

SAKUMA EXPORTS LIMITED.

BOARD OF DIRECTORS

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

AUDITORS

A.R.Sodha & Co.
Chartered Accountants
101/102, Ashiana, 11th TPS III Road,
Santacruz (East) Mumbai – 400 055

BANKERS

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

REGISTERED OFFICE

Bigshare Services Private Limited,
Address: E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai- 400072.
Tel: 40430200 Fax: 28475207
Email: rutika@bigshareonline.com
Website: www.bigshareonline.com

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NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the members of **SAKUMA EXPORTS LIMITED** will be held on Thursday, 27th September, 2012 at 10.30 A.M. at P L Deshpande Kala Academy, Ravindra Natya Mandir, Third Floor, Mini Theatre, Sayani Road, Prabhadevi, Mumbai: 400 025 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Audited Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares @ 10 % i.e (₹ 1 per Equity share).
3. To appoint a Director in place of Mr. Satyendra Sonar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. A. R. Sodha & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

BY ORDER OF THE BOARD
For Sakuma Exports Limited

Sd/-
(Saurabh Malhotra)
Managing Director

Place: Mumbai

Dated: 13th August. 2012

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM IS ENCLOSED ALONG WITH THIS NOTICE.
2. The Proxy Form, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is not required to be annexed.
4. For the convenience of the shareholders, Attendance Slip is annexed to this notice. Shareholders/Proxy Holders are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 22nd September, 2012 to 27th September, 2012 (both the days inclusive).
6. Corporate Members intending to send their authorized representatives at the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Dividend on equity shares, if declared at the Meeting, will be paid to those shareholders whose names shall appear on the Company's Register of Members as on book closure date; in respect of shares held in dematerialized form, the dividend will be paid to those shareholders whose names are furnished by Central Depository Services (India) Limited and National Securities Depository Limited as beneficial owners as on that date.
9. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their depositories to the company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and



the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account. Members holding shares in dematerialized form as well as in physical are requested to intimate instructions pertaining to those shares to their respective Depository Participant and for shares held in physical form to intimate instructions pertaining to those shares to the Company's Registrar and Share Transfer Agent.

10. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent i.e. M/s. Big Share Services Private Limited.
11. Members are requested to immediately notify any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Secretarial department at the Registered Office of the company or to the Registrar and Shares Transfer Agents in respect of their holding in physical form.
12. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report.
13. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mrs. Jyoti Deshpande:
jyotip@sakumaexportsltd.com
14. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year March 31, 2006 and dividends declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the IEPF pursuant to Section 205C of the Companies Act, 1956.

For Equity Shareholders:

Financial Year	Date of Declaration of Divided	Last Date of claiming un – paid Dividend
Final Dividend 2005 – 2006	26.07.2006	30.08.2013
Final Dividend 2006 – 2007	09.07.2007	13.08.2014
Final Dividend 2007 – 2008	20.08.2008	24.09.2015
Final Dividend 2010 – 2011	18.08.2011	22.09.2018

For Preference Shareholders:

Financial Year	Date of Declaration of Divided	Last Date of claiming un – paid Dividend
Dividend 2005 – 2006	26.07.2006	30.08.2013
Dividend 2006 – 2007	09.07.2007	13.08.2014
Dividend 2007 – 2008	20.08.2008	24.09.2015
Dividend 2008 – 2009	15.09.2009	21.10.2016
Dividend 2009 – 2010	15.09.2010	20.10.2017
Dividend 2010 – 2011	28.02.2011	27.02.2018

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

15. All the shareholders are requested to register their e-mail address with the M/s. Big Share Services Private Limited for the purpose of service of documents under Section 53 of the Companies Act, 1956 by E-mode instead of under posting certificate (UPC) in view of Circular No. 17/95/2011 CL-V issued by the Ministry of Corporate Affairs.

Directors' Report

Your Directors take pleasure in presenting their Seventh Annual Report on the business and operations of your Company together with audited statement of accounts for the year ended 31st March 2012.

Financial Highlights

FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2012

(₹ in lacs)

	Standalone		Consolidated	
	2011-12	2010-11	2011-12	2010-2011
Sales & Other Income	96560.30	63264.94	97837.45	-
Profit before depreciation & Tax	1093.53	823.03	1180.62	-
Depreciation	82.80	87.98	82.91	-
Profit before Tax	1010.73	735.05	1097.70	-
Provision for Tax				-
– Current Tax	333.00	252.94	333.00	-
– Deferred Tax	(22.03)	(20.99)	(22.03)	-
– Income Tax of Earlier years	31.00	2.20	31.00	-
Minority Interest and share of loss of associate			19.93	
Net Profit after tax	668.76	500.91	735.80	-
Add: Surplus from previous period	420.30	1165.35	420.30	-
Profit Available for Appropriation	1089.05	1666.26	1156.10	-
Appropriation				-
Transfer to Capital Redemption Reserve	0	1000.09	0	-
Dividend on Equity Shares	164.26	164.26	164.26	-
Dividend on Preference Shares		45.76	0	-
Dividend Tax	26.65	35.85	26.65	-
Excess provision of brought back	(1.27)	0	(1.27)	-
Transfer to Statutory Reserve	-	-	9.29	-
Balance carried to Balance Sheet	899.42	420.30	957.17	-

Operations Review and Future Prospects

During the year the government eased exports of sugar, though, in bits .Despite rapidly varying policies of Government, fluctuating forex rates, the Company (including its subsidiary) achieved significant improvement in TOPLINE and BOTTOMLINE .The Company (including its subsidiary) was able to improve its turnover from ₹ 632.65 Crores in the year 2010-11 to ₹ 978.37 crores during the year 2011-12, the increase of 54.65%. During the year, there has been an increase of 43.45% in profits before depreciation and tax from ₹ 823.03 lakhs in 2010-11 to ₹ 1180.62 lakhs in 2011-12. The net profit after tax increased by 46.89% from ₹ 500.91 lakhs for the year ended 31 March 2011 to ₹ 735.80 lakhs for the year ended 31st March 2012 including the profit of ₹ 79.72 from GKM General Trading LLC, Dubai.

With a view to diversify export mix and export markets, the company opened two subsidiaries in Dubai, U.A.E. One jointly with a local sponsorer as required under the local laws, namely, GKM General Trading LLC and the other as a fully owned subsidiary of Sakuma Exports Ltd, namely Sakuma Exim DMCC in Free Trade Zone, Dubai .As on 31st March 2012, Sakuma Exports Ltd had invested Arab Emirates Dhiram (AED) 29375 (₹ 4,30,877/-) towards equity capital of GKM General Trading LLC and Arab Emirates Dhiram (AED) 50000 (i.e ₹ 7,00,581/-) in Sakuma Exim DMCC. While GKM General Trading LLC, became operational during the month of October 2011. Our share of profit during 1st Oct 2011 to 31st March 2012 of GKM General Trading LLC operations amounted Arab Emirates Dhiram (AED) 576337 i.e approximately ₹ 79.72 Lakhs. Sakuma Exim DMCC became operational during the current year.



Due to good opportunity in exports and imports business, domestic trade was curtailed because of lack of funds. During the year, the export constituted **84.16%** of turnover as against **36.09 %** during the preceding year. To take advantage of our presence in Dubai, we also exported turmeric, ₹ **60.92** lacs etc. We also exported though in small quantities, rice, peanuts. During the year, we continued to import. During the year we imported yellow peas, green peas, Paper amounting to ₹ **60.04** crores

The Future Prospects:

The country is passing through a serious problem of negative trade balance and we hope the government will come out with export supporting policies. With encouraging performance of our Dubai Overseas Offices, we propose to open a few more offices abroad to take advantage of local markets and overseas opportunities and we are hopeful that your Company should do well and grow satisfactorily in future. However, the delayed and deficient rainfall during the year 2012-13 is a matter of concern as it may affect the procurement from few parts of India.

Dividend

The Board of Directors has recommended dividend of 10% on equity shares (i.e. ₹ 1 per equity share) for the financial year ended 31st March, 2012 amounting to ₹ 1,64,25,943/-. The dividend tax liability on equity shares to be borne by your Company is ₹ 26, 64,700/-.

Subsidiary Companies

Sakuma Exim DMCC, incorporated in Dubai, United Arab Emirates is a wholly owned subsidiary of the Company.

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

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

(INR in Lacs)

Sr. No	Particulars	GKM General Trading LLC (in INR)	Sakuma Exim DMCC (in INR)
	Reporting Currency	AED	AED
	Country	U.A.E	U.A.E
	Exchange Rate	13.8695	13.8695
i)	Share Capital	4.31	7.00
ii)	Reserves and Surplus	99.65	(0.10)
iii)	Total Assets	389.01	6.90
iv)	Total Liabilities	285.05	Nil
v)	Investment other than Investment in subsidiary	Nil	Nil
vi)	Turnover	3014.05	Nil
vii)	Profit before taxation	116.14	Nil
viii)	Provision for Taxation	0	Nil
ix)	Profit after taxation	116.14	Nil
x)	Proposed Dividend	0	Nil

Public Deposits

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

Director's Responsibility Statement

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

- (i) In the preparation of the annual accounts for the financial year ended March 31, 2012, all the applicable accounting standards have been followed along with proper explanations relating to material departures.
- (ii) Appropriate accounting policies have been selected and applied consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for the said period;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The annual accounts have been prepared on a 'going concern' basis.

Directors:

Mr. Satyendra Sonar, Non-Executive Independent Director retires by rotation and being eligible, offers himself for re-appointment.

Auditors

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

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

Corporate Governance

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

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

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

A. Conservation of Energy

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

B. Technology absorption, adaptation and innovation

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

C. Foreign Exchange Earning & Outgo:

Particulars	(Amount in ₹)	
	2011-12	2010-11
(a) Expenditure in Foreign Currency		
– Travelling Expenses	9,20,976	-
– Commission	97,671	-
– Import	600,439,150	53,67,00,835
(b) Earnings in Foreign Currency		
– Export of Goods on FOB basis.	7,297,683,203	2,259,231,658



Particulars of Employees

The provision of section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are not applicable to your company since none of the employee is employed on a remuneration of ₹ 5,00,000/ – P.M or ₹ 60, 00,000/ P.A.

Acknowledgements

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

For and on behalf of the Board of Directors

Sd/-

**Chander Mohan
Chairman**

Sd/-

**Saurabh Malhotra
Managing Director**

**Mumbai
Date: 13th August, 2012**

CORPORATE GOVERNANCE REPORT

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

***(For The Financial Year 31st March, 2012)**

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

II. BOARD OF DIRECTORS

i) Composition and Category of Directors:

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

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

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

Date of Board Meetings	Chander Mohan	Saurabh Malhotra	Shipra Mediratta	Ashok Kumar Doda	Radhe Shyam	Satyendra J Sonar
27 th May, 2011	Present	Present	Present	Absent	Present	Present
26 th July, 2011	Present	Present	Present	Present	Present	Present
10 th November, 2011	Present	Present	Present	Present	Present	Present
9 th February 2012	Present	Present	Present	Present	Present	Present
Total Attendance (out of 4 Board Meetings)	4	4	4	3	4	4
Attendance at Last AGM	Present	Present	Present	Present	Present	Present

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

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

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

AC – SEL

Audit Committee – Sakuma Exports Limited

SIGC – SEL

Shareholders / Investors Grievance Committee – Sakuma Exports Limited



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

iv) **Code of Conduct:**

The Board has formulated a code of conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed their compliance with the code for the financial year ended 31st March, 2012. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

III. AUDIT COMMITTEE

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

Date of Meeting	Radhe Shyam*	Ashok Kumar Doda#	Satyendra J Sonar\$
27 th May, 2011	Present	Absent	Present
26 th July, 2011	Present	Present	Present
10 th November, 2011	Present	Present	Present
9 th February, 2012	Present	Present	Present
Total (out of 4 meetings)	4	3	4

* Chairman & Non Executive Independent Director

Member & Non – Executive Independent Director

\$ Member & Non – Executive Independent Director

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

IV. REMUNERATION COMMITTEE

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

i) **Remuneration Policy**

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

ii) **Details of Remuneration paid to all Directors**

- A. The Company does not have any pecuniary relationship or transactions with the non-executive directors. During the year, the Company has paid sitting fees to non-executive directors.
- B. The aggregate remuneration paid to the Directors for the year ended 31st March, 2012, is as under;

Name of Director	Salary & Perqs	Commiss-ion	Professional Fees	Sitting Fees	Total
Chander Mohan	₹ 42,00,000	-	-	-	₹ 42,00,000
Saurabh Malhotra	₹ 42,00,000	-	-	-	₹ 42,00,000
Shipra Mediratta	-	-	-	₹ 1,36,000	₹ 1,36,000
Ashok Kumar Doda	-	-	-	₹ 1,53,000	₹ 1,53,000
Radhe Shyam	-	-	-	₹ 2,04,000	₹ 2,04,000
Satyendra J Sonar	-	-	-	₹ 1,36,000	₹ 1,36,000

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

D. DETAILS OF SERVICE CONTRACTS:

Name and Designation	Current tenure	From	To
Mr. Chander Mohan Executive Chairman	3 years	1 st September, 2010	31 st August, 2013
Mr. Saurabh Malhotra Managing Director	3 years	1 st September, 2010	31 st August, 2013

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

Non Executive Directors	No. of shares held as on 31 st March, 2012	No. of shares held as on 31 st March, 2011
Shipra Mediratta	Nil	Nil
Ashok Kumar Doda	Nil	Nil
Radhe Shyam	50,001	27,958
Satyendra J Sonar	Nil	Nil

V. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

Date of Meeting	Ashok Kumar Doda*	Shipra Mediratta#	Radhe Shyam\$
27 th May, 2011	Absent	Present	Present
26 th July, 2011	Present	Present	Present
10 th November, 2011	Present	Present	Present
9 th February, 2012	Present	Present	Present
Total (out of 4 meetings)	3	4	4

* Chairman & Non Executive Independent Director

Member & Non – Executive Promoter Director

\$ Member & Non-Executive Independent Director

B. COMPLIANCE OFFICER :

As required by the Listing Agreement, the Company has appointed Ms. Jyoti Deshpande as the Compliance Officer.

Email address of Compliance Officer is jyotip@sakumaexportsltd.com

C. Complaint Status for the year 01/04/2011 to 31/03/2012

Category	No.of Compl. Received	No.of Compl Resolved	No.of Compl Pending
Non receipt of demat rejection documents	1	1	-
Non receipt of dividend warrant	5	5	-
SEBI	2	2	-
Stock Exchange	1	1	-
Total:	9	9	0

VI. GENERAL BODY MEETINGS

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