



Sakuma Exports Limited

9th Annual Report 2013-2014



SAKUMA EXPORTS LIMITED

BOARD OF DIRECTORS

Mr. Chander Mohan - Chairman
Mr. Saurabh Malhotra – Managing Director
Mr. Ashok Kumar Doda – Independent Director
Mr. Radhe Shyam – Independent Director
Mr. Om Parkash Singal – Independent Director
Ms. Shipra Mediratta – Non Executive Director

AUDITORS

M/S. S N K & Co.
Chartered Accountants
303, Konark Shram,
156, Tardeo Road,
Mumbai- 400034

BANKERS

Corporation Bank
Axis Bank Limited
Indian Overseas Bank

REGISTERED OFFICE

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

SHARE TRANSFER AGENTS

Big Share Services Private Limited
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400072
Tel: 022 40430200 Fax: 022 28525207
Email: info@bigshareonline.com
bss@bigshareonline.com

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EXPORTERS & IMPORTERS



(A GOVERNMENT OF INDIA RECOGNISED TRADING HOUSE)
(AN ISO 9001:2008 CERTIFIED COMPANY)
(CIN : L51909MH2005PLC155765)

301-A, Aarus Chambers, S. S. Amrutwar Lane,
Near Mahindra Tower, Worli, Mumbai - 400 013.
Phone : 2499 9021 / 2499 9022
Fax : 91-22-2499 9024 / 27
E-mail : sakumaex@mtnl.net.in
Website : www.sakumaexportsltd.com

FORM A

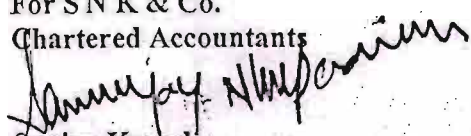
ANNUAL AUDIT REPORT

1	Name of the Company	SAKUMA EXPORTS LIMITED	
2	Annual financial statement for the year ended	31 st March, 2014	
3	Type of Audit Observation	Un-qualified* / Matter of Emphasis *All the clauses in the Audit Report along with the annexure to the Audit Report, both, dated May 15, 2014 are un-qualified in nature.	
4	Frequency of Observation	Whether appeared first time Whether appeared repetitive Since how long (period)	Not Applicable Not Applicable Not Applicable

5	For Sakuma Exports Limited		
	 Saurabh Malhotra Managing Director	 Radhe Shyam Audit Committee Chairman	

For SNK & Co.

Chartered Accountants


Sanjay Kapadia
Partner

Membership No. 38292
FRN: 109176W



AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,

The Members of Sakuma Exports Limited,

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

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

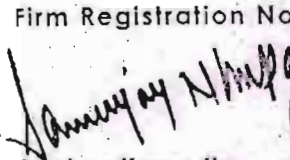
In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement and that no investor grievance(s) is/are pending for a period exceeding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

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

For SNK & Co.

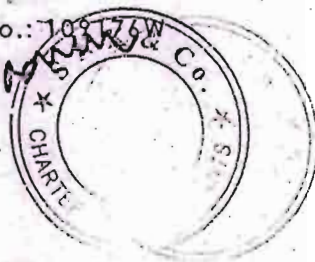
Chartered Accountants

Firm Registration No.: 103126W


Sanjay Kapadia

Partner

Membership No.: 38292



Place: Mumbai

Date: May 15th, 2014**Mumbai :**

303, Konark Shram, 156, Tardeo Road,
Mumbai Central, Mumbai-400 034,
☎ (91) (22) 31921942 - 3

Pune :

E - 2 - B, 4th Floor, The Fifth Avenue,
Dhole Patil Road, Pune - 411001
☎ (91) (20) 32549007 - 8

Surat :

'SNK House', 31-A, Adarsh Society,
Athwalines, Surat-395 001
☎ (91) (261) 2656273 - 4, 3299540 - 7

Ahmedabad :

304, Super Plaza, Sandesh Press
Road, Vastrapur, Ahmedabad-380 054
☎ (91) (79) 40032950

NOTICE

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

Ordinary Business:

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

SPECIAL BUSINESS

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

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

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

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

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



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

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

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

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

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

BY ORDER OF THE BOARD
For Sakuma Exports Limited

Sd/-
(Saurabh Malhotra)
Managing Director

Place: Mumbai

Dated: 15th May, 2014

NOTES:

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

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Dividend on equity shares, if declared at the Meeting, will be paid to those shareholders whose names shall appear on the Company's Register of Members as on 22nd August, 2014; in respect of shares held in dematerialized form, the dividend will be paid to those shareholders whose names are furnished by Central Depository Services (India) Limited and National Securities Depository Limited as beneficial owners as on that date.
9. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their depositories to the company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account. Members holding shares in dematerialized form as well as in physical are requested to intimate instructions pertaining to those shares to their respective Depository Participant and for shares held in physical form to intimate instructions pertaining to those shares to the Company's Registrar and Share Transfer Agent.
10. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent i.e. M/s. Big Share Services Private Limited.
11. Members are requested to immediately notify any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Secretarial department at the Registered Office of the company or to the Registrar and Shares Transfer Agents in respect of their holding in physical form.
12. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report.
13. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr Raju Pillai: companysecretary@sakumaexportsltd.com.
14. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year March 31, 2007 and dividends declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the IEPF pursuant to Section 205C of the Companies Act, 1956.

For Equity Shareholders:

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

For Preference Shareholders:

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

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



15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically
16. Information required under Clause 49 IV G of the Listing Agreement relating to Corporate Governance with respect to the Director being appointed and Directors retiring by rotation and being eligible, seeking re-appointment is as under:

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

II.	Particulars	Mr. Ashok Kumar Doda
	Date of Birth	05/11/1946
	Date of Appointment	08/09/2005
	Qualifications	B. Tech. (Hons) from IIT, Mumbai. Middle Management course from IIM, Ahmedabad; Management Studies from University of Mumbai; Certified Associate of Indian Institute of Bankers (CAIIB)
	Expertise in specific functional areas	
	Directorships in other Public Limited Companies*	2
	Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	2

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

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

ITEM NO. 5 – Borrowing Power

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

**Place: Mumbai
Dated: 15th May, 2014**

**Sd/-
(Saurabh Malhotra)
Managing Director**