtful | - | - | - |
| Advance receivable in kind or for value to be received | 98,19,138 | 3,10,592 | 2,18,33,199 |
| Less: Provision for doubtful balances | (51,47,440) | - | (37,22,987) |
| Total | 46,71,698 | 3,10,592 | 1,81,10,212 |

Note 8 Inventories

(At lower of cost or net realisable value)

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|----------------------|------------------------------|------------------------------|-----------------------------|
| (a) Stock-in-trade | 74,97,52,606 | 92,30,39,751 | 61,92,47,691 |
| (b) Stock-in-transit | 62,82,25,000 | - | - |
| Total | 1,37,79,77,606 | 92,30,39,751 | 61,92,47,691 |

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

Notes forming part of the financial statements

Note 9 Trade Receivables

| Particulars | As at | As at | As at |
|---|-----------------------|-----------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Secured, considered good [Refer Note (i)] | 1,30,45,781 | - | - |
| Unsecured considered good | 1,54,78,64,747 | 3,78,67,06,191 | 2,62,65,29,340 |
| Doubtful | 58,51,090 | 2,65,726 | 9,10,300 |
| Total Receivables | 1,56,67,61,618 | 3,78,69,71,917 | 2,62,74,39,640 |
| Less : Allowance for doubtful debts | (58,51,090) | (2,65,726) | (9,10,300) |
| Total | 1,56,09,10,528 | 3,78,67,06,191 | 2,62,65,29,340 |
| Current Portion | 1,56,09,10,528 | 3,78,67,06,191 | 2,62,65,29,340 |
| Non-Current Portion | - | - | - |

Notes:

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

Note 10 Cash And Cash Equivalents

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Cash in hand | 9,11,069 | 4,61,586 | 4,55,891 |
| (b) Balances with banks | | | |
| - In current accounts | 5,92,42,040 | 56,04,435 | 5,00,59,354 |
| - In EEFC accounts | - | 304 | 1,837 |
| (c) Other Bank Balances | | | |
| - Unclaimed dividend accounts [Refer Note (i)] | 8,88,790 | 8,70,389 | 58,76,465 |
| - Unclaimed Preference Shareholders Accounts [Refer Note (i)] | - | 4,27,504 | 4,27,504 |
| - Balance with banks held as margin money deposits against guarantee | 24,86,42,745 | 26,39,07,182 | 30,47,94,515 |
| Total | 30,96,84,644 | 27,12,71,400 | 36,16,15,566 |

Notes:

- (i) The balances with banks are available only towards settlement of corresponding unclaimed liabilities.

Note 11 Loans, Advances and Deposits

| Particulars | As at | As at | As at |
|------------------------------|------------------|------------------|------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Loans, Advances and Deposits | | | |
| (a) Security deposits | | | |
| Unsecured, considered good | 15,79,866 | 23,66,870 | 31,43,936 |
| (b) Loans to employees | | | |
| Unsecured, considered good | 58,36,354 | 52,48,105 | 23,33,165 |
| Total | 74,16,220 | 76,14,975 | 54,77,101 |

**Notes forming part of the financial statements****Note 12 Other Financial Assets**

| Particulars | As at | As at | As at |
|--------------------------------------|--------------------|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Accruals | | | |
| - Interest accrued on Fixed deposits | 1,30,427 | 7,55,027 | 5,08,190 |
| (b) Claims Receivable | 2,45,26,507 | 2,01,94,712 | 39,25,343 |
| (c) Others | | | |
| - Derivative Instrument | (46,477) | (8,03,650) | 80,37,387 |
| Total | 2,46,10,457 | 2,01,46,089 | 1,24,70,920 |

Note 13 Other Current Assets

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Unsecured, considered good | | | |
| (a) Advance recoverable in cash or kind | 47,06,43,938 | 23,03,13,168 | 79,60,65,050 |
| (b) Prepaid expenses | 1,31,64,031 | 1,53,37,110 | 22,57,790 |
| (c) Advance to Employees | 2,13,232 | 9,12,154 | 3,46,473 |
| (d) Balances with government authorities - | | | |
| - Export Incentives Receivable | 26,82,484 | 19,36,664 | 77,80,613 |
| - Input credit receivable | 94,54,154 | 44,37,268 | 16,98,608 |
| - Service Tax & VAT Refund receivable | 16,98,906 | 49,98,040 | 1,22,40,081 |
| | 1,38,35,544 | 1,13,71,972 | 2,17,19,302 |
| Total | 49,78,56,745 | 25,79,34,404 | 82,03,88,615 |

Note 14 Equity Share Capital**(a) Equity Share Capital**

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|----------------------|--------------|----------------------|--------------|---------------------|--------------|
| | Number of shares | ₹ | Number of shares | ₹ | Number of shares | ₹ |
| Authorised Share Capital | | | | | | |
| 4,00,00,000 shares (3,00,00,000 shares) of ₹ 10 each | 4,00,00,000 | 40,00,00,000 | 3,00,00,000 | 30,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| | 4,00,00,000 | 40,00,00,000 | 3,00,00,000 | 30,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| Issued, Subscribed and Fully paid up Share Capital | | | | | | |
| 2,13,25,943 shares (1,64,25,943 shares) of ₹ 10 each | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |

Notes forming part of the financial statements

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

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|----------------------|--------------|----------------------|--------------|---------------------|--------------|
| | Number of shares | ₹ | Number of shares | ₹ | Number of shares | ₹ |
| Outstanding at the beginning of the year | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| Issued during the year | 49,00,000 | 4,90,00,000 | - | - | - | - |
| Outstanding at the end of the year | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |

Notes:

(i) During the year, the company has made preferential allotment of 49,00,000 shares (face value of ₹ 10 per share) at a premium of ₹ 97 per share as per the special resolution passed by the members at the Extra Ordinary General Meeting dated September 26, 2017.

(ii) Terms/Rights attached to Equity Shares

(iia) 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 except in case of Interim Dividend.

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

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

| Class of shares / Name of shareholder | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | | | |
| Mrs. Kusum Chander Mohan Malhotra | 31,10,000 | 14.58% | 31,10,000 | 18.93% | 31,10,000 | 18.93% |
| Mr. Saurabh Malhotra | 32,28,341 | 15.14% | 32,28,341 | 19.65% | 32,20,000 | 19.60% |
| Mr. Chandermohan Malhotra | 15,33,119 | 7.19% | 15,33,119 | 9.33% | 14,74,959 | 8.98% |
| M/s Sakuma Infrastructure and Realty Pvt Ltd | 26,67,245 | 12.51% | 26,67,245 | 16.24% | 26,67,245 | 16.24% |
| AL Malaki Foodstuff Trading LLC | 14,30,000 | 6.71% | - | 0.00% | - | 0.00% |
| R&R Foodstuff Trading LLC | 13,75,000 | 6.45% | - | 0.00% | - | 0.00% |

(iv) 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**

- (v) The company has not issued any equity shares as bonus for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2018.

Note 15 Other Equity**A. Summary of Other Equity Balance**

| Particulars | As at | As at | As at |
|--------------------------------|-----------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Capital redemption reserve | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | 74,27,18,430 | 26,74,18,430 | 26,74,18,430 |
| (c) Cash Flow Hedging reserve | (46,477) | (11,55,850) | 55,10,616 |
| (d) Retained Earnings | 64,43,84,598 | 47,58,03,148 | 33,09,08,271 |
| Total | 1,48,70,65,751 | 84,20,74,928 | 70,38,46,517 |

B. Other Equity Balance Details

| Particulars | As at | As at | As at |
|--|-----------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Capital redemption reserve | | | |
| Opening balance | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| Closing balance | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | | | |
| Opening balance | 26,74,18,430 | 26,74,18,430 | 26,74,18,430 |
| Add: During the period [Refer note 14(i)] | 47,53,00,000 | - | - |
| Closing balance | 74,27,18,430 | 26,74,18,430 | 26,74,18,430 |
| (c) Cash Flow Hedging reserve | | | |
| Opening balance | (11,55,850) | 55,10,616 | 53,94,554 |
| Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year | 11,09,373 | (66,66,466) | 1,16,062 |
| Closing balance | (46,477) | (11,55,850) | 55,10,616 |
| (d) Retained Earnings | | | |
| Opening balance | 47,58,03,148 | 33,09,08,271 | 23,47,93,613 |
| Add: Profit / (Loss) for the year | 18,50,07,392 | 14,48,94,877 | 11,29,16,851 |
| Dividend distributed to equity shareholders (₹1 per share) | (1,64,25,943) | - | (1,64,25,943) |
| Tax on Interim dividend | - | - | (3,76,250) |
| Closing balance | 64,43,84,598 | 47,58,03,148 | 33,09,08,271 |
| Total (a to d) | 1,48,70,65,751 | 84,20,74,928 | 70,38,46,517 |

Notes forming part of the financial statements

Note:

(i) Cash Dividends paid on equity shares declared and paid (in ₹)

| | As at March 31, 2018 | As at March 31, 2017 |
|--|-------------------------|-------------------------|
| Final dividend for the year ended March 31, 2017 (₹ 1 per share) | 1,64,25,943 | - |
| | 1,64,25,943 | - |

(ii) Proposed dividend on Equity Shares (in ₹)

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|---|-------------------------|-------------------------|------------------------|
| Final Cash dividend for the year ended on March 31, 2018: ₹ 1 per share (March 31, 2017: ₹ 1 per share, April 01, 2016: ₹ Nil) | 2,13,25,943 | 1,64,25,943 | - |
| | 2,13,25,943 | 1,64,25,943 | - |

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

Note 16 Provisions

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|--|------------------------------|------------------------------|-----------------------------|
| (a) Provisions | | | |
| - Provision for Gratuity (Refer note 35) | 20,87,475 | 13,74,944 | 8,67,765 |
| Total | 20,87,475 | 13,74,944 | 8,67,765 |

Note 17 Borrowings

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|---|------------------------------|------------------------------|-----------------------------|
| Loans repayable on demand | | | |
| (a) Secured | | | |
| Indian Currency Loans from Banks: | | | |
| - Cash Credit : Corporation Bank | 26,95,53,374 | 47,43,50,000 | 4,50,22,934 |
| - Cash Credit : Axis Bank | 4,69,75,735 | 2,67,51,936 | 1,26,90,529 |
| - Cash Credit : Union Bank of India | 5,24,01,342 | 24,99,60,311 | 28,94,42,365 |
| - Packing Credit Rupees Loan : Corporation Bank | - | 15,00,00,000 | 50,00,00,000 |
| - Packing Credit Rupees Loan : Axis Bank | - | - | 20,50,00,000 |
| - Packing Credit Rupees Loan : Union Bank of India | - | - | 13,30,00,000 |
| - Packing Credit Rupees Loan : RBL Bank | - | 3,72,21,065 | 5,00,00,000 |
| - Packing Credit Rupees Loan : Indian Overseas Bank | - | - | 8,00,00,000 |
| Foreign Currency Loans from Banks: | | | |
| - Packing Credit Foreign Currency : Axis Bank | - | 25,42,81,250 | - |
| | 36,89,30,451 | 1,19,25,64,563 | 1,31,51,55,828 |
| (b) Unsecured | | | |
| - Inter Corporate Deposits | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| Total | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |

**Notes forming part of the financial statements****Note:**

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

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

- (i) Cash Credit facility for Corporation Bank is repayable on demand and carries interest at Maximum Cost of Lending Rate (MCLR) of the bank + 5.50 %p.a. Packing credit Loan is repayable within a maximum period upto 270 days and carries interest rate Maximum Cost of Lending Rate (MCLR) of the bank + 0.60% p.a upto the period of Credit.
- (ii) Cash Credit for Axis Bank is repayable on demand and carries interest as Axis Bank Base Rate + 2% p.a. Packing credit Loan is repayable within period up to 120 days and carries interest rate prevailing on the date of withdrawals.
- (iii) Packing Credit facility from Indian Overseas Bank are repayable within period up to 120 days and carries interest rate as per the circular in force on the date of withdrawals.
- (iv) Packing Credit from Union Bank of India are repayable depending upon the contract and carries interest rate prevailing on the date of withdrawals. Cash Credit carries interest at Maximum Cost of Lending Rate (MCLR) of the bank + 3.40% p.a.
- (v) The company has availed packing credit rupee loan against enhanced limit at rate of interest as per the rates prevailing on date of withdrawals for the RBL Bank.
- (vi) Unsecured Short Term Borrowings of the company are repayable on demand and carrying interest rate @ 10% p.a.

Note 18 Trade Payables

| Particulars | As at | As at | As at |
|--|-----------------------|-----------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Due to Micro Small and Medium Enterprises | - | - | - |
| (b) For Goods (Other than Micro, small and Medium Enterprises) | | | |
| - From Related Parties | - | 29,46,65,992 | - |
| - From Others | 1,11,88,01,163 | 1,95,10,07,748 | 1,40,09,38,621 |
| (c) For Others | 8,68,91,238 | 5,90,60,557 | 8,02,76,683 |
| Total | 1,20,56,92,401 | 2,30,47,34,297 | 1,48,12,15,304 |

- (i) The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSMED Act.
- (ii) Trade payables are non-interest bearing and normally settled within 120 days.

Note 19 Other financial liabilities

| Particulars | As at | As at | As at |
|------------------------------|--------------------|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Financial Liabilities | | | |
| - Book overdraft : Axis Bank | - | - | 76,39,441 |
| - Unclaimed dividends | 8,89,616 | 12,99,757 | 63,05,668 |
| - Other Liabilities | 5,92,920 | - | - |
| (b) Claims Payable | 6,95,12,520 | 6,95,12,520 | 7,81,34,916 |
| Total | 7,09,95,056 | 7,08,12,277 | 9,20,80,025 |

Notes forming part of the financial statements

Note 20 Other Current Liabilities

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes etc.) | 21,65,348 | 37,57,976 | 75,26,745 |
| (b) Advances from customers | 34,53,41,666 | 53,68,08,741 | 66,19,67,262 |
| (c) Unrealised Gain/Loss on Derivative Instruments | 11,558 | - | - |
| Total | 34,75,18,573 | 54,05,66,717 | 66,94,94,007 |

Note 21 Current Provisions

| Particulars | As at | As at | As at |
|---|--------------------|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Provision for employee benefits: | | | |
| - Provision for bonus | 5,30,000 | 7,46,800 | 7,46,795 |
| - Provision for compensated absences | 2,07,800 | 2,10,801 | 1,28,107 |
| | 7,37,800 | 9,57,601 | 8,74,902 |
| (b) Provision - Others: | | | |
| - Provision - for Taxation (Net of Advance Tax) | 2,00,34,603 | 9,60,021 | - |
| - Provision - others | 1,34,95,512 | 7,27,16,864 | 3,69,43,323 |
| | 3,35,30,115 | 7,36,76,885 | 3,69,43,323 |
| Total | 3,42,67,915 | 7,46,34,486 | 3,78,18,225 |

Note 22 Revenue From Operations

| Particulars | For the year ended | For the year ended |
|--|------------------------|------------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| (a) Sale of Traded Goods (Refer Note (i) below) | 21,82,19,78,017 | 20,16,45,59,661 |
| (b) Other operating revenues (Refer Note (ii) below) | 4,20,28,994 | 42,63,493 |
| Total | 21,86,40,07,010 | 20,16,88,23,154 |

| Note | Particulars | For the year ended | For the year ended |
|------|---|------------------------|------------------------|
| | | March 31, 2018 | March 31, 2017 |
| | | ₹ | ₹ |
| (i) | Traded goods | | |
| | Sugar | 6,74,47,23,715 | 8,71,13,37,636 |
| | Oil | 12,61,35,64,174 | 9,91,87,41,974 |
| | Other commodities | 2,46,36,90,128 | 1,53,44,80,051 |
| | Total - Sale of Products | 21,82,19,78,017 | 20,16,45,59,661 |
| (ii) | Other operating revenues comprise: | | |
| | Government Grant / Incentives | 18,97,995 | 42,63,493 |
| | Other revenues | 4,01,30,999 | - |
| | Total - Other operating revenues | 4,20,28,994 | 42,63,493 |



Notes forming part of the financial statements

Note 23 Other Income

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| (a) Interest Income [Refer Note (i) below] | 1,47,15,137 | 3,74,98,899 |
| (b) Dividend income: | | |
| - From Subsidiaries | 1,78,12,200 | - |
| - Current Investments | 71,812 | 46,31,609 |
| (c) Net gain on sale of Investments: | | |
| - From Subsidiaries | - | 9,03,323 |
| - Other Investments | 7,98,825 | 74,62,698 |
| (d) Net gain on foreign currency transactions and translation | 2,76,71,711 | 1,79,12,522 |
| (e) Mark-to-market gain on forward contracts | 2,08,90,141 | 2,99,20,924 |
| (f) Other non-operating income (net of expenses directly attributable to such income) | 4,27,27,522 | 1,96,33,808 |
| Total | 12,46,87,348 | 11,79,63,783 |

| Note | Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|------|---------------------------------|---|---|
| (i) | Interest income comprises: | | |
| | Interest from banks on Deposits | 1,34,94,924 | 2,62,27,715 |
| | Other interest | 12,20,213 | 1,12,71,184 |
| | Total - Interest income | 1,47,15,137 | 3,74,98,899 |

Note 24 Purchase Of Traded Goods

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|-------------------|---|---|
| Sugar | 6,22,18,53,738 | 7,91,32,31,742 |
| Oil | 11,93,39,57,470 | 10,35,67,03,857 |
| Other Commodities | 2,41,07,76,189 | 1,50,97,83,201 |
| Total | 20,56,65,87,397 | 19,77,97,18,800 |

Notes forming part of the financial statements

Note 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| Inventories at the end of the year: | | |
| Stock-in-trade | 1,37,79,77,606 | 92,30,39,751 |
| | 1,37,79,77,606 | 92,30,39,751 |
| Inventories at the beginning of the year: | | |
| Stock-in-trade | 92,30,39,751 | 61,92,47,692 |
| | 92,30,39,751 | 61,92,47,692 |
| Net (increase) / decrease | (45,49,37,854) | (30,37,92,059) |

Details of Closing Inventories

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|----------------------------------|---|---|
| Sugar | 5,11,43,650 | 32,07,20,825 |
| Oil | 1,05,48,43,120 | 56,73,29,664 |
| Other Commodities | 27,19,90,836 | 3,49,89,262 |
| Total closing inventories | 1,37,79,77,606 | 92,30,39,751 |

Note 26 Employee Benefits Expenses

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Salaries, Wages and Bonus | 3,92,14,507 | 3,45,46,554 |
| Directors Remuneration | 72,00,000 | 1,44,00,000 |
| Contributions to provident and other funds [Refer Note 35] | 9,36,515 | 5,78,295 |
| Gratuity Expenses [Refer Note 35] | 17,46,982 | 9,43,874 |
| Staff welfare expenses | 16,45,004 | 20,60,912 |
| Total | 5,07,43,008 | 5,25,29,635 |

Note 27 Finance Costs

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---------------------------|---|---|
| (a) Interest expense on: | | |
| - Borrowings | 7,76,18,779 | 9,97,19,620 |
| (b) Other finance charges | 1,42,37,404 | 1,26,68,831 |
| Total | 9,18,56,183 | 11,23,88,451 |

Note 28 Depreciation and amortization expense

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Depreciation of tangible assets [Refer note 3] | 43,99,551 | 56,43,646 |
| Amortization of intangible assets [Refer note 4] | 3,31,650 | 3,07,143 |
| Total | 47,31,201 | 59,50,789 |



Notes forming part of the financial statements

Note 29 Other Expenses

| Particulars | For the year ended | For the year ended |
|---|-----------------------|---------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Bank Charges | 33,12,125 | 30,96,368 |
| Power and fuel | 6,59,995 | 8,57,568 |
| Rent including lease rentals | 75,31,429 | 80,70,830 |
| Repairs and maintenance - Buildings | 5,28,189 | 5,38,795 |
| Repairs and maintenance - Machinery | 23,41,370 | 19,96,032 |
| Repairs and maintenance - Others | 1,84,148 | 89,037 |
| Insurance | 75,86,163 | 92,79,738 |
| Rates and taxes | 22,29,124 | 9,08,299 |
| Communication | 18,11,432 | 19,79,175 |
| Travelling and conveyance | 63,14,393 | 88,25,322 |
| Printing and stationery | - | 4,75,228 |
| Custom Duty | 1,14,87,05,138 | - |
| Excise Duty | - | 69,95,709 |
| Freight and forwarding | 5,31,34,902 | 15,30,38,617 |
| Sales commission | - | 1,26,67,534 |
| Business promotion | 26,73,300 | 15,56,454 |
| Legal and professional | 1,93,61,568 | 1,48,48,759 |
| Payments to auditors [Refer Note (i) below] | 11,00,000 | 8,49,176 |
| Prior Period Expense [Refer Note (ii) below] | - | 55,335 |
| Labour Charges | - | 2,10,342 |
| Loading and Unloading Charges | - | 55,64,043 |
| Terminal and Handling Charges | 1,33,12,038 | 68,94,580 |
| Other Clearing Charges | 3,10,91,797 | - |
| Transport Charges | 6,93,28,289 | 5,74,02,506 |
| Warehouse Charges | 4,59,03,325 | 4,69,49,159 |
| Demurrage & Detention Charges | 63,11,454 | 27,05,854 |
| Brokerage on trading in Commodities & Securities Exchange | 94,26,074 | 80,14,474 |
| ECGC Premium | 22,83,374 | 40,81,553 |
| Lodging & Boarding | 24,26,487 | 23,65,830 |
| Corporate Social Responsibility Expenses [Refer Note (iii) below] | 60,00,000 | - |
| Directors Sitting Fees | 13,75,000 | 8,00,000 |
| Bad trade and other receivables, loans and advances written off | 70,09,816 | - |
| Miscellaneous Expenses | 49,59,043 | 1,33,24,556 |
| Loss on Commodities derivative Trading | - | 4,53,23,156 |
| Total | 1,45,68,99,972 | 41,97,64,027 |

Notes forming part of the financial statements

Notes:

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| (i) Payments to the auditors comprises (net off taxes, wherever applicable): | | |
| Audit Fees | 7,00,000 | 5,75,000 |
| Tax Audit Fees | 1,50,000 | 1,15,000 |
| Other Matters | 2,50,000 | 1,59,176 |
| | 11,00,000 | 8,49,176 |
| (ii) Prior Period Expenses | | |
| Office expense | - | 55,335 |
| | - | 55,335 |
| (iii) Details of Corporate Social Responsibility(CSR) Expenditure: | | |
| (iiia) Gross amount required to be spent | | |
| For current year | 35,95,283 | 28,19,365 |
| For previous years | 65,36,233 | 37,16,868 |
| Total Amount to be spent | 1,01,31,516 | 65,36,233 |
| (iiib) Amount Spent in Current Year | | |
| Educational Institution | (60,00,000) | - |
| (iiic) Amount Yet to be Spent | 41,31,516 | 65,36,233 |

Note 30 Tax Expense

(a) Amounts recognised in Statement of profit or loss

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Current Tax Provision | 8,87,50,000 | 7,50,00,000 |
| Tax Expenses relating to previous year | 3,09,576 | 15,97,176 |
| Deferred Tax Expenses | (2,18,066) | (8,28,064) |
| Total | 8,88,41,510 | 7,57,69,112 |

(b) Amounts recognised in Other Comprehensive Income

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| Items that will not be reclassified to profit or loss | | |
| Remeasurements of the defined benefit plans | 10,34,451 | 4,36,695 |
| Total | 10,34,451 | 4,36,695 |



Notes forming part of the financial statements

(c) Reconciliation of Effective Tax Rate

| Particulars | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Profit before Tax | 27,28,14,452 | 22,02,27,294 |
| Tax using domestic tax rate [Current Year: 34.608% (Previous year: 34.608%)] | 9,44,15,625 | 7,62,16,262 |
| Tax effect of: | | |
| Tax effect on deductible tax expenses | | |
| Expenses not deductible for tax purpose | 12,45,925 | 13,93,382 |
| Income Exempt from Income Tax | (24,853) | (16,02,907) |
| Income Tax Incentives | (13,24,174) | (14,73,576) |
| Deductions under various sections of Income Tax Act | (32,20,452) | (13,07,126) |
| Others | (20,32,496) | 33,71,142 |
| Tax Expense as per Statement of Profit and Loss Account | 8,90,59,575 | 7,65,97,176 |
| Effective Tax Rate | 32.64% | 34.78% |

(d) Movement in Deferred Tax balances

(in ₹)

| Particulars | Net Balance as at | Credit / (Charge) | Net Balance as at |
|---|-------------------|-------------------|-------------------|
| | April 01, 2017 | | |
| | | in Statement of | |
| | | Profit or Loss | |
| Property Plant and Equipment | 38,83,334 | (2,18,066) | 36,65,268 |
| Deferred Tax (Asset) / Liabilities | 38,83,334 | (2,18,066) | 36,65,268 |
| | | | |
| Particulars | Net Balance as at | Credit / (Charge) | Net Balance as at |
| | April 01, 2016 | | |
| | | in Statement of | |
| | | Profit or Loss | |
| Property Plant and Equipment | 47,11,398 | (8,28,064) | 38,83,334 |
| Deferred Tax (Asset) / Liabilities | 47,11,398 | (8,28,064) | 38,83,334 |

Note 31 Earning Per Share

The following reflects the income and share data used in the basic and diluted EPS Computations

| Note | Particulars | For the year ended | For the year ended |
|------|--|--------------------|--------------------|
| | | March 31, 2018 | March 31, 2017 |
| | | ₹ | ₹ |
| 31 | Earning Per Share | | |
| | Basic & Diluted | | |
| | Net profit / (loss) for the year | 185,007,392 | 144,894,877 |
| | Less: Dividend and tax thereon | - | - |
| | Net profit / (loss) for the year attributable to the equity shareholders | 185,007,392 | 144,894,877 |
| | Total Number of Shares outstanding | 21,325,943 | 16,425,943 |
| | Weighted average number of equity shares outstanding | 18,694,667 | 16,425,943 |
| | Face value per share | 10 | 10 |
| | Basic Earning Per Share | 9.90 | 8.82 |
| | Diluted Earning Per Share | 9.90 | 8.82 |

Notes forming part of the financial statements

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

(in ₹)

| Particulars | As at | As at | As at |
|--|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 01, 2016 |
| (i) Contingent liabilities | | | |
| Direct and indirect taxation matters | | | |
| Income tax | 2,13,014 | 11,05,897 | 11,08,864 |
| Sales tax | 59,300 | 59,300 | - |
| Claims against the Company not acknowledged as debts | 1,15,80,657 | 1,15,80,657 | 1,15,80,657 |
| (ii) Commitments | | | |
| Particulars | As at | As at | As at |
| | March 31, 2018 | March 31, 2017 | April 01, 2016 |
| Uncalled Liability | | | |
| Share Subscription Money Payable for GKM General Trading LLC | - | - | AED 1,17,600 |
| Share Subscription Money Payable for Sakuma Exim DMCC | - | AED 55 | AED 55 |

Note 33 Segment Reporting

The company and its Chief Operating Decision Maker (CODM) reviews agro business as the only segment and takes decision based on the demand and supply in agro business. Thus, as per IND AS 108, the business activities falls within a single primary segment i.e. trading in Agri Products and accordingly segment reporting is not applicable.

Note 34 Related party Disclosures

The related parties as per the terms of IND AS - 24, "Related Party Disclosures". Specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2015) are disclosed below -

| Note | Particulars | | |
|------|--|--------------------------------|--|
| | Names of Related parties and description of the relationship | Names of related parties | |
| (i) | Related Parties where Control exists | Subsidiaries | Sakuma Exim DMCC (UAE) GKM General Trading LLC (UAE) Sakuma Exports Pte Ltd (Singapore) |
| | | Step Down Subsidiaries | Sakuma Exports (Ghana) Ltd (Subsidiary of Sakuma Exports Pte Ltd) Sakuma Exports (Tanzania) Private Ltd (Subsidiary of Sakuma Exports Pte Ltd) |
| | | Key Management Personnel (KMP) | Late Mr. Chander Mohan Malhotra (upto May 4, 2017) Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director) Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) |
| | | Relatives of KMP | Mrs. Kusum Malhotra Mrs. Vanita Malhotra |

**Notes forming part of the financial statements**

| Note | Particulars | |
|------|---|--|
| | Names of Related parties and description of the relationship | Names of related parties |
| | Companies in which Directors, KMP or their relatives are interested | Sakuma Finvest Private Limited GMK System and Logistics Private Limited Sakuma Infrastructure and Realty Private Limited C.K.K Exports Private Limited Marwar Consultancy Private Limited Sukriti Trading LLP IT Sagar Coastal Transport Private Limited MS Port Terminal Private Limited |

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

| | |
|---|--|
| Subsidiaries | Sakuma Exim DMCC (UAE) |
| Key Management Personnel (KMP) | Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director) Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) |
| Relatives of KMP | Mrs. Kusum Malhotra |
| Companies in which Directors, KMP or their relatives are interested | Sakuma Infrastructure and Realty Private Limited |

(iii) Details of related party transactions during the year ended March 31, 2018

| Relationship | Transactions | For the year ended | For the year ended |
|---|-------------------------|--------------------|--------------------|
| | | March 31, 2018 | March 31, 2017 |
| | | ₹ | ₹ |
| Subsidiary | Purchase of Goods | - | 37,80,94,128 |
| Subsidiary | Dividend Income | 1,78,12,200 | - |
| Relatives of KMP | Interest Income | 1,13,382 | 1,40,482 |
| Companies in which Directors, KMP or their relatives are interested | | 5,53,569 | 6,85,885 |
| Key Management Personnel | Director's Sitting Fees | 10,60,000 | 6,00,000 |
| Relatives of KMP | | 3,15,000 | 2,00,000 |
| Relatives of KMP | Rent paid | 11,11,165 | 12,30,315 |
| Companies in which Directors, KMP or their relatives are interested | | 54,25,089 | 60,06,819 |
| Key Management Personnel | Director's Remuneration | 72,00,000 | 1,38,00,000 |
| Companies in which Directors, KMP or their relatives are interested | Loan given | 2,50,000 | 11,00,000 |

Notes forming part of the financial statements

| Relationship | Transactions | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|---|
| Companies in which Directors, KMP or their relatives are interested | Repayment of loan given | 2,50,000 | 11,00,000 |
| Companies in which Directors, KMP or their relatives are interested | Interest Income on Loan | 12,466 | 32,548 |
| Subsidiary | Repatriation of Capital from Subsidiary | - | 13,34,200 |

(iv) Details of balances outstanding as at March 31, 2018 of the Related Parties

| Relationship | Outstanding Balance | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 01, 2016 ₹ |
|---|---------------------------|------------------------------|------------------------------|------------------------------|
| Subsidiary | Trade Payable | - | 29,46,65,992 | - |
| Relatives of KMP | Other Financial Assets | 10,07,381 | 8,94,000 | 14,41,321 |
| Companies in which Directors, KMP or their relatives are interested | | 49,18,391 | 43,64,821 | 70,37,086 |
| Relatives of KMP | Prepaid Rent | 5,22,619 | 6,36,000 | 88,679 |
| Companies in which Directors, KMP or their relatives are interested | | 25,51,609 | 31,05,179 | 4,32,914 |
| Subsidiary | Other Current Liabilities | - | 26,76,955 | 26,76,955 |

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The company has not recorded any impairment of receivables relating to the amounts owned by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party exists.

The remuneration to the key management personnel does not include the provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

Managerial remuneration is computed as per the provisions of section 197 of the Companies Act, 2013.

Note 35 Post-retirements benefit plan

(i) Defined contribution plans

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

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| Contribution to Provident fund (Government) | 9,36,515 | 5,78,295 |

(in ₹)

(ii) Defined benefit plans

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

Gratuity

The Company has a defined benefit gratuity plan which is funded with an Insurance Company in the form of qualifying Insurance policy. The Company's defined benefit gratuity plan is a salary plan for employees which requires contributions to be made to a separate administrative fund.

**Notes forming part of the financial statements**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years of service gets a gratuity on separation @ 15 days of last drawn salary for each completed year of service rounded to nearest integer. The scheme is funded with an insurance Company in the form of qualifying insurance policy.

The Management have appointed PNB MetLife to manage its funds. The management aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

In case of death, while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the Company gratuity scheme administered by PNB MetLife through its gratuity funds.

The disclosure in respect of the defined Gratuity plan are given below:

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

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|---|------------------------------|------------------------------|
| Present Value of Funded obligation | 39,30,033 | 31,14,335 |
| Fair value of plan assets | 18,42,558 | 17,39,391 |
| Net Asset / (Liability) recognised | (20,87,475) | (13,74,944) |

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

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|---|------------------------------|------------------------------|
| Opening Defined Benefit Obligation | 31,14,335 | 24,16,009 |
| Service cost for the year | 9,10,342 | 7,45,869 |
| Past service cost | 7,30,769 | - |
| Interest cost for the year | 2,39,804 | 1,73,953 |
| Actuarial losses (gains) | (10,65,217) | (2,21,596) |
| Closing defined benefit obligation | 39,30,033 | 31,14,235 |

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

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|-----------------------------------|------------------------------|------------------------------|
| Opening fair value of plan assets | 17,39,391 | 15,48,244 |
| Expected return | 1,33,933 | 1,11,474 |
| Actuarial gains/(losses) | (30,766) | 79,673 |
| Closing balance of fund | 18,42,558 | 17,39,391 |

(d) Expenses recognised during the period -

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|--|------------------------------|------------------------------|
| In Income Statement | 17,46,982 | 8,08,348 |
| In Other Comprehensive Income | (10,34,451) | (3,01,169) |
| Total Expenses recognised during the period | 7,12,531 | 5,07,179 |

Notes forming part of the financial statements

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

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| Current Service Cost | 9,10,342 | 7,45,869 |
| Interest Cost on benefit obligation | 7,30,769 | - |
| Net Interest on net Defined Liability/(Asset) | 1,05,871 | 62,479 |
| Total | 17,46,982 | 8,08,348 |

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

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Actuarial gains and (losses) | (10,65,217) | (2,21,496) |
| Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above | 30,766 | (79,673) |
| Total | (10,34,451) | (3,01,169) |

(g) Actual return on plan assets

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|--|------------------------------|------------------------------|
| Expected return on plan assets | 1,33,933 | 1,11,474 |
| Actuarial gain / (loss) on plan assets | (30,766) | 79,673 |
| Actual return on plan assets | 1,03,167 | 1,91,147 |

(h) The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below:

Description of Risk Exposures

Valuations are performed on certain basic set of predetermined assumptions and other regulatory frame work which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk

The plan exposes the Company to the risk of all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 10 lacs).

**Notes forming part of the financial statements****Investment Risk**

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|--------------------------------|---|--|
| Discount Rates | 7.70% | 7.20% |
| Expected return on plan assets | 7.70% | 7.20% |
| Salary growth rate | 7.00% | 7.00% |
| Attrition Rate | 8.00% | 5.00% |
| Mortality | Indian Assured Lives Mortality (2006-2008) | Indian Assured Lives Mortality (2006-2008) |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

| Particulars | (in ₹) | |
|-------------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Discount Rate | | |
| One percent increase | 34,31,244 | 27,16,914 |
| One percent decrease | 45,31,503 | 35,96,525 |
| Salary Escalation Rate | | |
| One percent increase | 45,29,668 | 35,92,593 |
| One percent decrease | 34,23,967 | 27,12,831 |
| Withdrawal Rate | | |
| One percent increase | 39,45,065 | 31,22,320 |
| One percent decrease | 39,14,156 | 31,05,161 |

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

The following payments are expected contributions to the defined benefit plan in future years:

Expected(Undiscounted) Benefit Payments in Future Years

(Projections are for current members and their currently accumulated benefits)

| Particulars | (in ₹) | |
|--------------|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
| Year 1 | 83,345 | 68,506 |
| Year 2 | 1,46,817 | 1,08,153 |
| Year 3 | 1,41,752 | 1,04,422 |
| Year 4 | 1,69,406 | 2,73,896 |
| Year 5 | 1,31,017 | 1,17,405 |
| Year 6 to 10 | 3,29,330 | 2,86,196 |
| Total | 10,01,667 | 9,58,578 |

Notes forming part of the financial statements

36 Hedging Activities and Derivatives

Derivatives designated as hedging instruments

The Group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per IND AS 109.

Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognised purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable, and comprise about 25% of the Group's total expected sales in US dollar. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

37 Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not valued at fair value if the carrying amount is a reasonable approximation of the fair value.

(in ₹)

| As at March 31, 2018 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-----------------------|-----------------------|------------|------------------|------------------|--------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 1,05,52,825 | 1,05,52,825 | - | - | - | - |
| Other financial assets | 59,25,772 | - | - | 59,25,772 | - | 59,25,772 | - | 59,25,772 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 1,56,09,10,528 | 1,56,09,10,528 | - | - | - | - |
| Cash and cash equivalents | - | - | 30,96,84,644 | 30,96,84,644 | - | - | - | - |
| Loans, Advances and Deposits | 54,30,016 | - | 19,86,204 | 74,16,220 | - | - | 54,30,016 | 54,30,016 |
| Other financial assets | - | - | 2,46,10,457 | 2,46,10,457 | - | - | - | - |
| Total | 1,13,55,788 | - | 1,90,77,44,658 | 1,91,91,00,446 | - | 59,25,772 | 54,30,016 | 1,13,55,788 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 45,70,85,132 | 45,70,85,132 | - | - | - | - |
| Trade payables | - | - | 1,20,56,92,401 | 1,20,56,92,401 | - | - | - | - |
| Other financial liabilities | - | - | 7,09,95,056 | 7,09,95,056 | - | - | - | - |
| Total | - | - | 1,73,37,72,589 | 1,73,37,72,589 | - | - | - | - |

(in ₹)

| As at March 31, 2017 | Carrying Value | | | | Fair Value | | | |
|---------------------------|----------------------|-----------------------------|-------------------|----------------|------------|-----------|---------|-----------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 1,05,52,825 | 1,05,52,825 | - | - | - | - |
| Other financial assets | 52,58,821 | - | - | 52,58,821 | - | 52,58,821 | - | 52,58,821 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 3,78,67,06,191 | 3,78,67,06,191 | - | - | - | - |



Notes forming part of the financial statements

(in ₹)

| As at March 31, 2017 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-----------------------|-----------------------|------------|------------------|------------------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Cash and cash equivalents | - | - | 27,12,71,400 | 27,12,71,400 | - | - | - | - |
| Loans, Advances and Deposits | 35,63,915 | - | 40,51,059 | 76,14,974 | - | - | 35,63,915 | 35,63,915 |
| Other financial assets | - | - | 2,01,46,089 | 2,01,46,089 | - | - | - | - |
| Total | 88,22,736 | - | 4,09,27,27,564 | 4,10,15,50,300 | - | 52,58,821 | 35,63,915 | 88,22,736 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 1,30,68,00,851 | 1,30,68,00,851 | - | - | - | - |
| Trade payables | - | - | 2,30,47,34,297 | 2,30,47,34,297 | - | - | - | - |
| Other financial liabilities | - | - | 7,08,12,277 | 7,08,12,277 | - | - | - | - |
| Total | - | - | 3,68,23,47,425 | 3,68,23,47,425 | - | - | - | - |

(in ₹)

| As at April 01, 2016 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-----------------------|-----------------------|------------|------------------|------------------|--------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 1,09,99,802 | 1,09,99,802 | - | - | - | - |
| Other financial assets | 84,78,407 | - | - | 84,78,407 | - | 84,78,407 | - | 84,78,407 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 2,62,65,29,340 | 2,62,65,29,340 | - | - | - | - |
| Cash and cash equivalents | - | - | 36,16,15,566 | 36,16,15,566 | - | - | - | - |
| Loans, Advances and Deposits | 21,74,765 | - | 33,02,336 | 54,77,101 | - | - | 21,74,765 | 21,74,765 |
| Other financial assets | - | - | 1,24,70,920 | 1,24,70,920 | - | - | - | - |
| Total | 1,06,53,172 | - | 3,01,49,17,964 | 3,02,55,71,136 | - | 84,78,407 | 21,74,765 | 1,06,53,172 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 1,35,98,55,828 | 1,35,98,55,828 | - | - | - | - |
| Trade payables | - | - | 1,48,12,15,304 | 1,48,12,15,304 | - | - | - | - |
| Other financial liabilities | - | - | 9,20,80,025 | 9,20,80,025 | - | - | - | - |
| Total | - | - | 2,93,31,51,157 | 2,93,31,51,157 | - | - | - | - |

During the reporting period ended March 31, 2018 and March 31, 2017, there have been no transfers between Level 1 and Level 2 fair value measurements.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables less than 1 year, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

38. Financial Risk Management

Risk Management Framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

Notes forming part of the financial statements

The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors through its risk management committee reviews and agrees policies for managing each of these risks, which are summarised below.

The Company's has exposure to the following risks arising from financial instruments:

- (i) Market Risk
- (ii) Commodity Price Risk
- (iii) Credit Risk
- (iv) Liquidity Risk
- (v) Excessive risk Concentration

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2018.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017 including the effect of hedge accounting.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a short term working capital loans which are reviewed on yearly basis. The following table provides a break-up of Company's fixed and floating rate borrowing:

| Particulars | (in ₹) | | |
|--------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
| Fixed rate borrowings | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| Floating rate borrowings | 36,89,30,451 | 1,19,25,64,563 | 1,31,51,55,828 |
| Total Borrowings | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:



Notes forming part of the financial statements

(in ₹)

| Particulars | Increase / decrease in basis points | Effect on profit before tax |
|-----------------------|-------------------------------------|-----------------------------|
| March 31, 2018 | | |
| ₹ 368,930,451 | +/- 100 bps | (3,689,304) / 3,689,304 |
| March 31, 2017 | | |
| ₹ 1,192,564,563 | +/- 100 bps | (11,925,645) / 11,925,645 |

Note: The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year.

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

Derivatives designated as hedging instruments

The Company uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per IND AS 109.

Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable, and comprise about 25% of the Company's total expected sales in US dollar.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

| Unhedged Foreign Currency Exposure | (Amount in USD in '000) | | |
|---|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
| FCY Receivables | 16,894.33 | 12,932.15 | - |
| FCY Payables | (1,394.83) | (5,015.44) | (353.55) |
| Net FCY Receivables / (Payables) | 15,499.50 | 7,916.71 | (353.55) |
| Financial Hedge | 15,498.00 | 7,916.00 | (353.00) |
| Unhedged Foreign Currency Exposure | 1.50 | 0.71 | (0.55) |

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

(in ₹)

| Particulars | Change in Currency | Effect on profit before tax |
|---|--------------------|-----------------------------|
| March 31, 2018 | | |
| Recognized net receivables / (payables) | + 1 / - 1 | +1,500 / -1,500 |
| March 31, 2017 | | |
| Recognized net receivables / (payables) | + 1 / - 1 | +710 / -710 |

Since all the receivables and payables in foreign currency are completely hedged, the profitability of the company is not sensitive to the change in currency rates.

Notes forming part of the financial statements

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) Commodity Price Risk

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

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

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

| Particulars | For the year ended March 31, 2018 | | For the year ended March 31, 2017 | |
|-----------------|--------------------------------------|--------|--------------------------------------|--------|
| | Purchase | Sale | Purchase | Sale |
| Oil [In MTNs] | 30,990 | 26,870 | 40,210 | 45,710 |
| Sugar [In MTNs] | - | - | 5,250 | 5,250 |

The category wise outstanding commodity position is as under:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 01, 2016 | |
|---------------|----------------------|---------------|----------------------|----------------|----------------------|-------------|
| | Buy / (Sell) | Amount | Buy / (Sell) | Amount | Buy / (Sell) | Amount |
| Oil [In MTNs] | (630) | (4,13,46,900) | (4,750) | (24,35,32,500) | 750 | 4,09,12,500 |

(iii) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Generally the company operates on advance against delivery order principle except for merchant trade transactions wherein the sales is executed on credit terms up to six months. Also, Export customers are secured against Letter of Credit, bank guarantees and payments against documents. Credit risk on receivables is also mitigated by securing the same against security deposit, letter of credit and advance payment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Ageing of Account receivables

| Particulars | (in ₹) | | |
|--------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
| 0 - 90 days | 70,20,28,976 | 3,73,71,54,602 | 2,35,91,36,780 |
| 91 - 180 days | 85,54,39,248 | 3,17,08,307 | 20,00,41,841 |
| 181 - 270 days | - | 11,07,240 | 6,80,91,657 |
| 270 - 365 days | 92,93,394 | 1,70,01,769 | 1,69,362 |
| More than 365 days | - | - | - |
| Total | 1,56,67,61,618 | 3,78,69,71,918 | 2,62,74,39,640 |

**Notes forming part of the financial statements****Other financial assets and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval as per the Investment policy. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company prepares cash flow on a daily basis to monitor liquidity. Any shortfall is funded out of short term loans. Any surplus is invested in liquid mutual funds and short term bank deposits. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Liquidity exposure as at March 31, 2018

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|-----------------------|--------------------|--------------------|-----------------------|
| Financial Assets | | | | - |
| Non-Current Assets | | | | |
| Investments | - | 2,60,000 | 1,02,92,825 | 1,05,52,825 |
| Other Financial Assets | - | 59,25,772 | - | 59,25,772 |
| Current Assets | | | | - |
| Trade receivables | 1,56,09,10,528 | - | - | 1,56,09,10,528 |
| Cash and cash equivalents | 30,96,84,644 | - | - | 30,96,84,644 |
| Loans, Advances and Deposits | - | 74,16,220 | - | 74,16,220 |
| Other financial assets | 2,46,10,457 | - | - | 2,46,10,457 |
| Total | 1,89,52,05,629 | 1,36,01,992 | 1,02,92,825 | 1,91,91,00,446 |
| | | | | - |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 45,70,85,132 | - | - | 45,70,85,132 |
| Trade payables | 1,20,56,92,401 | - | - | 1,20,56,92,401 |
| Other financial liabilities | 7,09,95,056 | - | - | 7,09,95,056 |
| Total | 1,73,37,72,589 | - | - | 1,73,37,72,589 |

Liquidity exposure as at March 31, 2017

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|---------------------------|----------|-----------|-------------|-------------|
| Financial Assets | | | | - |
| Non-Current Assets | | | | |
| Investments | - | 2,60,000 | 1,02,92,825 | 1,05,52,825 |
| Other Financial Assets | - | 52,58,821 | - | 52,58,821 |
| Current Assets | | | | - |

Notes forming part of the financial statements

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|-----------------------|--------------------|--------------------|-----------------------|
| Trade receivables | 3,78,67,06,191 | - | - | 3,78,67,06,191 |
| Cash and cash equivalents | 27,12,71,400 | - | - | 27,12,71,400 |
| Loans, Advances and Deposits | - | 76,14,975 | - | 76,14,975 |
| Other financial assets | 2,01,46,089 | - | - | 2,01,46,089 |
| Total | 4,07,81,23,680 | 1,31,33,796 | 1,02,92,825 | 4,10,15,50,301 |
| | | | | - |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 1,30,68,00,851 | - | - | 1,30,68,00,851 |
| Trade payables | 2,30,47,34,297 | - | - | 2,30,47,34,297 |
| Other financial liabilities | 7,08,12,277 | - | - | 7,08,12,277 |
| Total | 3,68,23,47,425 | - | - | 3,68,23,47,425 |

Liquidity exposure as at April 01, 2016

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|-----------------------|--------------------|--------------------|-----------------------|
| Financial Assets | | | | - |
| Non-Current Assets | | | | |
| Investments | - | 2,76,100 | 1,07,23,702 | 1,09,99,802 |
| Other Financial Assets | - | 84,78,407 | - | 84,78,407 |
| Current Assets | | | | - |
| Trade receivables | 2,62,65,29,340 | - | - | 2,62,65,29,340 |
| Cash and cash equivalents | 36,16,15,566 | - | - | 36,16,15,566 |
| Loans, Advances and Deposits | - | 54,77,101 | - | 54,77,101 |
| Other financial assets | 1,24,70,920 | - | - | 1,24,70,920 |
| Total | 3,00,06,15,826 | 1,42,31,608 | 1,07,23,702 | 3,02,55,71,136 |
| | | | | - |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 1,35,98,55,828 | - | - | 1,35,98,55,828 |
| Trade payables | 1,48,12,15,304 | - | - | 1,48,12,15,304 |
| Other financial liabilities | 9,20,80,025 | - | - | 9,20,80,025 |
| Total | 2,93,31,51,157 | - | - | 2,93,31,51,157 |

(v) Excessive risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels.

39. Capital Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

**Notes forming part of the financial statements**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

| Particulars | (in ₹) | | |
|----------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
| Borrowings | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |
| Trade Payables | 1,20,56,92,401 | 2,30,47,34,297 | 1,48,12,15,304 |
| Less: Cash and Cash Equivalents | (30,96,84,644) | (27,12,71,400) | (36,16,15,566) |
| Net Debt | 1,35,30,92,889 | 3,34,02,63,748 | 2,47,94,55,566 |
| Total Equity | 1,70,03,25,181 | 1,00,63,34,358 | 86,81,05,947 |
| Total Equity and Net Debt | 3,05,34,18,070 | 4,34,65,98,106 | 3,34,75,61,513 |
| Gearing Ratio | 0.44 | 0.77 | 0.74 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

40. First Time Adoption of IND AS

The Company had prepared its financial statements in accordance with the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) for and including the year ended March 31, 2018. The Company has prepared its first IND AS (Indian Accounting Standards) compliant Financial Statements for the year ended March 31, 2018 with restated comparative figures for the year ended March 31, 2017 in compliance with IND AS. Accordingly, the Opening Balance Sheet, in line with IND AS transitional provisions, has been prepared as at April 1, 2016, the date of Company's transition to IND AS. The principal adjustments made by the Company in restating its Indian GAAP financial statements for the financial year ending March 31, 2017 and the Balance Sheet as at April 1, 2016 are as mentioned below:

| | (₹ in '000) |
|--|----------------|
| Equity Reconciliation between IND AS & Previous GAAP | March 31, 2017 |
| Equity under Previous GAAP | 10,44,513.70 |
| Reversal of foreign exchange differences | (33,953.53) |
| Difference in measurement of Employee benefits | (881.08) |
| Deferred Tax Liability created on Investments in Subsidiaries under IND AS | - |
| Others | (3,344.73) |
| Equity under IND AS | 10,06,334.36 |

Notes forming part of the financial statements

| Particulars | (₹ in '000) |
|---|------------------------------|
| | Year ended March 31, 2017 |
| Net Profit after Tax for the Period (as per Indian GAAP) | 1,45,950.29 |
| Benefit/(Charge): | |
| Provision for Doubtful Debts | 644.57 |
| Others | (2,136.69) |
| Net profit for the Year (as per IND AS) | 1,44,458.17 |
| Other comprehensive Income | |
| Actuarial loss on Defined Benefit plans (net of tax) | 436.70 |
| Total Comprehensive Income | 1,44,894.87 |

Notes to first time adoption**Note 1: Remeasurements of post employment benefit obligations**

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/loss were recognised in Profit & Loss. Under IND AS, actuarial gain/loss on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 2: Security deposit

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of lease term) are recorded at transaction price. Under IND AS all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent.

Note 3: Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per IND AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per IND AS.

Note 4: Statement of cash flows

The transition from Indian GAAP to IND AS has not had a material impact on the statement of cash flows.

Exemptions applied -

IND AS 101 on First Time Adoption of IND AS allows first-time adopters certain exemptions from the retrospective application of certain requirements under IND AS. The Company has applied the following exemptions:

- **Deemed Cost**

There is no change in the functional currency of the Company and accordingly, it has elected to continue with the carrying values for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as the deemed cost at the transition date. Accumulated depreciation was calculated on that amount as at the date of transition to IND AS on the basis of the current estimate of the useful life of the asset using the depreciation policy adopted by the Company in accordance with Indian GAAP i.e. useful life of assets remains same as per schedule II of the Companies Act, 2013.

The Company has elected to use the previous GAAP carrying values as deemed cost at the transition date for all its intangible assets.

In accordance with the exemption given in IND AS 101, the Company has recorded its investment in subsidiaries at deemed cost as on the transition date to IND AS instead of fair value.



Notes forming part of the financial statements

• Leases

Appendix C to IND AS 17 requires the Company to assess whether a contract or arrangement contains a lease. In accordance with IND AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used IND AS 101 exemption and assessed all relevant arrangements for leases based on conditions in place as at the date of transition.

• Hedge Accounting

The company uses derivative financial instruments to hedge its commodity and foreign currency risks. Under Indian GAAP, there is no mandatory standard that deals comprehensively with hedge accounting, which has resulted in the adoption of varying practices. The company has designated various economic hedges and applied economic hedge accounting principles to avoid profit or loss mismatch. All the hedges designated under Indian GAAP are of types which qualify for hedge accounting in accordance with IND AS 109 also. Moreover, the company, before the date of transition to IND AS, has designated a transaction as hedge and also meets all the conditions for hedge accounting in IND AS 109. Consequently, the company continues to apply hedge accounting after the date of transition to IND AS.

INDAS Mandatory Exceptions applied

IND AS 101 specifies mandatory exceptions from retrospective application of certain requirements under IND AS for first-time adopters. Following exceptions are applicable to the Company:

(i) Use of Estimates

The estimates at April 1, 2016 and March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on Expected Credit Loss (ECL) model

The estimates used by the Company to present these amounts in accordance with IND AS reflect conditions at April 1, 2016, the date of transition to IND AS and as of March 31, 2017.

(ii) Impairment of financial assets

The Company has applied the exception related impairment of financial assets given in IND AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at April 1, 2016.

(iii) Derecognition of financial assets and financial liabilities

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after the transition to IND AS.

(iv) Classification and measurement of financial assets

The Company has classified the financial assets in accordance to IND AS 109 on the basis of the facts and circumstances that exist on the date of transition to IND AS.

41 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Amendments to IND AS 115 Revenue from Contracts with Customers

IND AS 115 was issued on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under IND AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current

Notes forming part of the financial statements

revenue recognition requirements under IND AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018. On transition, the effect of this changes is not expected to be material for the Company.

Amendments to IND AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the changes in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018. The Company will adopt the new standard on the required effective date. On transition, the effect of this changes is not expected to be material for the Company.

Appendix B to IND AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SAKUMA EXPORTS LIMITED

Report on the Consolidated IND AS Financial Statements

1. We have audited the accompanying Consolidated IND AS Financial Statements of **SAKUMA EXPORTS LIMITED** (“the Holding Company), and its **SUBSIDIARIES** (the Holding Company and its Subsidiaries together referred to as “the Company” or “the Group”), Which Comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit & Loss (Including Other Comprehensive Income), the Consolidated Cash Flow Statement and the consolidated statement of changes in Equity for the year then ended and a Summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated IND AS Financial Statements”).

Management's Responsibility for the Consolidated IND AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of the consolidated IND AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance Including Other Comprehensive Income, consolidated cash flows and consolidated change in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error, which have been used for the purpose of preparation of the consolidated IND AS financial statements by the Directors of the Holding Company, as aforesaid

Auditor's Responsibility

3. Our responsibility is to express an opinion on the consolidated IND AS financial statements based on our audit. While conducting audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and place and perform the audit to obtain reasonable assurance about whether the consolidated IND AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated IND AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated IND AS financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated IND AS Financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated IND AS financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated IND AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated IND AS financial statements 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 including the IND AS, of the consolidated position of the Group as at 31st March, 2018, and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Other Matters

8. The Consolidated Financial Statements includes 2 financial statements of foreign subsidiaries, whose total assets of ₹43,021.72 Lakhs as at 31st March 2018 and total revenues of ₹ 2,35,963.06 Lakhs for the year then ended. These financial statements and other financial information have been AUDITED by the other auditors whose reports have been furnished to us by the Management and our opinion is based solely on the report of other auditors.

Report on Other Legal and Regulatory Requirements

9. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated IND AS financial statements.
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated IND AS financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated IND AS financial statements.
 - (d) In our opinion, the aforesaid consolidated IND AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the Written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure - A**.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated IND AS financial statements disclose the impact of pending litigations on the consolidated IND AS financial position of the Group. Refer Note No. 32 to the consolidated financial statements
 - ii. The Company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note no 37 to the consolidated financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv. The reporting on disclosure relating to specified Bank Notes is not applicable for the year under ended 31st March 2018.

For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS

Place : Mumbai
Date: May 28, 2018

(V. L. BAJAJ) PARTNER
Membership No.104982



ANNEXURE – A TO THE INDEPENDENT AUDITORS REPORT

The Annexure – A referred to in our Report of even date to the Members of SAKUMA EXPORTS LIMITED for the year ended 31st March, 2018. We report that:

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

In conjunction with our audit of the consolidated IND AS financial statement of the Company as of and for the year ended March 31, 2018, We have audited the internal financial controls over financial reporting of **Sakuma Exports Limited** (“the Holding Company”) and its subsidiary companies which are incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For M. L. SHARMA & CO.
FIRM REG. NO. 109963W
CHARTERED ACCOUNTANTS**

**Place: Mumbai
Date: May 28, 2018**

**(V. L. BAJAJ) PARTNER
Membership No.104982**



Consolidated Balance Sheet as at March 31, 2018

| Particulars | Note No | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|------------------------------------|---------|---------------------------|---------------------------|--------------------------|
| A ASSETS | | | | |
| 1 Non-current assets | | | | |
| (a) Property, plant and equipment | 3 | 2,17,41,817 | 2,57,58,956 | 3,06,54,543 |
| (b) Intangible assets | 4 | 2,88,690 | 5,47,260 | 2,39,809 |
| (c) Financial Assets | | | | |
| (i) Investments | 5 | 2,60,000 | 2,60,000 | 2,76,100 |
| (ii) Other Financial Assets | 6 | 60,23,477 | 53,56,109 | 85,77,670 |
| (d) Other non-current assets | 7 | 58,59,568 | 3,10,592 | 1,81,10,212 |
| | | 3,41,73,552 | 3,22,32,917 | 5,78,58,334 |
| 2 Current assets | | | | |
| (a) Inventories | 8 | 1,37,79,77,605 | 92,30,39,751 | 61,92,47,691 |
| (b) Financial Assets | | | | |
| (i) Trade receivables | 9 | 5,36,93,08,649 | 7,56,06,62,329 | 5,72,24,26,455 |
| (ii) Cash and cash equivalents | 10 | 66,02,04,323 | 30,93,98,638 | 41,70,28,647 |
| (iii) Loans, Advances and Deposits | 11 | 79,61,060 | 81,39,796 | 60,89,893 |
| (iv) Other financial assets | 12 | 3,58,50,043 | 3,28,31,319 | 1,98,02,368 |
| (c) Other current assets | 13 | 49,78,56,745 | 25,79,34,404 | 82,03,88,615 |
| | | 7,94,91,58,425 | 9,09,20,06,237 | 7,60,49,83,669 |
| TOTAL | | 7,98,33,31,977 | 9,12,42,39,154 | 7,66,28,42,003 |
| B EQUITY AND LIABILITIES | | | | |
| 1 Shareholder's funds | | | | |
| (a) Equity Share Capital | 14 | 21,32,59,430 | 16,42,59,430 | 16,42,59,430 |
| (b) Other Equity | 15 | 2,20,73,98,233 | 1,34,06,24,079 | 1,03,38,15,615 |
| | | 2,42,06,57,663 | 1,50,48,83,509 | 1,19,80,75,045 |
| 2 Non-current liabilities | | | | |
| (a) Deferred tax liabilities (net) | 30(d) | 15,41,90,802 | 10,77,41,371 | 7,39,59,363 |
| (b) Non-Current Provisions | 16 | 20,87,475 | 13,74,944 | 8,67,765 |
| | | 15,62,78,277 | 10,91,16,315 | 7,48,27,128 |
| 3 Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 17 | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |
| (ii) Trade payables | 18 | 4,47,37,55,327 | 5,48,48,22,235 | 4,19,61,77,300 |
| (iii) Other financial liabilities | 19 | 7,09,95,056 | 7,73,24,356 | 10,34,08,492 |
| (b) Other current liabilities | 20 | 36,16,97,509 | 55,96,30,524 | 68,52,17,252 |
| (c) Short-term provisions | 21 | 4,28,63,013 | 8,16,61,364 | 4,52,80,958 |
| | | 5,40,63,96,037 | 7,51,02,39,330 | 6,38,99,39,830 |
| TOTAL | | 7,98,33,31,977 | 9,12,42,39,154 | 7,66,28,42,003 |

Corporate Information & Significant Accounting Policies 1 & 2

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

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

Vikas L Bajaj
Partner
M.No. 104982Place : Mumbai
Date : May 28, 2018

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra
Chairman & Managing DirectorMr. Radhe Shyam
DirectorPlace : Mumbai
Date : May 28, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

| Particulars | Note No | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---------|---|---|
| 1 Revenue from operations | 22 | 45,45,74,55,222 | 39,15,32,94,810 |
| 2 Other income | 23 | 10,98,26,253 | 11,78,46,008 |
| 3 Total revenue (1+2) | | 45,56,72,81,475 | 39,27,11,40,818 |
| 4 Expenses | | | |
| (a) Purchases of stock-in-trade | 24 | 43,25,21,20,725 | 37,92,55,19,624 |
| (b) Changes in inventories of stock-in-trade | 25 | (45,49,37,855) | (30,37,92,059) |
| (c) Employee benefit expenses | 26 | 9,31,41,113 | 8,63,40,289 |
| (d) Finance costs | 27 | 9,18,56,183 | 11,23,88,451 |
| (e) Depreciation and amortisation expenses | 28 | 47,31,200 | 59,50,789 |
| (f) Other expenses | 29 | 1,99,40,66,452 | 99,86,71,160 |
| Total expenses | | 44,98,09,77,818 | 38,82,50,78,254 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4) | | 58,63,03,657 | 44,60,62,564 |
| 6 Exceptional items | | - | - |
| 7 Profit / (Loss) before extraordinary items and tax (5 ± 6) | | 58,63,03,657 | 44,60,62,564 |
| 8 Extraordinary items | | - | - |
| 9 Profit / (Loss) before tax (7 ± 8) | | 58,63,03,657 | 44,60,62,564 |
| 10 Tax expense: | 30(a) | | |
| (a) Current tax expense for current year | | 9,60,67,737 | 8,21,13,660 |
| (b) Current tax expense relating to prior years | | 3,09,576 | 15,97,176 |
| (c) Net current tax expense | | 9,63,77,313 | 8,37,10,836 |
| (d) Deferred tax | 30(d) | (2,18,066) | (8,28,064) |
| | | 9,61,59,247 | 8,28,82,772 |
| 11 Profit / (Loss) from continuing operations (9 ± 10) | | 49,01,44,410 | 36,31,79,792 |
| 12 Other Comprehensive Income | 30(b) | | |
| Remeasurements of the defined benefit plans | | 10,34,451 | 4,36,695 |
| Foreign Currency Translation Reserve (FCTR) related to OCI | | (5,08,02,756) | (1,42,85,257) |
| Less: Deferred Tax Assets on FCTR related OCI | | 87,90,909 | 24,71,921 |
| Net balance of FCTR Transfer to Other Equity | | (4,09,77,396) | (1,13,76,641) |
| FCTR balance Transferred to Other Equity | | 4,20,11,847 | 1,18,13,336 |
| Other Comprehensive Income/ (Loss) for the year (net of tax) | | 10,34,451 | 4,36,695 |
| 13 Total Comprehensive Income for the Year | | 49,11,78,861 | 36,36,16,487 |
| Profit for the year is attributable to : | | | |
| Equity Holders of Parent | | 49,01,44,410 | 36,31,79,792 |
| Non - Controlling interests | | - | - |
| Profit for the year | | 49,01,44,410 | 36,31,79,792 |
| Other Comprehensive Income / (Loss) is attributable to : | | | |
| Owners of Parent | | 10,34,451 | 4,36,695 |
| Non - Controlling interests | | - | - |
| Other Comprehensive Income / (Loss) for the year | | 10,34,451 | 4,36,695 |
| Total Comprehensive Income is attributable to : | | | |
| Owners of Parent | | 49,11,78,861 | 36,36,16,487 |
| Non - Controlling interests | | - | - |
| Total Comprehensive Income for the year | | 49,11,78,861 | 36,36,16,487 |
| 12.i Earnings per share (of ₹ 10/- each): | 31 | | |
| (a) Basic | | 26.27 | 22.14 |
| (b) Diluted | | 26.27 | 22.14 |
| Corporate Information & Significant Accounting Policies | 1 & 2 | | |

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

In terms of our report attached.
For M.L.SHARMA & CO.
Chartered Accountants
FRN: 109963W

Vikas L Bajaj
Partner
M.No. 104982

Place : Mumbai
Date : May 28, 2018

For and on behalf of the Board of Directors

Mr. Saurabh Malhotra
Chairman & Managing Director

Mr. Radhe Shyam
Director

Place : Mumbai
Date : May 28, 2018

**Consolidated Cash Flow Statement for the year ended March 31, 2018**

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| A. Cash flow from operating activities | | |
| Net Profit / (Loss) before extraordinary items and tax | 58,63,03,657 | 44,60,62,564 |
| Adjustments for: | | |
| Depreciation and amortisation | 47,31,200 | 59,50,789 |
| (Profit) / loss on sale / write off of assets | - | 15,507 |
| Claims Filed during the Year not Received (Net) | (43,31,794) | (1,62,69,369) |
| Finance costs | 9,18,56,183 | 11,23,88,451 |
| Interest income | (1,47,15,137) | (3,74,98,899) |
| Provision for Doubtful Debts | 86,25,062 | 14,65,454 |
| Dividend income | (71,812) | (46,31,609) |
| Investments written off | - | 16,100 |
| Finance costs (including fair value change in financial instruments) | 14,84,388 | 34,08,794 |
| Effect of foreign exchange rate variations on hedging instruments | 11,09,373 | (66,66,466) |
| Remeasurements gains/(losses) on defined benefit plans | 10,34,451 | 4,36,695 |
| Net (gain) / loss on sale of investments | (7,98,825) | (74,62,698) |
| Net Unrealised exchange (gain) / Loss | (3,77,20,640) | (1,55,31,485) |
| Operating profit / (loss) before working capital changes | 63,75,06,106 | 48,16,83,828 |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Inventories | (45,49,37,853) | (30,37,92,060) |
| Trade receivables | 2,17,05,13,750 | (1,83,61,08,177) |
| Loans, Advances and Deposits | 5,89,825 | (23,45,753) |
| Other financial assets | 9,51,793 | 10,65,847 |
| Other current assets | (23,63,69,028) | 55,36,34,742 |
| Other Non-current Financial Assets | (417) | 1,975 |
| Other non-current assets | (55,48,977) | 1,77,99,620 |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | (1,00,52,50,159) | 1,28,68,34,348 |
| Other Financial liabilities | (44,77,986) | (2,42,52,916) |
| Other current liabilities | (19,79,33,015) | (12,55,86,729) |
| Provisions | 7,12,531 | 5,07,179 |
| Short-term provisions | (5,83,20,354) | 3,22,70,781 |
| | 84,74,36,216 | 8,17,12,686 |
| Net income tax (paid) / refunds | (7,68,55,310) | (7,10,16,002) |
| Net cash flow from / (used in) operating activities (A) | 77,05,80,906 | 1,06,96,684 |
| B. Cash flow from investing activities | | |
| Capital expenditure on fixed assets, including capital advances | (4,55,492) | (14,26,160) |
| Proceeds from sale of fixed assets | - | 48,000 |
| Current investments not considered as Cash and cash equivalents | | |
| - Purchased | (1,21,50,00,000) | (4,84,69,89,330) |
| - Proceeds from sale | 1,21,57,98,825 | 4,85,44,52,029 |
| Interest received | 1,35,07,478 | 3,64,00,589 |
| Dividend received on Investments | 71,812 | 46,31,609 |
| Net cash flow from / (used in) investing activities (B) | 1,39,22,623 | 4,71,16,736 |

Consolidated Cash Flow Statement for the year ended March 31, 2018

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| C. Cash flow from financing activities | | |
| Net increase / (decrease) in working capital borrowings | (82,36,34,111) | (12,25,91,265) |
| Proceeds from other short-term borrowings | (2,60,81,607) | 6,95,36,288 |
| Finance cost | (9,18,56,183) | (11,23,88,451) |
| Increase/ (decrease) in shareholders funds | 52,43,00,000 | - |
| Dividends paid | (1,64,25,943) | - |
| Net cash flow from / (used in) financing activities (C) | (43,36,97,844) | (16,54,43,428) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 35,08,05,685 | (10,76,30,009) |
| Cash and cash equivalents at the beginning of the year | 30,93,98,638 | 41,70,28,647 |
| Cash and cash equivalents at the end of the year | 66,02,04,323 | 30,93,98,638 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 16) | | |
| Cash and cash equivalents at the end of the year * | 66,02,04,323 | 30,93,98,638 |
| * Comprises: | | |
| (a) Cash in hand | 13,55,736 | 17,29,927 |
| (b) Cheques, drafts on hand | | |
| (c) Balances with banks | | |
| (i) In current accounts | 40,47,78,334 | 4,24,63,332 |
| (ii) In current accounts bank overdraft | - | - |
| (iii) In EEFC accounts | - | 304 |
| (iv) In deposit accounts | 25,31,81,463 | 26,39,07,182 |
| (v) In earmarked accounts (give details) (Refer Note (ii) below) | 8,88,790 | 12,97,893 |
| | 66,02,04,323 | 30,93,98,638 |

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.

Corporate Information & Significant Accounting Policies as per Note No. 1 & 2

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

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

For and on behalf of the Board of Directors

Vikas L Bajaj

Partner

M.No. 104982

Mr. Saurabh Malhotra

Chairman & Managing Director

Mr. Radhe Shyam

Director

Place : Mumbai

Date : May 28, 2018

Place : Mumbai

Date : May 28, 2018



Consolidated Statement of Changes in Equity for the year ended March 31, 2018

(in ₹)

| Equity Share Capital | Balance as at April 01, 2016 | Changes in equity share capital during the year | Balance as at March 31, 2017 | Changes in equity share capital during the year | Balance as at March 31, 2018 |
|---|------------------------------|---|------------------------------|---|------------------------------|
| Paid up Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid-up) | 16,42,59,430 | - | 16,42,59,430 | 4,90,00,000 | 21,32,59,430 |

OTHER EQUITY

(in ₹)

| Particulars | Other equity | | | | | | | Total other equity |
|--|--|--|---|--|--|---|---|--------------------|
| | Securities premium reserve [refer note 15(B)(b)] | Capital redemption reserve [refer note 15(B)(a)] | Retained earnings [refer note 15(B)(f)] | Items of Other Comprehensive Income [refer note 30(b)] | Foreign Currency Translation Reserve [refer note 15(B)(d)] | Statutory Reserve [refer note 15(B)(e)] | Cash Flow Hedging Reserve [refer note 15(B)(c)] | |
| As at April 1, 2016 | 26,74,18,430 | 10,00,09,200 | 65,95,12,795 | - | (13,37,965) | 27,02,539 | 55,10,616 | 1,03,38,15,615 |
| Profit for the year | - | - | 36,31,79,792 | - | - | - | - | 36,31,79,792 |
| Other comprehensive income | - | - | - | 4,36,695 | (1,18,13,336) | - | - | (1,13,76,641) |
| Transferred to / from Reserves | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | (17,49,568) | - | (66,66,466) | (84,16,034) |
| Total comprehensive income | - | - | 36,31,79,792 | 4,36,695 | (1,35,62,904) | - | (66,66,466) | 34,33,87,117 |
| Payment of dividend | - | - | - | - | - | - | - | - |
| Transferred to / from Reserves | - | - | (7,95,858) | - | 34,98,397 | (27,02,539) | - | - |
| Transfer from retained earnings | - | - | (3,65,78,653) | - | - | - | - | (3,65,78,653) |
| As at March 31, 2017 | 26,74,18,430 | 10,00,09,200 | 98,53,18,076 | 4,36,695 | (1,14,02,472) | - | (11,55,850) | 1,34,06,24,079 |
| Profit for the year | - | - | 49,01,44,410 | - | - | - | - | 49,01,44,410 |
| Other comprehensive income | - | - | - | 10,34,451 | (4,20,11,847) | - | - | (4,09,77,396) |
| Issue of Equity Share Capital | 47,53,00,000 | - | - | - | - | - | - | 47,53,00,000 |
| Others | - | - | - | - | 1,06,01,598.78 | - | 11,09,373 | 1,17,10,972 |
| Total comprehensive income | 47,53,00,000 | - | 49,01,44,410 | 10,34,451 | (3,14,10,248) | - | 11,09,373 | 93,61,77,985 |
| Payment of dividend | - | - | 1,64,25,943 | - | - | - | - | 1,64,25,943 |
| Payment of dividend distribution tax (DDT) | - | - | - | - | - | - | - | - |
| Transfer from retained earnings | - | - | (5,29,77,889) | - | - | - | - | (5,29,77,889) |
| As at March 31, 2018 | 74,27,18,430 | 10,00,09,200 | 1,40,60,58,654 | 14,71,146 | (4,28,12,720) | - | (46,477) | 2,20,73,98,233 |

The accompanying notes are an integral part of the financial statements

In terms of our report attached.

For M.L.SHARMA & CO.

Chartered Accountants

FRN: 109963W

For and on behalf of the Board of Directors

Vikas L Bajaj

Partner

M.No. 104982

Mr. Saurabh Malhotra

Chairman & Managing Director

Mr. Radhe Shyam

Director

Place : Mumbai

Date : May 28, 2018

Place : Mumbai

Date : May 28, 2018

Corporate Information and Significant Accounting Policies

Forming Part of consolidated Financial Statements

1 GROUP INFORMATION

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

The Company along with its subsidiaries (“The Group”) is primarily engaged in trading of Agro Commodities. The Consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2018.

2.1 Basis of preparation of consolidated financial statements

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

These financial statements for the year ended March 31, 2018 are the first financials with comparatives, prepared under IND AS. For all previous periods including the year ended March 31, 2017, the group had prepared its financial statements in accordance with the accounting standards notified under the Companies (Accounting Standard) Rule 2006 (as amended) and relevant provisions of the act (hereinafter referred to as “Previous GAAP”) used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening IND AS Balance Sheet as at 1st April, 2015 being the date of transition to IND AS. The financial statements of the Parent Company, its subsidiaries and joint venture have been consolidated using uniform accounting policies.

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

All assets and liabilities have been classified as current or non current as per the group’s normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

2.2 Basis of Consolidation

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Consolidated financial statements of the Group incorporate the assets, liabilities, equity, income, expenses and cash flows of the company and its subsidiaries and are presented as those of a single economic entity. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:



- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation Procedure

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. IND AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Fair Value Remeasurements:

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

2.4 Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

2.5 Property, Plant and Equipment

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

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

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

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

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

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

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

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

2.6 Intangible Assets

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

2.7 Depreciation and amortisation

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

2.8 Investments

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

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

2.9 Leases

Operating Lease:

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



2.10 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories have been computed to include all cost of purchase, and other cost incurred in bringing the goods to the present location and condition.

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

2.11 Cash & Cash Equivalents

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

2.12 Income Tax

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

Current Tax

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

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

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

Deferred tax

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

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

Deferred tax assets and liabilities are offset only if:

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

2.13 Financial Assets

(a) Initial recognition and measurement

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

(b) Subsequent measurement

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

(i) Debt Instruments

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

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

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

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

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

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

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

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

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

(ii) Equity Instruments

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

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

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

(c) Derecognition

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

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



(d) Impairment of financial assets

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

(e) Income Recognition

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

2.14 Financial Liabilities

(a) Initial recognition and measurement

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

(b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of Financial liabilities depends on their classification, as described below:

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

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

(ii) Financial Liabilities measured at amortised cost

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

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

(c) Derecognition

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

2.15 Offsetting of financial instruments

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

2.16 Fair Value of Financial Instruments

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

Fair Value Hierarchy

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

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

All assets and liabilities are classified as current or non-current as per the group's normal operating cycle and other criteria set out in Schedule III of the Act.

2.18 Revenue recognition

(a) Sale of Goods

Timing of recognition

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

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

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

Measurement of revenue

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

(b) Other income

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

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

2.19 Foreign currency Translations

(a) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is group's functional and presentation currency.



(b) Transactions and Balances

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

(c) Monetary Items

Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.

- Monetary assets (including loans to subsidiaries) and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year-end rates and the corresponding effect is given to the respective account.
- Exchange differences arising on account of fluctuations in the rate of exchange are recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.

(d) Non - Monetary Items

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

2.20 Employee benefits

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

(a) Defined contribution plans

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

(b) Defined benefit plans

Defined Benefit Plan i.e. gratuity is recognised on accrual basis based on the actuarial valuation in accordance with the requirement of IND AS 19.

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

(c) Privilege leave entitlements

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

2.21 Borrowing costs

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

2.22 Segment reporting

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

2.23 Earnings per share

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

2.24 Impairment of Non-financial assets

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

2.25 Provisions

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

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

2.26 Contingent Liabilities

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



Notes forming part of the Consolidated financial statements

Note 3: Property, plant and equipment

| Particulars | Leasehold Land | Windmill - Owned | Plant and Machinery - Owned | Furniture and Fixtures | Motor Vehicle | Office Equipment | | Total |
|--|----------------|------------------|-----------------------------|------------------------|---------------|--------------------------------|-----------|-------------|
| | | | | | | Computer & Computer Equipments | Others | |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Gross carrying amount | | | | | | | | |
| Deemed Cost as at April 1, 2016 | 6,08,273 | 1,98,52,916 | 18,01,903 | 1,36,181 | 72,69,068 | 3,80,492 | 6,05,710 | 3,06,54,543 |
| Additions | - | - | 39,468 | 1,45,175 | - | 2,51,533 | 3,75,390 | 8,11,566 |
| Disposals | - | - | - | - | - | - | (63,507) | (63,507) |
| As at March 31, 2017 | 6,08,273 | 1,98,52,916 | 18,41,371 | 2,81,356 | 72,69,068 | 6,32,025 | 9,17,593 | 3,14,02,602 |
| Additions | - | - | - | - | - | 1,86,074 | 1,96,338 | 3,82,412 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 6,08,273 | 1,98,52,916 | 18,41,371 | 2,81,356 | 72,69,068 | 8,18,099 | 11,13,931 | 3,17,85,014 |
| | | | | | | | | |
| Accumulated Depreciation | | | | | | | | |
| As at April 1, 2016 | - | - | - | - | - | - | - | - |
| Depreciation for the year | 1,04,417 | 23,06,281 | 2,06,465 | 66,454 | 23,40,976 | 2,83,194 | 3,35,859 | 56,43,646 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2017 | 1,04,417 | 23,06,281 | 2,06,465 | 66,454 | 23,40,976 | 2,83,194 | 3,35,859 | 56,43,646 |
| Depreciation for the year | 50,386 | 20,38,357 | 1,84,627 | 55,449 | 15,55,702 | 2,06,729 | 3,08,301 | 43,99,551 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | 1,54,803 | 43,44,638 | 3,91,092 | 1,21,903 | 38,96,678 | 4,89,923 | 6,44,160 | 1,00,43,197 |
| | | | | | | | | |
| Net book value: | | | | | | | | |
| As at April 1, 2016 | 6,08,273 | 1,98,52,916 | 18,01,903 | 1,36,181 | 72,69,068 | 3,80,492 | 6,05,710 | 3,06,54,543 |
| As at March 31, 2017 | 5,03,856 | 1,75,46,635 | 16,34,906 | 2,14,902 | 49,28,092 | 3,48,831 | 5,81,734 | 2,57,58,956 |
| As at March 31, 2018 | 4,53,470 | 1,55,08,278 | 14,50,279 | 1,59,453 | 33,72,390 | 3,28,176 | 4,69,771 | 2,17,41,817 |

Note:

- (i) For information of pledges and securities to lenders on Property, Plant and Equipment Refer Note 17.
- (ii) For Property, Plant and Equipment existing as on the date of transition to the IND AS, the Group has used Indian GAAP carrying value as the deemed cost.
- (iii) All Property, Plant and equipment are held in the name of the Group.

Notes forming part of the Consolidated financial statements

Note 4: Intangible Asset

| Particulars | Computer Software ₹ | Total ₹ |
|--|------------------------|-----------------|
| Gross carrying amount | | |
| Deemed Cost as at April 1, 2016 | 2,39,809 | 2,39,809 |
| Additions | 6,14,594 | 6,14,594 |
| Disposals | - | - |
| As at March 31, 2017 | 8,54,403 | 8,54,403 |
| Additions | 73,080 | 73,080 |
| Disposals | - | - |
| As at March 31, 2018 | 9,27,483 | 9,27,483 |
| Accumulated Depreciation | | |
| As at April 1, 2016 | - | - |
| Depreciation for the year | 3,07,143 | 3,07,143 |
| Disposals | - | - |
| As at March 31, 2017 | 3,07,143 | 3,07,143 |
| Depreciation for the year | 3,31,650 | 3,31,650 |
| Disposals | - | - |
| As at March 31, 2018 | 6,38,793 | 6,38,793 |
| Net book value: | | |
| As at April 1, 2016 | 2,39,809 | 2,39,809 |
| As at March 31, 2017 | 5,47,260 | 5,47,260 |
| As at March 31, 2018 | 2,88,690 | 2,88,690 |

Note 5 Investments

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|---|------------------------------|------------------------------|-----------------------------|
| Investments in Others - | | | |
| (a) Investment in government securities - NSC | - | - | 16,100 |
| (b) Investment in government securities - Gold Bond | 2,60,000 | 2,60,000 | 2,60,000 |
| Total | 2,60,000 | 2,60,000 | 2,76,100 |

Note:

The Group has wound up the subsidiary company, GKM General Trading LLC, Dubai post the approval of accounts in FY 2016-2017 and accordingly investments were repatriated on the basis of liquidation application filed with appropriate authorities.

**Notes forming part of the Consolidated financial statements****Note 6 Other Financial Assets - Non Current**

| Particulars | As at | As at | As at |
|--|------------------|------------------|------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Unsecured, considered good | | | |
| Security deposits (Receivable from Related Party - Refer note 34) | 59,25,772 | 52,58,821 | 84,78,407 |
| Other financial assets | 97,705 | 97,288 | 99,263 |
| Total | 60,23,477 | 53,56,109 | 85,77,670 |

Note:**(i) Leasing Arrangements**

Operating Lease:

The Group has entered a lease agreement, resulting in a non-cancellable operating lease. There is no restriction placed upon the Group by entering these leases. The lease term is of five years.

Lease rental on the said lease of ₹ 65.36 Lacs (March 31, 2017 ₹72.37 Lacs) has been charged to Statement of Profit and Loss.

Future minimum rentals payable under non-cancellable operating leases as at March 31, 2018 are as follows:

| Particulars | As at | As at | As at |
|--|----------------|----------------|---------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| Not later than one year | 63,00,000 | 63,00,000 | 30,75,000 |
| Later than one year but not more than five years | 1,57,50,000 | 2,20,50,000 | - |
| Later than five years | - | - | - |

Note 7 Other Non - Current Assets

| Particulars | As at | As at | As at |
|--|------------------|-----------------|--------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Advance receivable in kind or for value to be received | 98,19,138 | 3,10,592 | 2,18,33,199 |
| Less: Provision for doubtful balances | (39,59,570) | - | (37,22,987) |
| Total | 58,59,568 | 3,10,592 | 1,81,10,212 |

Note 8 Inventories

(At lower of cost and net realisable value)

| Particulars | As at | As at | As at |
|----------------------|-----------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Stock-in-trade | 74,97,52,606 | 92,30,39,751 | 61,92,47,691 |
| (b) Stock-in-transit | 62,82,25,000 | - | - |
| Total | 1,37,79,77,606 | 92,30,39,751 | 61,92,47,691 |

Notes:

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

Notes forming part of the Consolidated financial statements

Note 9 Trade Receivables

| Particulars | As at | As at | As at |
|---|-----------------------|-----------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Secured, considered good [Refer Note (i)] | 1,30,45,781 | - | - |
| Unsecured, considered good | 5,35,62,62,868 | 7,56,06,62,329 | 5,72,24,26,455 |
| Unsecured, considered Doubtful | 86,54,205 | 10,86,606 | 21,63,343 |
| Total Receivables | 5,37,79,62,854 | 7,56,17,48,935 | 5,72,45,89,798 |
| Less : Allowance for doubtful debts | (86,54,205) | (10,86,606) | (21,63,343) |
| Total | 5,36,93,08,649 | 7,56,06,62,329 | 5,72,24,26,455 |

Notes:

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

Note 10 Cash And Cash Equivalent

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Cash in hand | 13,55,736 | 17,29,927 | 24,04,079 |
| (b) Balances with banks | | | |
| - In current accounts | 40,47,78,334 | 4,24,63,332 | 10,35,24,247 |
| - In EEFC accounts | - | 304 | 1,837 |
| (c) Other Bank Balances | | | |
| - Unclaimed dividend accounts [Refer Note (i)] | 8,88,790 | 8,70,389 | 58,76,465 |
| - Unclaimed Preference Shareholders Accounts [Refer Note (i)] | - | 4,27,504 | 4,27,504 |
| - Balance with banks held as margin money deposits against guarantee | 25,31,81,463 | 26,39,07,182 | 30,47,94,515 |
| Total | 66,02,04,323 | 30,93,98,638 | 41,70,28,647 |

Notes:

- (i) The balances with banks are available for use only towards settlement of corresponding unclaimed liabilities.

Note 11 Loans, Advances and Deposit

| Particulars | As at | As at | As at |
|----------------------------|------------------|------------------|------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Security deposits | | | |
| Unsecured, considered good | 19,26,166 | 26,94,020 | 36,09,097 |
| | 19,26,166 | 26,94,020 | 36,09,097 |
| (b) Loans to employees | | | |
| Unsecured, considered good | 60,34,894 | 54,45,776 | 24,80,796 |
| | 60,34,894 | 54,45,776 | 24,80,796 |
| Total | 79,61,060 | 81,39,796 | 60,89,893 |



Notes forming part of the Consolidated financial statements

Note 12 Other Financial Assets

| Particulars | As at | As at | As at |
|--------------------------------------|--------------------|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Accruals | | | |
| - Interest accrued on Fixed deposits | 1,30,427 | 7,55,027 | 5,08,190 |
| (b) Claims Receivable | 3,57,66,093 | 3,28,79,942 | 1,12,56,791 |
| (c) Others | | | |
| - Derivative Instrument | (46,477) | (8,03,650) | 80,37,387 |
| Total | 3,58,50,043 | 3,28,31,319 | 1,98,02,368 |

Note 13 Other Current Asset

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Unsecured, considered good | | | |
| (a) Advance recoverable in cash or kind | 47,06,43,938 | 23,03,13,168 | 79,60,65,050 |
| (b) Prepaid expenses | 1,31,64,031 | 1,53,37,110 | 22,57,790 |
| (c) Advance to Employees | 2,13,232 | 9,12,154 | 3,46,473 |
| (d) Balances with government authorities - | | | |
| - Export Incentives Receivable | 26,82,484 | 19,36,664 | 77,80,613 |
| - Input credit receivable | 94,54,154 | 44,37,268 | 16,98,608 |
| - Service Tax & VAT Refund receivable | 16,98,906 | 49,98,040 | 1,22,40,081 |
| Total | 49,78,56,745 | 25,79,34,404 | 82,03,88,615 |

Note 14 Equity Share Capital

(a) Equity Share Capital

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| | Number of shares | ₹ | Number of shares | ₹ | Number of shares | ₹ |
| Authorised Share Capital | | | | | | |
| 4,00,00,000 shares (3,00,00,000 shares) of ₹ 10 each | 4,00,00,000 | 40,00,00,000 | 3,00,00,000 | 30,00,00,000 | 3,00,00,000 | 30,00,00,000 |
| Issued, Subscribed and Fully paid up Share Capital | | | | | | |
| 2,13,25,943 shares (1,64,25,943 shares) of ₹ 10 each | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |

Notes forming part of the Consolidated financial statements

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

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|----------------------|--------------|----------------------|--------------|---------------------|--------------|
| | Number of shares | ₹ | Number of shares | ₹ | Number of shares | ₹ |
| Outstanding at the beginning of the year | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |
| Issued during the year | 49,00,000 | 4,90,00,000 | - | - | - | - |
| Outstanding at the end of the year | 2,13,25,943 | 21,32,59,430 | 1,64,25,943 | 16,42,59,430 | 1,64,25,943 | 16,42,59,430 |

Notes:

(i) Terms/Rights attached to Equity Shares

- (ia) The Group 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 Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.
- (ib) In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Class of shares / Name of shareholder | As at March 31, 2018 | | As at March 31, 2017 | | As at April 1, 2016 | |
|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | | | |
| Mrs. Kusum Chander Mohan Malhotra | 31,10,000 | 14.58% | 31,10,000 | 18.93% | 31,10,000 | 18.93% |
| Mr. Saurabh Malhotra | 32,28,341 | 15.14% | 32,28,341 | 19.65% | 32,20,000 | 19.60% |
| Mr. Chandermohan Malhotra | 15,33,119 | 7.19% | 15,33,119 | 9.33% | 14,74,959 | 8.98% |
| M/s Sakuma Infrastructure and Realty Pvt Ltd | 26,67,245 | 12.51% | 26,67,245 | 16.24% | 26,67,245 | 16.24% |
| AL Malaki Foodstuff Trading LLC | 14,30,000 | 6.71% | - | - | - | - |
| R&R Foodstuff Trading LLC | 13,75,000 | 6.45% | - | - | - | - |

- (iii) As per records of the Group, including register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.
- (iv) The Group has not issued any equity shares as bonus for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2018.



Notes forming part of the Consolidated financial statements

Note 15 Other Equity

A. Summary of Other Equity Balance

| Particulars | As at | As at | As at |
|--|-----------------------|-----------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Capital redemption reserve | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | 74,27,18,430 | 26,74,18,430 | 26,74,18,430 |
| (c) Cash Flow Hedging reserve | (46,477) | (11,55,850) | 55,10,616 |
| (d) Foreign Currency Translation Reserve | (4,28,12,720) | (1,14,02,472) | (13,37,965) |
| (e) Statutory Reserve | - | - | 27,02,539 |
| (f) Retained Earnings | 1,40,75,29,800 | 98,57,54,771 | 65,95,12,795 |
| Total | 2,20,73,98,233 | 1,34,06,24,079 | 1,03,38,15,615 |

B. Other Equity Balance Details

| Particulars | As at | As at | As at |
|--|----------------------|----------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Capital redemption reserve | | | |
| Opening balance | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| Closing balance | 10,00,09,200 | 10,00,09,200 | 10,00,09,200 |
| (b) Securities premium account | | | |
| Opening balance | 26,74,18,430 | 26,74,18,430 | 26,74,18,430 |
| Add: During the period | 47,53,00,000 | - | - |
| Closing balance | 74,27,18,430 | 26,74,18,430 | 26,74,18,430 |
| (c) Cash Flow Hedging reserve | | | |
| Opening balance | (11,55,850) | 55,10,616 | 53,94,554 |
| Add / (Less): Net Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year | 11,09,373 | (66,66,466) | 1,16,062 |
| Closing balance | (46,477) | (11,55,850) | 55,10,616 |
| (d) Foreign Currency Translation Reserve (FCTR) | | | |
| Opening balance | (1,14,02,472) | (13,37,965) | - |
| Add / (Less): Net Effect of foreign exchange rate variations | 1,30,82,116 | (12,46,228) | 16,24,301 |
| Transfer from other comprehensive income | (4,20,11,847) | (1,18,13,336) | (26,81,197) |
| Less: Deferred Tax Liabilities | (24,80,517) | (5,03,340) | (2,81,069) |
| Less: Transfer to Retained Earnings | - | 34,98,397 | - |
| Closing balance | (4,28,12,720) | (1,14,02,472) | (13,37,965) |
| (e) Statutory Reserve | | | |
| Opening balance | - | 27,02,539 | 27,02,539 |
| Add / (Less): Transferred to Retained Earnings | - | (27,02,539) | - |
| Closing balance | - | - | 27,02,539 |

Notes forming part of the Consolidated financial statements

| | | | |
|--|-----------------------|-----------------------|-----------------------|
| (f) Retained Earnings | | | |
| Opening balance | 98,57,54,771 | 65,95,12,795 | 50,98,58,934 |
| Add: Profit / (Loss) for the year | 49,11,78,861 | 36,36,16,486 | 30,09,98,424 |
| Add: Transfer of opening balance of FCTR | - | - | (6,50,14,438) |
| Add Transfer from Statutory Reserve | - | 27,02,539 | - |
| Add: Transfer from FCTR | - | (34,98,397) | - |
| Dividend distributed to equity shareholders (₹1 per share) | (1,64,25,943) | - | (1,64,25,943) |
| Tax on dividend | - | - | (3,76,250) |
| Less: Deferred Tax Liability on Net worth | (5,29,77,889) | (3,65,78,652) | (6,95,27,932) |
| Closing balance | 1,40,75,29,800 | 98,57,54,771 | 65,95,12,795 |
| Total (a to f) | 2,20,73,98,233 | 1,34,06,24,079 | 1,03,38,15,615 |

Note:

(i) Cash Dividends paid on equity shares declared and paid (in ₹)

| | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2017 |
|--|-------------------------|-------------------------|-------------------------|
| Final dividend for the year ended March 31, 2017 (₹ 1 per share) | 1,64,25,943 | - | - |
| | 1,64,25,943 | - | - |

(ii) Proposed dividend on Equity Shares (in ₹)

| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|--|-------------------------|-------------------------|------------------------|
| Final Cash dividend for the year ended on March 31, 2018: ₹ 1 per share (March 31, 2017: ₹ 1 per share, April 01, 2016: ₹ Nil) | 2,13,25,943 | 1,64,25,943 | - |
| | 2,13,25,943 | 1,64,25,943 | - |

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

Note 16 Provisions

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|--|------------------------------|------------------------------|-----------------------------|
| (a) Provisions | | | |
| - Provision for Gratuity (Refer note 35) | 20,87,475 | 13,74,944 | 8,67,765 |
| Total | 20,87,475 | 13,74,944 | 8,67,765 |



Notes forming part of the Consolidated financial statements

Note 17 Borrowings

| Particulars | As at | As at | As at |
|---|---------------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| Loans repayable on demand | | | |
| (a) Secured | | | |
| Indian Currency Loans from Banks: | | | |
| - Cash Credit : Corporation Bank | 26,95,53,374 | 47,43,50,000 | 4,50,22,934 |
| - Cash Credit : Axis Bank | 4,69,75,735 | 2,67,51,936 | 1,26,90,529 |
| - Cash Credit : Union Bank of India | 5,24,01,342 | 24,99,60,312 | 28,94,42,365 |
| - Packing Credit Rupees Loan : Corporation Bank | - | 15,00,00,000 | 50,00,00,000 |
| - Packing Credit Rupees Loan : Axis Bank | - | - | 20,50,00,000 |
| - Packing Credit Rupees Loan : Union Bank of India | - | - | 13,30,00,000 |
| - Packing Credit Rupees Loan : RBL Bank | - | 3,72,21,065 | 5,00,00,000 |
| - Packing Credit Rupees Loan : Indian Overseas Bank | - | - | 8,00,00,000 |
| Foreign Currency Loans from Banks: | | | |
| - Packing Credit Foreign Currency : Axis Bank | - | 25,42,81,250 | - |
| | 36,89,30,451 | 1,19,25,64,563 | 1,31,51,55,828 |
| (b) Unsecured | | | |
| - Inter Corporate Deposits | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| Total | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |

Notes:

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

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

- (i) Cash Credit facility for Corporation Bank is repayable on demand and carries interest at Maximum Cost of Lending Rate (MCLR) of the bank + 5.50 %p.a. Packing credit Loan is repayable within a maximum period upto 270 days and carries interest rate Maximum Cost of Lending Rate (MCLR) of the bank + 0.60% p.a upto the period of Credit.
- (ii) Cash Credit for Axis Bank is repayable on demand and carries interest as Axis Bank Base Rate + 2% p.a. Packing credit Loan is repayable within period up to 120 days and carries interest rate prevailing on the date of withdrawals.
- (iii) Packing Credit facility from Indian Overseas Bank are repayable within period up to 120 days and carries interest rate as per the circular in force on the date of withdrawals.
- (iv) Packing Credit from Union Bank of India are repayable depending upon the contract and carries interest rate prevailing on the date of withdrawals. Cash Credit carries interest at Maximum Cost of Lending Rate (MCLR) of the bank + 3.40% p.a.
- (v) The company has availed packing credit rupee loan against enhanced limit at rate of interest as per the rates prevailing on date of withdrawals for the RBL Bank.
- (vi) Unsecured Short Term Borrowings of the company are repayable on demand and carrying interest rate @ 10% p.a.

Notes forming part of the Consolidated financial statements

Note 18 Trade Payables

| Particulars | As at | As at | As at |
|---|-----------------------|-----------------------|-----------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Due to Micro Small and Medium Enterprises | - | - | - |
| (b) For Goods(Other than Micro, small and Medium Enterprises) | | | |
| - From Others | 4,38,65,19,561 | 5,42,24,95,459 | 4,11,36,26,970 |
| (c) For Others | 8,72,35,766 | 6,23,26,776 | 8,25,50,330 |
| Total | 4,47,37,55,327 | 5,48,48,22,235 | 4,19,61,77,300 |

- (i) The above information has been provided as available with the Group to the extent such parties could be identified on the basis of the information available with the Group regarding the status of the suppliers under the MSMED Act.
- (ii) There are no other amounts paid / payable towards interest / principal under the MSMED Act.
- (ii) Trade payables are non-interest bearing and normally settled within 120 days.

Note 19 Other Financial Liabilities

| Particulars | As at | As at | As at |
|------------------------------|--------------------|--------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Financial liabilities | | | |
| - Book overdraft : Axis Bank | - | - | 76,39,441 |
| - Unclaimed dividends | 8,89,616 | 12,99,757 | 1,09,90,069 |
| - Other Liabilities | 5,92,920 | - | - |
| (b) Claims Payable | 6,95,12,520 | 7,60,24,599 | 8,47,78,982 |
| Total | 7,09,95,056 | 7,73,24,356 | 10,34,08,492 |

Note 20 Other Current Liabilities

| Particulars | As at | As at | As at |
|--|---------------------|---------------------|---------------------|
| | March 31, 2018 | March 31, 2017 | April 1, 2016 |
| | ₹ | ₹ | ₹ |
| (a) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes etc.) | 21,65,349 | 37,57,977 | 75,26,745 |
| (b) Advances from customers | 35,95,20,602 | 55,58,72,547 | 67,76,90,507 |
| (c) Unrealised Gain/Loss on Derivative Instruments | 11,558 | - | - |
| Total | 36,16,97,509 | 55,96,30,524 | 68,52,17,252 |



Notes forming part of the Consolidated financial statements

Note 21 Current Provisions

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 1, 2016 ₹ |
|---|------------------------------|------------------------------|-----------------------------|
| (a) Provision for employee benefits: | | | |
| - Provision for bonus | 5,30,000 | 7,46,800 | 7,46,795 |
| - Provision for compensated absences | 2,07,800 | 2,10,801 | 1,28,107 |
| | 7,37,800 | 9,57,601 | 8,74,902 |
| (b) Provision - Others: | | | |
| - Provision - for Taxation (Net of Advance Tax) | 2,76,88,738 | 79,86,900 | 38,77,275 |
| - Provision - others | 1,44,36,475 | 7,27,16,863 | 4,05,28,781 |
| | 4,21,25,213 | 8,07,03,763 | 4,44,06,056 |
| Total | 4,28,63,013 | 8,16,61,364 | 4,52,80,958 |

Note 22 Revenue From Operations

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| (a) Sale of products [Refer Note (i) below] | 45,41,54,26,228 | 39,14,90,31,317 |
| (b) Other operating revenues [Refer Note (ii) below] | 4,20,28,994 | 42,63,493 |
| Total | 45,45,74,55,222 | 39,15,32,94,810 |

| Note | Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--------------|------------------------------------|---|---|
| (i) | Traded goods | | |
| | Sugar | 12,60,41,81,680 | 14,49,85,78,286 |
| | Oil | 25,12,76,38,689 | 20,60,41,01,287 |
| | Other commodities | 7,68,36,05,859 | 4,04,63,51,744 |
| Total | | 45,41,54,26,228 | 39,14,90,31,317 |
| (ii) | Other operating revenues comprise: | | |
| | Government Grant / Incentives | 18,97,995 | 42,63,493 |
| | Other revenues | 4,01,30,999 | - |
| Total | | 4,20,28,994 | 42,63,493 |

Notes forming part of the Consolidated financial statements

Note 23 Other Income

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| (a) Interest Income [Refer Note (i) below] | 1,47,15,137 | 3,74,98,899 |
| (b) Dividend income: - Current Investments | 71,812 | 46,31,609 |
| (c) Net gain on sale of: - Other Investments | 7,98,825 | 74,62,698 |
| (d) Net gain on foreign currency transactions and translation | 2,73,98,680 | 1,86,98,070 |
| (e) Mark-to-market gain on forward contracts | 2,08,90,140 | 2,99,20,924 |
| (f) Other non-operating income (net of expenses directly attributable to such income) | 4,59,51,659 | 1,96,33,808 |
| Total | 10,98,26,253 | 11,78,46,008 |

| Note | Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|------|---|---|---|
| (i) | Interest income comprises: Interest from banks on: deposits | 1,34,94,924 | 2,62,27,715 |
| | Other interest | 12,20,213 | 1,12,71,184 |
| | Total - Interest income | 1,47,15,137 | 3,74,98,899 |

Note 24 Purchase of Traded Goods

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|-------------------|---|---|
| Sugar | 28,90,73,55,233 | 26,43,71,26,694 |
| Oil | 11,93,39,57,470 | 10,05,34,15,627 |
| Other Commodities | 2,41,08,08,022 | 1,43,49,77,303 |
| Total | 43,25,21,20,725 | 37,92,55,19,624 |



Notes forming part of the Consolidated financial statements

Note 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| Inventories at the end of the year: | | |
| Stock-in-trade | 1,37,79,77,605 | 92,30,39,751 |
| | 1,37,79,77,605 | 92,30,39,751 |
| Inventories at the beginning of the year: | | |
| Stock-in-trade | 92,30,39,751 | 61,92,47,692 |
| | 92,30,39,751 | 61,92,47,692 |
| Net (increase) / decrease | (45,49,37,853) | (30,37,92,059) |

Details of Closing Inventories

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|----------------------------------|---|---|
| Sugar | 5,11,43,650 | 32,07,20,825 |
| Oil | 1,05,48,43,121 | 56,73,29,664 |
| Other Commodities | 27,19,90,834 | 3,49,89,262 |
| Total closing inventories | 1,37,79,77,605 | 92,30,39,751 |

Note 26 Employee Benefit Expenses

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Salaries, Wages and Bonus | 8,09,84,358 | 6,54,10,406 |
| Directors Remuneration | 77,20,433 | 1,49,26,959 |
| Contributions to provident and other funds [Refer Note 35] | 9,36,515 | 5,78,295 |
| Gratuity Expenses [Refer Note 35] | 17,46,982 | 9,43,874 |
| Staff welfare expenses | 17,52,825 | 44,80,755 |
| Total | 9,31,41,113 | 8,63,40,289 |

Note 27 Finance Costs

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---------------------------|---|---|
| (a) Interest expense on: | | |
| (i) Borrowings | 7,76,18,779 | 9,97,19,620 |
| (b) Other borrowing costs | 1,42,37,404 | 1,26,68,831 |
| Total | 9,18,56,183 | 11,23,88,451 |

Note 28 Depreciation and amortization expenses

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Depreciation of tangible assets [Refer note 3] | 43,99,550 | 56,43,646 |
| Amortization of intangible assets [Refer note 4] | 3,31,650 | 3,07,143 |
| | 47,31,200 | 59,50,789 |

Notes forming part of the Consolidated financial statements

Note 29 Other Expenses

| Particulars | For the year ended | For the year ended |
|---|-----------------------|---------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Bank Charges | 8,31,21,349 | 4,97,51,793 |
| Power and fuel | 11,94,741 | 9,17,505 |
| Rent including lease rentals | 1,01,71,548 | 1,18,49,226 |
| Repairs and maintenance - Buildings | 5,28,189 | 6,21,033 |
| Repairs and maintenance - Machinery | 23,41,370 | 19,96,032 |
| Repairs and maintenance - Others | 1,84,148 | 89,037 |
| Insurance | 75,86,163 | 92,79,737 |
| Rates and taxes | 22,34,383 | 9,08,298 |
| Communication | 33,30,365 | 24,94,145 |
| Travelling and conveyance | 64,26,213 | 95,56,215 |
| Printing and stationery | 6,38,084 | 9,37,372 |
| Custom Duty | 1,14,87,05,138 | - |
| Excise Duty | - | 69,95,709 |
| Freight and forwarding | 45,21,99,582 | 55,47,72,468 |
| Sales commission | 3,93,53,347 | 4,51,96,521 |
| Business promotion | 47,03,179 | 35,92,569 |
| Legal and professional | 2,17,00,260 | 1,86,02,656 |
| Payments to auditors [Refer Note (i)] | 20,38,357 | 16,65,354 |
| Prior Period Expense [Refer Note (ii)] | - | 55,335 |
| Labour Charges | - | 2,10,342 |
| Loading and Unloading Charges | - | 55,64,043 |
| Terminal and Handling Charges | 1,33,12,038 | 68,94,580 |
| Other Clearing Charges | 3,10,91,797 | 33,216 |
| Transport Charges | 6,93,28,289 | 5,79,62,217 |
| Warehouse Charges | 4,59,03,325 | 8,33,79,827 |
| Demurrage & Detention Charges | 1,27,09,565 | 2,31,29,636 |
| Brokerage on trading in Commodities & Securities Exchange | 94,26,074 | 80,14,474 |
| ECGC Premium | 22,83,374 | 40,81,553 |
| Lodging & Boarding | 24,26,487 | 23,65,830 |
| Corporate Social Responsibility Expenses [Refer Note (iii)] | 60,00,000 | - |
| Directors Sitting Fees | 13,75,000 | 8,00,000 |
| Bad trade and other receivables, loans and advances written off | 83,08,408 | 2,51,64,265 |
| Miscellaneous Expenses | 54,45,678 | 1,64,67,016 |
| Loss on Commodities derivative Trading. | - | 4,53,23,156 |
| Total | 1,99,40,66,451 | 99,86,71,160 |



Notes forming part of the Consolidated financial statements

Notes:

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| (i) Payments to the auditors comprises (net of input credit, where applicable): | | |
| Audit Fees | 16,38,357 | 13,91,178 |
| Tax Audit Fees | 1,50,000 | 1,15,000 |
| Other Matters | 2,50,000 | 1,59,176 |
| | 20,38,357 | 16,65,354 |
| (ii) Prior Period Expenses | | |
| Office expense | - | 55,335 |
| Total | - | 55,335 |
| (iii) Details of Corporate Social Responsibility(CSR) Expenditure: | | |
| (iiia) Gross amount required to be spent | | |
| For current year | 35,95,283 | 28,19,365 |
| For previous years | 65,36,233 | 37,16,868 |
| (iiib) Amount Spent in Current Year | 1,01,31,516 | 65,36,233 |
| Educational Institution | (60,00,000) | - |
| (iiic) Amount Yet to be Spent | 41,31,516 | 65,36,233 |

Note 30 Tax Expense

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| (a) Amounts recognised in Statement of profit or loss | | |
| Current Tax Provision | 9,60,67,737 | 8,21,13,660 |
| Tax Expenses relating to previous year | 3,09,576 | 15,97,176 |
| Deferred Tax Expenses | (2,18,066) | (8,28,064) |
| | 9,61,59,247 | 8,28,82,772 |

(b) Amounts recognised in Other Comprehensive Income

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|---|---|---|
| Items that will not be reclassified to profit or loss | | |
| Remeasurements of the defined benefit plans | 10,34,451 | 4,36,695 |
| | 10,34,451 | 4,36,695 |

(c) Reconciliation of Effective Tax Rate

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Profit before Tax | 58,63,03,657 | 44,60,62,564 |
| Tax using domestic tax rate [Current Year: 34.608% (Previous year: 34.608%)] | 20,29,07,970 | 15,43,73,332 |
| Tax effect of: | | |
| Tax effect on deductible tax expenses | | |

Notes forming part of the Consolidated financial statements

| Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|---|---|
| Expenses not deductible for tax purpose | 12,45,925 | 13,93,382 |
| Income Exempt from Income Tax | (24,853) | (16,02,907) |
| Income Tax Incentives | (13,24,174) | (14,73,576) |
| Deductions under various sections of Income Tax Act | (32,20,452) | (13,07,127) |
| Difference in tax rates for certain entities of the group | (10,11,74,607) | (7,10,43,410) |
| Others | (20,32,496) | 33,71,142 |
| Tax Expense as per Statement of Profit and Loss Account | 9,63,77,313 | 8,37,10,836 |
| Effective Tax Rate | 16.44% | 18.77% |

(d) Movement in Deferred Tax balances

(in ₹)

| Particulars | Net Balance as at April 01, 2017 | Credit / (Charge) in Statement of Profit or Loss | Credit / (Charge) in Equity | Credit / (Charge) in OCI | Net Balance as at March 31, 2018 |
|---|--|---|-----------------------------------|--------------------------------|---|
| Property Plant and Equipment | 38,83,334 | (2,18,066) | - | - | 36,65,268 |
| DTL on Fair Value of Investments | 10,38,58,037 | 5,29,77,889 | 24,80,517 | (87,90,909) | 15,05,25,534 |
| Deferred Tax (Asset) / Liabilities | 10,77,41,371 | 5,27,59,823 | 24,80,517 | (87,90,909) | 15,41,90,802 |

| Particulars | Net Balance as at April 01, 2016 | Credit / (Charge) in Statement of Profit or Loss | Credit / (Charge) in Equity | Credit / (Charge) in OCI | Net Balance as at March 31, 2017 |
|---|--|---|-----------------------------------|--------------------------------|--|
| Property Plant and Equipment | 47,11,398 | (8,28,064) | - | - | 38,83,334 |
| DTL on Fair Value of Investments | 6,92,47,965 | 3,65,78,653 | 5,03,340 | (24,71,921) | 10,38,58,037 |
| Deferred Tax (Asset) / Liabilities | 7,39,59,363 | 3,57,50,589 | 5,03,340 | (24,71,921) | 10,77,41,371 |

Note 31 Earning Per Share

The following reflects the income and share data used in the basic and diluted EPS Computations

| Note | Particulars | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|------|--|---|---|
| 31 | Earning Per Share | | |
| | Basic & Diluted | | |
| | Net profit / (loss) for the year | 49,11,78,861 | 36,36,16,487 |
| | Less: Dividend and tax thereon | - | - |
| | Net profit / (loss) for the year attributable to the equity shareholders | 49,11,78,861 | 36,36,16,487 |
| | Total Number of Shares outstanding | 2,13,25,943 | 1,64,25,943 |
| | Weighted average number of equity shares outstanding | 1,86,94,667 | 1,64,25,943 |
| | Face value per share | 10 | 10 |
| | Basic Earning Per Share | 26.27 | 22.14 |
| | Diluted Earning Per Share | 26.27 | 22.14 |

**Notes forming part of the Consolidated financial statements****Note 32 Contingent liabilities and commitments (to the extent not provided for)**

| Particulars | As at | As at | As at |
|--|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 01, 2016 |
| | ₹ | ₹ | ₹ |
| (i) Contingent liabilities | | | |
| Direct and indirect taxation matters | | | |
| Income tax | 2,13,014 | 11,05,897 | 11,08,864 |
| Sales tax | 59,300 | 59,300 | - |
| Claims against the Company not acknowledged as debts | 1,15,80,657 | 1,15,80,657 | 1,97,95,40,443 |

(ii) Commitments

| Particulars | As at | As at | As at A |
|--|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 01, 2016 |
| Uncalled Liability | | | |
| Share Subscription Money Payable for GKM General Trading LLC | - | - | AED 117,600 |
| Share Subscription Money Payable for Sakuma Exim DMCC | - | AED 55 | AED 55 |

Note 33 Segment Reporting

The Group and its Chief Operating Decision Maker (CODM) reviews agro business as the only segment and takes decision based on the demand and supply in agro business. Thus, as per IND AS 108, the business activities falls within a single primary segment i.e. trading in Agri Products and accordingly segment reporting is not applicable.

Note 34 Related party Disclosures

The related parties as per the terms of IND AS - 24, "Related Party Disclosures". Specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2015) are disclosed below -

| Note | Particulars | |
|---|---|--|
| | Names of Related parties and description of the relationship | |
| | Description of relationship | Names of related parties |
| (i) Related Parties where Control exists | | |
| | Key Management Personnel (KMP) | Late Mr. Chander Mohan Malhotra (upto May 4, 2017) Mr. Saurabh Malhotra (Chairman & Managing Director) Mr. Radhe Shyam (Non-Executive Director) Mr. Ashok Doda (Non-Executive Director) Mr. O P Singal (Non-Executive Director) Ms. Shipra Malhotra (Non-Executive Director) Mr. Vivek Grover (Non-Executive Director) |
| | Relatives of KMP | Mrs. Kusum Malhotra Mrs. Vanita Malhotra |
| | Companies in which Directors, KMP or their relatives are interested | Sakuma Finvest Private Limited GMK System and Logistics Private Limited Sakuma Infrastructure and Realty Private Limited |

Notes forming part of the Consolidated financial statements

C.K.K Exports Private Limited
 Marwar Consultancy Private Limited
 Sukriti Trading LLP
 LT Sagar Coastal Transport Private Limited
 MS Port Terminal Private Limited

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

Key Management Personnel (KMP) Mr. Saurabh Malhotra (Chairman & Managing Director)
 Mr. Radhe Shyam (Non-Executive Director)
 Mr. Ashok Doda (Non-Executive Director)
 Mr. O P Singal (Non-Executive Director)
 Ms. Shipra Malhotra (Non-Executive Director)
 Mr. Vivek Grover (Non-Executive Director)

Relatives of KMP Mrs. Kusum Malhotra

Companies in which Directors, KMP
 or their relatives are interested Sakuma Infrastructure and Realty Private Limited

(iii) Details of related party transactions during the year ended March 31, 2018

| Relationship | Transactions | For the year ended March 31, 2018 ₹ | For the year ended March 31, 2017 ₹ |
|--|-------------------------|---|---|
| Relatives of KMP | | 1,13,382 | 1,40,482 |
| Companies in which Directors, KMP or their relatives are interested | Interest Income | 5,53,569 | 6,85,885 |
| Key Management Personnel | Director's Sitting Fees | 10,60,000 | 6,00,000 |
| Relatives of KMP | | 3,15,000 | 2,00,000 |
| Relatives of KMP | | 11,11,165 | 12,30,315 |
| Companies in which Directors, KMP or their relatives are interested | Rent paid | 54,25,089 | 60,06,819 |
| Key Management Personnel | Director's Remuneration | 72,00,000 | 1,38,00,000 |
| Companies in which Directors, KMP or their relatives are interested | Loan given | 2,50,000 | 11,00,000 |
| Companies in which Directors, KMP or their relatives are interested | Repayment of loan given | 2,50,000 | 11,00,000 |
| Companies in which Directors, KMP or their relatives are interested | Interest Income on Loan | 12,466 | 32,548 |

(iv) Details of balances outstanding as at March 31, 2018 of the Related Parties

| Relationship | Outstanding Balance | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ | As at April 01, 2016 ₹ |
|--|------------------------|------------------------------|------------------------------|------------------------------|
| Relatives of KMP | | 10,07,381 | 8,94,000 | 14,41,321 |
| Companies in which Directors, KMP or their relatives are interested | Other Financial Assets | 49,18,391 | 43,64,821 | 70,37,086 |
| Relatives of KMP | | 5,22,619 | 6,36,000 | 88,679 |
| Companies in which Directors, KMP or their relatives are interested | Prepaid Rent | 25,51,609 | 31,05,179 | 4,32,914 |

**Notes forming part of the Consolidated financial statements****Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The group has not recorded any impairment of receivables relating to the amounts owned by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party exists.

The remuneration to the key managerial personnel does not include the provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

Managerial remuneration is computed as per the provisions of section 197 of the Companies Act, 2013.

Note 35 Post-retirements benefit plan**(i) Defined contribution plans**

The Group has recognised and included in Note 26 "Contribution to Provident and other funds" expenses towards the defined contribution plan as under: (in ₹)

| Particulars | For the year ended March 31, 2018 | For the year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| Contribution to Provident fund (Government) | 9,36,515 | 5,78,295 |

(ii) Defined benefit plans

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

Gratuity

The Group has a defined benefit gratuity plan which is funded with an Insurance Group in the form of qualifying Insurance policy. The Group's defined benefit gratuity plan is a salary plan for employees which requires contributions to be made to a separate administrative fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years of service gets a gratuity on separation @ 15 days of last drawn salary for each completed year of service rounded to nearest integer. The scheme is funded with an insurance Group in the form of qualifying insurance policy.

The Management have appointed PNB MetLife to manage its funds. The management aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

In case of death, while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the Group gratuity scheme administered by PNB MetLife through its gratuity funds.

The disclosure in respect of the defined Gratuity plan are given below:

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

| Particulars | As at March 31, 2018 ₹ | As at March 31, 2017 ₹ |
|---|------------------------------|------------------------------|
| Present Value of Funded obligation | 39,30,033 | 31,14,335 |
| Fair value of plan assets | 18,42,558 | 17,39,391 |
| Net Asset / (Liability) recognised | (20,87,475) | (13,74,944) |

Notes forming part of the Consolidated financial statements

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

| Particulars | As at | As at |
|---|------------------|------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Opening Defined Benefit Obligation | 31,14,335 | 24,16,009 |
| Service cost for the year | 9,10,342 | 7,45,869 |
| Past service cost | 7,30,769 | - |
| Interest cost for the year | 2,39,804 | 1,73,953 |
| Actuarial losses/(gains) | (10,65,217) | (2,21,596) |
| Closing defined benefit obligation | 39,30,033 | 31,14,235 |

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

| Particulars | As at | As at |
|-----------------------------------|------------------|------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Opening fair value of plan assets | 17,39,391 | 15,48,244 |
| Expected return | 1,33,933 | 1,11,474 |
| Actuarial gains/(losses) | (30,766) | 79,673 |
| Closing balance of fund | 18,42,558 | 17,39,391 |

(d) Expenses recognised during the period -

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| In Income Statement | 17,46,982 | 8,08,348 |
| In Other Comprehensive Income | (10,34,451) | (3,01,169) |
| Total Expenses recognised during the period | 7,12,531 | 5,07,179 |

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

| Particulars | For the year ended | For the year ended |
|---|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Current Service Cost | 9,10,342 | 7,45,869 |
| Interest Cost on benefit obligation | 7,30,769 | - |
| Net Interest on net Defined Liability/(Asset) | 1,05,871 | 62,479 |
| Total | 17,46,982 | 8,08,348 |

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

| Particulars | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Actuarial gains/(losses) | (10,65,217) | (2,21,496) |
| Return on plan assets, excluding amount included in 'Net Interest on net Deferred Liability/(Asset)' above | 30,766 | (79,673) |
| Total | (10,34,451) | (3,01,169) |

**Notes forming part of the Consolidated financial statements****(g) Actual return on plan assets -**

| Particulars | As at | As at |
|--------------------------------------|-----------------|-----------------|
| | March 31, 2018 | March 31, 2017 |
| | ₹ | ₹ |
| Expected return on plan assets | 1,33,933 | 1,11,474 |
| Actuarial gain/(loss) on plan assets | (30,766) | 79,673 |
| Actual return on plan assets | 1,03,167 | 1,91,147 |

(h) The principal assumptions used in determining gratuity and leave encashment for the Group's plan are shown below:

Description of Risk Exposures

Valuations are performed on certain basic set of predetermined assumptions and other regulatory frame work which may vary overtime. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 10 lacs).

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

| Particulars | For the year ended | For the year ended |
|--------------------------------|---|--|
| | March 31, 2018 | March 31, 2017 |
| Discount Rates | 7.70% | 7.20% |
| Expected return on plan assets | 7.70% | 7.20% |
| Salary growth rate | 7.00% | 7.00% |
| Attrition Rate | 8.00% | 5.00% |
| Mortality | Indian Assured Lives Mortality (2006-2008) | Indian Assured Lives Mortality (2006-2008) |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of the Consolidated financial statements

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

(in ₹)

| Particulars | As at | |
|-------------------------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 |
| Discount Rate | | |
| One percent increase | 34,31,244 | 27,16,914 |
| One percent decrease | 45,31,503 | 35,96,525 |
| Salary Escalation Rate | | |
| One percent increase | 45,29,668 | 35,92,593 |
| One percent decrease | 34,23,967 | 27,12,831 |
| Withdrawal Rate | | |
| One percent increase | 39,45,065 | 31,22,320 |
| One percent decrease | 39,14,156 | 31,05,161 |

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

Expected (Undiscounted) Benefit Payments in Future Years

(Projections are for current members and their currently accumulated benefits)

| Particulars | For the year ended | |
|--------------|--------------------|-----------------|
| | March 31, 2018 | March 31, 2017 |
| Year 1 | 83,345 | 68,506 |
| Year 2 | 1,46,817 | 1,08,153 |
| Year 3 | 1,41,752 | 1,04,422 |
| Year 4 | 1,69,406 | 2,73,896 |
| Year 5 | 1,31,017 | 1,17,405 |
| Year 6 to 10 | 3,29,330 | 2,86,196 |
| Total | 10,01,667 | 9,58,578 |

36 Hedging Activities and Derivatives

Derivatives designated as hedging instruments

The Company uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per IND AS 109.

Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable, and comprise about 25% of the Company's total expected sales in US dollar.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

37 Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not valued at fair value if the carrying amount is a reasonable approximation of the fair value.



Notes forming part of the Consolidated financial statements

(in ₹)

| As at March 31, 2018 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-----------------------|-----------------------|------------|------------------|------------------|--------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 2,60,000 | 2,60,000 | - | - | - | - |
| Other financial assets | 59,25,772 | - | 97,705 | 60,23,477 | - | 59,25,772 | - | 59,25,772 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 5,36,93,08,649 | 5,36,93,08,649 | - | - | - | - |
| Cash and cash equivalents | - | - | 66,02,04,323 | 66,02,04,323 | - | - | - | - |
| Loans, Advances and Deposits | 54,30,016 | - | 25,31,044 | 79,61,060 | - | - | 54,30,016 | 54,30,016 |
| Other financial assets | - | - | 3,58,50,043 | 3,58,50,043 | - | - | - | - |
| Total | 1,13,55,788 | - | 6,06,82,51,764 | 6,07,96,07,552 | - | 59,25,772 | 54,30,016 | 1,13,55,788 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 45,70,85,132 | 45,70,85,132 | - | - | - | - |
| Trade payables | - | - | 4,47,37,55,327 | 4,47,37,55,327 | - | - | - | - |
| Other financial liabilities | - | - | 7,09,95,056 | 7,09,95,056 | - | - | - | - |
| Total | - | - | 5,00,18,35,516 | 5,00,18,35,516 | - | - | - | - |

(in ₹)

| As at March 31, 2017 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-----------------------|------------------------|------------|------------------|------------------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 2,60,000 | 2,60,000 | - | - | - | - |
| Other financial assets | 52,58,821 | - | 97,288 | 53,56,109 | - | 52,58,821 | - | 52,58,821 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 7,56,06,62,329 | 7,56,06,62,329 | - | - | - | - |
| Cash and cash equivalents | - | - | 30,93,98,638 | 30,93,98,638 | - | - | - | - |
| Loans, Advances and Deposits | 35,63,915 | - | 45,75,880 | 81,39,7965 | - | - | 35,63,915 | 35,63,915 |
| Other financial assets | - | - | 3,28,31,319 | 3,28,31,319 | - | - | - | - |
| Total | 88,22,736 | - | 7,90,78,25,454 | 7,91,66,48,1910 | - | 52,58,821 | 35,63,915 | 88,22,736 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 1,30,68,00,851 | 1,30,68,00,851 | - | - | - | - |
| Trade payables | - | - | 5,48,48,22,235 | 5,48,48,22,235 | - | - | - | - |
| Other financial liabilities | - | - | 7,73,24,356 | 7,73,24,356 | - | - | - | - |
| Total | - | - | 6,86,89,47,442 | 6,86,89,47,442 | - | - | - | - |

Notes forming part of the Consolidated financial statements

(in ₹)

| As at April 01, 2016 | Carrying Value | | | | Fair Value | | | |
|------------------------------|----------------------|-----------------------------|-------------------|----------------|------------|-----------|-----------|-------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | At amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non Current Assets | | | | | | | | |
| Investments | - | - | 2,76,100 | 2,76,100 | - | - | - | - |
| Other financial assets | 84,78,407 | - | 99,263 | 85,77,670 | - | 84,78,407 | - | 84,78,407 |
| Financial assets | | | | | | | | |
| Current Assets | | | | | | | | |
| Trade receivables | - | - | 7,56,06,62,329 | 7,56,06,62,329 | - | - | - | - |
| Cash and cash equivalents | - | - | 30,93,98,638 | 30,93,98,638 | - | - | - | - |
| Loans, Advances and Deposits | 21,74,765 | - | 59,65,031 | 81,39,796 | - | - | 21,74,765 | 21,74,765 |
| Other financial assets | - | - | 10,34,08,492 | 10,34,08,492 | - | - | - | - |
| Total | 1,06,53,172 | - | 7,97,98,09,853 | 7,99,04,63,025 | - | 84,78,407 | 21,74,765 | 1,06,53,172 |
| Financial Liabilities | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Borrowings | - | - | 1,35,98,55,828 | 1,35,98,55,828 | - | - | - | - |
| Trade payables | - | - | 1,48,12,15,304 | 1,48,12,15,304 | - | - | - | - |
| Other financial liabilities | - | - | 9,20,80,025 | 9,20,80,025 | - | - | - | - |
| Total | - | - | 2,93,31,51,157 | 2,93,31,51,157 | - | - | - | - |

During the reporting period ended March 31, 2018 and March 31, 2017, there have been no transfers between Level 1 and Level 2 fair value measurements.

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables less than 1 year, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

38. Financial Risk Management

Risk Management Framework

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Group also enters into derivative transactions.

The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors through its risk management committee reviews and agrees policies for managing each of these risks, which are summarised below.

The Group's has exposure to the following risks arising from financial instruments:

- (i) Market Risk
- (ii) Commodity Price Risk
- (iii) Credit Risk
- (iv) Liquidity Risk
- (v) Excessive risk Concentration
- (i) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.



Notes forming part of the Consolidated financial statements

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2018.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017 including the effect of hedge accounting.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a short term working capital loans which are reviewed on yearly basis. The following table provides a break-up of Group's fixed and floating rate borrowing:

(in ₹)

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
|--------------------------|-------------------------|-------------------------|-------------------------|
| Fixed rate borrowings | 8,81,54,681 | 11,42,36,288 | 4,47,00,000 |
| Floating rate borrowings | 36,89,30,451 | 1,19,25,64,563 | 1,31,51,55,828 |
| Total Borrowings | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(in ₹)

| Particulars | Increase / decrease in basis points | Effect on profit before tax |
|-------------------------|-------------------------------------|------------------------------------|
| March 31, 2018 | | |
| ₹ 36,89,30,451 | +/- 100 bps | (36,89,304) / 36,89,304 |
| March 31, 2017 | | |
| ₹ 1,19,25,64,563 | +/- 100 bps | (1,19,25,645) / 1,19,25,645 |

Note: The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year.

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

Derivatives designated as hedging instruments

The Group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. All these instruments are designated as hedging instruments and the necessary documentation for the same is made as per IND AS 109.

Cash flow hedges - Foreign currency Risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of recognized purchase payables, committed future purchases, recognized sales receivables, forecast sales in US dollar. The forecast sales transactions are highly probable.

Notes forming part of the Consolidated financial statements

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

(Amount in USD in '000)

| Unhedged Foreign Currency Exposure | As at | As at | As at |
|---|----------------|----------------|----------------|
| | March 31, 2018 | March 31, 2017 | April 01, 2016 |
| FCY Receivables | 16,894.33 | 12,932.15 | - |
| FCY Payables | (1,394.83) | (5,015.44) | (353.55) |
| Net FCY Receivables / (Payables) | 15,499.50 | 7,916.71 | (353.55) |
| Financial Hedge | 15,498.00 | 7,916.00 | (353.00) |
| Unhedged Foreign Currency Exposure | 1.50 | 0.71 | (0.55) |

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

(in ₹)

| Particulars | Change in Currency | Effect on profit before tax |
|--|--------------------|-----------------------------|
| March 31, 2018 | | |
| Recognized net receivables / (payables) | + 1 / - 1 | +1,500 / (1,500) |
| March 31, 2017 | | |
| Recognized net receivables / (payables) | + 1 / - 1 | +710 / (710) |

The movement in the pre-tax effect is a result of a change in the fair value of the financial asset / liability due to the exchange rate movement.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) Commodity Price Risk

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

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

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

| Particulars | For the year ended March 31, 2018 | | For the year ended March 31, 2017 | |
|-----------------|--------------------------------------|--------|--------------------------------------|--------|
| | Purchase | Sale | Purchase | Sale |
| Oil [In MTNs] | 30,990 | 26,870 | 40,210 | 45,710 |
| Sugar [In MTNs] | - | - | 5,250 | 5,250 |

The category wise outstanding commodity position is as under:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | | As at April 01, 2016 | |
|---------------|----------------------|---------------|----------------------|----------------|----------------------|-------------|
| | Buy / (Sell) | Amount | Buy / (Sell) | Amount | Buy / (Sell) | Amount |
| Oil [In MTNs] | (630) | (4,13,46,900) | (4,750) | (24,35,32,500) | 750 | 4,09,12,500 |

**Notes forming part of the Consolidated financial statements****(iii) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the management subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Generally the Group operates on advance against delivery order principle except for merchant trade transactions wherein the sales is executed on credit terms up to six months. Also, Export customers are secured against Letter of Credit, bank guarantees and payments against documents. Credit risk on receivables is also mitigated by securing the same against security deposit, letter of credit and advance payment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Ageing of Account Receivables

(in ₹)

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
|--------------------|-------------------------|-------------------------|-------------------------|
| 0 - 90 days | 2,90,28,71,845 | 7,21,71,91,001 | 5,35,32,91,371 |
| 91 - 180 days | 2,46,54,48,162 | 30,25,18,177 | 21,19,62,528 |
| 181 - 270 days | - | 3,31,63,755 | 12,26,82,263 |
| 270 - 365 days | 96,42,847 | 88,76,002 | 3,66,53,636 |
| More than 365 days | - | - | - |
| Total | 5,37,79,62,854 | 7,56,17,48,935 | 5,72,45,89,798 |

Other financial assets and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval as per the Investment policy. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group prepares cash flow on a daily basis to monitor liquidity. Any shortfall is funded out of short term loans. Any surplus is invested in liquid mutual funds and short term bank deposits. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Notes forming part of the Consolidated financial statements

Liquidity exposure as at March 31, 2018

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|-----------------------|--------------------|----------|-----------------------|
| Financial Assets | | | | |
| Non-Current Assets | | | | |
| Investments | - | 2,60,000 | - | 2,60,000 |
| Other Financial Assets | 97,705 | 59,25,772 | - | 60,23,477 |
| Current Assets | | | | - |
| Trade receivables | 5,36,93,08,649 | - | - | 5,36,93,08,649 |
| Cash and cash equivalents | 66,02,04,323 | - | - | 66,02,04,323 |
| Loans, Advances and Deposits | - | 79,61,060 | - | 79,61,060 |
| Other financial assets | 3,58,50,043 | - | - | 3,58,50,043 |
| Total | 6,06,54,60,720 | 1,41,46,832 | - | 6,07,96,07,552 |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 45,70,85,132 | - | - | 45,70,85,132 |
| Trade payables | 4,47,37,55,327 | - | - | 4,47,37,55,327 |
| Other financial liabilities | 7,09,95,056 | - | - | 7,09,95,056 |
| Total | 5,00,18,35,515 | - | - | 5,00,18,35,515 |

Liquidity exposure as at March 31, 2017

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|-----------------------|--------------------|----------|-----------------------|
| Financial Assets | | | | - |
| Non-Current Assets | | | | |
| Investments | - | 2,60,000 | - | 2,60,000 |
| Other Financial Assets | 97,288 | 52,58,821 | - | 53,56,109 |
| Current Assets | | | | - |
| Trade receivables | 7,56,06,62,329 | - | - | 7,56,06,62,329 |
| Cash and cash equivalents | 30,93,98,638 | - | - | 30,93,98,638 |
| Loans, Advances and Deposits | - | 81,39,796 | - | 81,39,796 |
| Other financial assets | 3,28,31,319 | - | - | 3,28,31,319 |
| Total | 7,90,29,89,574 | 1,36,58,617 | - | 7,91,66,48,191 |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 1,30,68,00,851 | - | - | 1,30,68,00,851 |
| Trade payables | 5,48,48,22,235 | - | - | 5,48,48,22,235 |
| Other financial liabilities | 7,73,24,356 | - | - | 7,73,24,356 |
| Total | 6,86,89,47,442 | - | - | 6,86,89,47,442 |



Notes forming part of the Consolidated financial statements

Liquidity exposure as at April 01, 2016

(in ₹)

| Particulars | < 1 year | 1-5years | >5 years | Total |
|------------------------------|----------------|-------------|-------------|----------------|
| Financial Assets | | | | - |
| Non-Current Assets | | | | |
| Investments | - | 2,76,100 | 1,07,23,702 | 1,09,99,802 |
| Other Financial Assets | 99,263 | 84,78,407 | - | 85,77,670 |
| Current Assets | | | | - |
| Trade receivables | 5,72,24,26,455 | - | - | 5,72,24,26,455 |
| Cash and cash equivalents | 41,70,28,647 | - | - | 41,70,28,647 |
| Loans, Advances and Deposits | - | 60,89,893 | - | 60,89,893 |
| Other financial assets | 1,98,02,368 | - | - | 1,98,02,368 |
| Total | 6,15,93,56,733 | 1,48,44,400 | 1,07,23,702 | 6,18,49,24,834 |
| Financial Liabilities | | | | - |
| Current Liabilities | | | | |
| Borrowings | 1,35,98,55,828 | - | - | 1,35,98,55,828 |
| Trade payables | 4,19,61,77,300 | - | - | 4,19,61,77,300 |
| Other financial liabilities | 10,34,08,491 | - | - | 10,34,08,491 |
| Total | 5,65,94,41,619 | - | - | 5,65,94,41,619 |

(v) Excessive risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

39. Capital Risk Management

For the purpose of the Group capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(in ₹)

| Particulars | As at March 31, 2018 | As at March 31, 2017 | As at April 01, 2016 |
|----------------------------------|-------------------------|-------------------------|-------------------------|
| Borrowings | 45,70,85,132 | 1,30,68,00,851 | 1,35,98,55,828 |
| Trade Payables | 4,47,37,55,327 | 5,48,48,22,235 | 4,19,61,77,300 |
| Less: Cash and Cash Equivalents | (66,02,04,323) | (30,93,98,638) | (41,70,28,647) |
| Net Debt | 4,27,06,36,137 | 6,48,22,24,447 | 5,13,90,04,481 |
| Total Equity | 2,42,06,57,663 | 1,50,48,83,509 | 1,19,80,75,045 |
| Total Equity and Net Debt | 6,69,12,93,800 | 7,98,71,07,956 | 6,33,70,79,526 |
| Gearing Ratio | 0.64 | 0.81 | 0.81 |

Notes forming part of the Consolidated financial statements

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

Note 40. First Time Adoption of IND AS

The Group had prepared its financial statements in accordance with the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) for and including the year ended March 31, 2018. The Group has prepared its first IND AS (Indian Accounting Standards) compliant Financial Statements for the year ended March 31, 2018 with restated comparative figures for the year ended March 31, 2017 in compliance with IND AS. Accordingly, the Opening Balance Sheet, in line with IND AS transitional provisions, has been prepared as at April 1, 2016, the date of Group's transition to IND AS. The principal adjustments made by the Group in restating its Indian GAAP financial statements for the financial year ending March 31, 2017 and the Balance Sheet as at April 1, 2016 are as mentioned below:

| (₹ in '000) | |
|--|----------------|
| Equity Reconciliation between IND AS & Previous GAAP | March 31, 2017 |
| Equity under Previous GAAP | 16,50,610.85 |
| Reversal of foreign exchange differences | (36,797.78) |
| Difference in measurement of Employee benefits | (881.08) |
| Deferred Tax Liability created on Investments in Subsidiaries under IND AS | (1,03,858.04) |
| Others | (4,190.44) |
| Equity under IND AS | 15,04,883.51 |

| (₹ in '000) | |
|---|------------------------------|
| Particulars | Year ended March 31, 2017 |
| Net Profit after Tax for the Period (as per Indian GAAP) | 3,70,896.00 |
| Benefit/(Charge): | |
| Provision for Doubtful Debts | (176.00) |
| Others | (7,540.21) |
| Net profit for the year (as per IND AS) | 3,63,179.79 |
| Other comprehensive Income | |
| Actuarial loss on Defined Benefit plans (net of tax) | 436.70 |
| Total Comprehensive Income | 3,63,616.49 |

Notes to first time adoption

Note 1: Remeasurements of post employment benefit obligations

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under IND AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

Note 2: Security deposit

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of lease term) are recorded at transaction price. Under IND AS All financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent.



Notes forming part of the Consolidated financial statements

Note 3: Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per IND AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per IND AS.

Note 4: Deferred Tax Liabilities

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under IND AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.

Note 5: Statement of cash flows

The transition from Indian GAAP to IND AS has not had a material impact on the statement of cash flows.

Exemptions applied -

IND AS 101 on First Time Adoption of IND AS allows first-time adopters certain exemptions from the retrospective application of certain requirements under IND AS. The Group has applied the following exemptions:

• Deemed Cost

There is no change in the functional currency of the Group and accordingly, it has elected to continue with the carrying values for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as the deemed cost at the transition date. Accumulated depreciation was calculated on that amount as at the date of transition to IND AS on the basis of the current estimate of the useful life of the asset using the depreciation policy adopted by the Group in accordance with Indian GAAP i.e. useful life of assets remains same as per schedule II of the Companies Act, 2013.

The Group has elected to use the previous GAAP carrying values as deemed cost at the transition date for all its intangible assets.

In accordance with the exemption given in IND AS 101, the Group has recorded its investment in subsidiaries at deemed cost as on the transition date to IND AS instead of fair value.

• Leases

Appendix C to IND AS 17 requires the Group to assess whether a contract or arrangement contains a lease. In accordance with IND AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used IND AS 101 exemption and assessed all relevant arrangements for leases based on conditions in place as at the date of transition.

• Hedge Accounting

The Group uses derivative financial instruments to hedge its commodity and foreign currency risks. Under Indian GAAP, there is no mandatory standard that deals comprehensively with hedge accounting, which has resulted in the adoption of varying practices. The Group has designated various economic hedges and applied economic hedge accounting principles to avoid profit or loss mismatch. All the hedges designated under Indian GAAP are of types which qualify for hedge accounting in accordance with IND AS 109 also. Moreover, the Group, before the date of transition to IND AS, has designated a transaction as hedge and also meets all the conditions for hedge accounting in IND AS 109. Consequently, the Group continues to apply hedge accounting after the date of transition to IND AS.

INDAS Mandatory Exceptions applied

IND AS 101 specifies mandatory exceptions from retrospective application of certain requirements under IND AS for first-time adopters. Following exceptions are applicable to the Group:

(i) Use of Estimates

The estimates at April 1, 2016 and March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on Expected Credit Loss (ECL) model

Notes forming part of the Consolidated financial statements

The estimates used by the Group to present these amounts in accordance with IND AS reflect conditions at April 1, 2016, the date of transition to IND AS and as of March 31, 2017.

(ii) Impairment of financial assets

The Group has applied the exception related impairment of financial assets given in IND AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at April 1, 2016.

(iii) Derecognition of financial assets and financial liabilities

The Group has elected to apply the derecognition requirements for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after the transition to IND AS.

(iv) Classification and measurement of financial assets

The Group has classified the financial assets in accordance to IND AS 109 on the basis of the facts and circumstances that exist on the date of transition to IND AS.

Note 41 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Amendments to IND AS 115 Revenue from Contracts with Customers

IND AS 115 was issued on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under IND AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under IND AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018. On transition, the effect of this changes is not expected to be material for the Group.

Amendments to IND AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the changes in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018. The Group will adopt the new standard on the required effective date. On transition, the effect of this changes is not expected to be material for the Group.

Appendix B to IND AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.



Notes forming part of the Consolidated financial statements

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 01, 2018. However, since the Group's current practice is in line with the Interpretation, the Group does not expect any effect on its financial statements.



SAKUMA EXPORTS LIMITED

L51909MH2005PLC155765

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

ATTENDANCE SLIP

(To be presented at the Entrance)

Thirteenth Annual General Meeting of the Company held on Saturday, 29th September, 2018 at 10.30 A.M. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

Folio No.: _____

DP ID No.: _____

Client ID No.: _____

Name of the Member: _____ Signature: _____

Name of the Proxyholder: _____ Signature: _____

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



SAKUMA EXPORTS LIMITED

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

FORM NO. MGT – 11

PROXY FORM

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

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

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

- Name _____
Address _____
Email Id _____
Signature _____ or failing him
- Name _____
Address _____
Email Id _____
Signature _____ or failing him
- Name _____
Address _____
Email Id _____
Signature _____ or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018 at 10.30 A.M. at Hall of Quest, Nehru Planetarium (Basement), Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions as indicated below:

| Sr. No. | Resolutions | For | Against |
|---------|---|-----|---------|
| 1 (a). | Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors' thereon. | | |
| 1 (b). | Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, and the Report of the Auditors' thereon. | | |
| 2. | To declare dividend @ 10% i.e. Re. 1/- per equity share for the financial year 2017 – 18. | | |
| 3. | Re-appointment of Ms. Shipra Malhotra, who retires by rotation. | | |
| 4. | Re-appointment M/s. M. L. Sharma & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration. | | |
| 5. | Adoption of new set of Articles of Association of the Company | | |

Signed this _____ day of _____ 2018.

Signature of shareholder : _____

Signature of Proxy Holder (s): _____

| |
|--|
| Affix a Re 1.00 revenue stamp |
|--|

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

ROUTE MAP



Book-Post

If undelivered, please return to:

Sakuma Exports Limited

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