

SUMERU INDUSTRIES LIMITED

SUMERU INDUSTRIES LIMITED

CIN No.-L65923GJ1994PLC021479

10TH FLOOR, SUMERU CENTRE, NR. PARIMAL UNDERBRIDGE C G ROAD, PALDI, AHMEDABAD – 380007.

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of the SUMERU INDUSTRIES LIMITED will be held on Tuesday, 25th September 2018 at 9:00 A.M. at Corporate office of the Company situated at "Sumeru", Behind Andaz Party Plot, S. G. Highway Road, Ahmedabad- 380058, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider, approve and adopt the Audited Financial Statements and the Reports of the Board of Directors and Auditor's thereon for the Financial year ended 31st March, 2018.
- 2) To appoint a Director in place of Mrs. Sonal V. Raja (DIN-07122685), who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To ratify appointment of Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification, the following Resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, appointment of M/s M. B. Gabhawala & Co., Chartered Accountants, Ahmedabad having Firm Registration No: 001183C and holding valid Peer Review Certificate issued by the Institute of Chartered Accountants of India, as the Statutory Auditors of the Company be and is hereby ratified, who is appointed as such in the 24th Annual General Meeting for 5 (five) financial years (from Financial year 2017-2018 to 2021-2022) subject to the ratification of their appointment by members at every Annual General Meeting and at such remuneration plus taxes, out of pocket expenses as may be mutually agreed between the Board and the Statutory Auditors from time to time and year to year."

SPECIAL BUSINESS

- 4) To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of members of the Company be and is hereby accorded for continuation of Directorship of Mr. Ambalal C. Patel (DIN- 00037870) who was reappointed as Independent Directors of the Company for a period of 4 years at the 22nd Annual General Meeting of the Company held on 21st September, 2015 till conclusion of 26th Annual General Meeting notwithstanding that he will attain the age of 75 years on 1st April, 2019."
"RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

PLACE: AHMEDABAD.

DATE: 30-07-2018

BY ORDER OF THE BOARD OF DIRECTORS
OF SUMERU INDUSTRIES LIMITED

NIDHI K. SHAH
COMPANY SECRETARY
ACS NO-A33325

EXPLANATORY STATEMENT

Mr. Ambalal C. Patel (DIN- 00037870) - Independent Director was appointed as such in the Company for a period of 4 years at the 22nd Annual General Meeting of the Company held on 21st September, 2015 till conclusion of 26th Annual General Meeting in terms of Companies Act, 2013.

SEBI has amended the LODR, Regulations, 2015 vide circular dated 9th May 2018 which require re-appointment/ continuance of any Non-Executive Director who will be attaining the age of 75 years to be approved by the shareholders by way of a Special Resolution. Though Mr. Ambalal C. Patel (DIN- 00037870) can hold office under the erstwhile resolution, he will attain the age of 75 years during the term of his appointment. Hence this Special Resolution is placed before the shareholders for adoption.

No Director, Key Managerial Personnel or their relatives except Mr. Ambalal C. Patel (DIN- 00037870) to whom the resolution relates, is interested or concerned in the resolution.

Your Directors commend the resolution for approval of the members.

NOTES:

1. In respect of resolution at Item No. 2, a statement giving additional information on Director seeking reappointment as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is annexed with this notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

Pursuant to Provisions of Section 105 of Companies Act, 2013, a person can act as proxy on behalf of a member or number of members not exceeding fifty (50) and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.

The instrument appointing proxy as per the format included in the Annual Report should be lodged with the Company at its Registered office not less than 48 hours before the commencement of the meeting i.e. by 9:00 A.M. on 23rd September, 2018.

3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be titled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID Nos and those who hold shares in physical form are requested to mention their folio no. in the attendance slip for attending the meeting.
6. The Register of Members and the Share Transfer Books of the Company will be closed from Monday, 17th September, 2018 to Tuesday, 25th September, 2018 (both days inclusive).
7. The Annual Report duly circulated to the Members of the Company, is available on the website of the Company www.sumerugroup.in. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.
8. All shareholders are requested to dematerialize their shareholding immediately as the shares are to be traded compulsorily in demat form only.

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9. Members holding shares in physical mode are requested to register their e-mail ID's with the Bigshare Services Private Limited, the Registrar and Share Transfer agent of the Company and members holding shares in demate mode are requested to register their e-mail IDs with their respective Depository Participants (DPs) in case the same is not still registered.
- If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar and Share Transfer agent of the Company in respect of shares held by them in physical mode and to their respective Depository Participants in case of shares held in demate mode.
10. A member desirous of seeking any information as regards to the business to be transacted at the meeting are requested to forward his / her query to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
11. Green Initiative: In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to investors.sumeru@gmail.com mentioning your DP ID/ Folio and Client ID.\
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's R&T agent.
- All the members attending the Annual General Meeting are requested to bring their Photo ID (preferably PAN card) issued by any authority.
13. All the documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11.00 a.m and 1.00 p.m. up to the date of Annual General Meeting.
14. Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
16. A route map showing directions to reach the venue of 25th Annual General Meeting is given at the end of the Notice as per the requirements of Secretarial Standard 2 on General Meeting.
17. Members are requested to send all communications relating to shares (Physical and Demate) to the Company's Registrar and Transfer agent at M/s Big share Services Private Limited, A/802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drinks, Off. C.G. Road, Ahmedabad- 380009.
- GENERAL INSTRUCTIONS FOR VOTING:**
18. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members, facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
19. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
20. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
22. Mr. Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. AB356 and COP No. 2072) (Address: 801-A, Mahaiay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380009) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
23. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the meeting, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit to the Chairman of the Company.
24. The Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website www.sumerugroup.in and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and will be uploaded on website of Stock Exchange.
25. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., 17th September, 2018 only shall be entitled to avail the facility of remote e-voting/Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.
26. If the member is already registered with CDSL's e-voting platform, then he can use his existing User ID and password for casting the vote(s) through remote e-voting.
27. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 17th September, 2018 may obtain the Login ID and password by sending a request to helpdesk.evoting@cdslindia.com or RTA.
28. The process and manner for remote e-voting:
- (i) The voting period begins on Saturday, 22nd September, 2018 at 9:00 a.m. and ends on Monday, 24th September, 2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 17th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

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- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user then follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN Issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on name and address sticker. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RAD0000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demate holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) You need to login again with the new credentials.
- (xii) Click on the EVSN for the relevant <Company Name> i.e. SUMERU INDUSTRIES LIMITED, on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on

"SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

29. VOTING AT AGM :-

- The members who have not cast their votes by remote e-voting, can exercise their voting rights at the AGM through ballot paper.
- Information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profile of the Director proposed to be appointed/ reappointed at the Annual General Meeting is given below:



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28. Information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profile of the Director proposed to be appointed/ reappointed at the Annual General Meeting is given below:

Name of Director	Mrs. Sonal V. Raja
DIN	07122685
Date of Birth	19/08/1958
Age	60 years
Educational Qualification	B.A.
Experience (No. of Years)	13 years
Business field in which Experience	Planning and communication
Date of Appointment as Director in the Company	31/03/2015
Shareholding in Sumeru Industries Ltd. (As on date of Notice)	7039982 shares consisting of 9.78% of total share capital
Member/ Chairman of any Committees in Sumeru Industries Limited	Member- Nomination and Remuneration Comm. and Stake holders relationship committee
Directorship held in any other Company	Virat Tradex Private Limited
Member/ Chairman of any committees of the Directors in other	
Companies with names of the Company.	NIL
Member of any Trade Association/ Charitable Organization/ NGOs etc.	NIL

Name of Director	Mr. Ambalal C. Patel
DIN	00037870
Date of Birth.	01/04/1944
Age.	74 years
Educational Qualification.	B.Sc. B.E.(Metallurgy) from Indian Institute of Science, Bangalore.
Experience (No. of Years)	44 Years.
Business field in which Experience.	Mr. A.C. Patel is Retired Dy. General Manager from Financial Institution GIIC Ltd. He has rich experience in the project planning, implementation, execution, project finance and appraisal. He has very good knowledge on Industries in the State of Gujarat. He also serves as Independent director on many reputed companies and provides excellent professional services as an Independent director to many listed corporate entities.
Original Date of Appointment as Director in the Company.	12/09/2005
Shareholding in Sumeru Industries Ltd. (As on date of Notice)	3,997 shares
Member/ Chairman of any Committees in Sumeru Industries Limited	Member- Audit Committee Member- Nomination and Remuneration Committee
Directorship held in any other Company.	Jindal hotels Ltd. S A L Steel Ltd. Ajmera Realty and Infra India Ltd. Nandan Denim Ltd. Shree Precoated Steels Ltd. CIL Nova Petrochemicals Ltd.
Member/ Chairman of any committees of the Directors in other Companies with names of the Company.	• Audit Committee: Jindal Hotels Ltd.- Member Ajmera Realty & Infra Ltd.-Member Shree Precoated Steels Ltd.- Member S A L Steels Ltd.- Member Nandan Denim Ltd. – Chairman CIL Nova Petrochemicals Ltd.- Chairman • Stakeholder's Relationship Committee: Nandan Denim Ltd.- Member CIL Nova Petrochemicals Ltd.- Chairman
Member of any Trade Association/ Charitable Organization/ NGOs etc.	N.A.

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CIN No.-L65923GJ1994PLC021479

10TH FLOOR, SUMERU CENTRE, NR. PARIMAL UNDERBRIDGE C G ROAD, PALDI, AHMEDABAD – 380007.

DIRECTORS' REPORT

To,

The members of,

Sumeru Industries Limited

Your Directors have pleasure in presenting herewith the 25th Annual Report on the business and operations of the Company together with audited accounts for the financial year ended on 31st March, 2018.

1. Financial Performance of the Company:

This is the first year of implementation of the Indian Accounting Standards (Ind AS). The standalone financial statements for the year ended March 31, 2018 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2017 have been restated as below in accordance with Ind AS for comparative information.

(Amount in Lacs.)

Particulars	2017-18	2016-17
Income from Operation	267.70	737.75
Other Income	30.04	35.11
Total income	297.74	772.86
Total Expenditure before tax and dep.	280.45	758.28
Profit/(loss) before tax and dep.	17.29	14.58
Provision for depreciation	8.04	7.95
GST recovered on sales	3.90	-
Tax expenses	1.04	1.84
Net profit/(loss) after tax for the year	4.31	4.79
Add: balance B/F from previous year	294.98	293.96
Balance carried to next year	299.29	294.98

2. Year under Review:

Company is operating in the business of Trading. During the year under review, the Company has earned total income of Rs. 297.74 Lacs which includes operating Income of Rs. 267.70 Lacs from trading activity and Other Income of Rs. 30.04 Lacs. During Previous year, Company's total income was of Rs. 772.86 Lacs. After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the Company has earned a net profit of Rs. 4.31 Lacs during the current year. (Previous year of Rs. 4.79 Lacs).

3. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Except the information given in this report, no material changes have taken place after completion of the financial year up to the date of this report which may have substantial effect on business and finances of the Company.

4. Dividend:

Due to business needs in future, the directors do not recommend any dividend for the financial year.

5. Unclaimed Dividend:

The Company does not have any outstanding unclaimed dividend which is required to be transferred to the Investor Education and Protection Funds as per the provisions of Section 125 of the Companies Act, 2013. The Company does not have any outstanding liability on account of Interest and principal of Deposits, Debentures or Share Application Money.

6. Share Capital Structure:

During the year under review, there were no changes in the Authorised, Issued, Subscribed and paid up Share Capital Structure of the Company.

7. Deposits:

During the year under review, your Company has neither invited nor accepted any public deposit as defined under Section 77 of the Companies Act, 2013.

8. Particulars of loan, guarantees or investments under section 186:

Company has not given any loan, not provided any guarantee or any security in connection with a loan to any other body corporate or person during the year under review.

9. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

10. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

Board members are of the view that commensurate with the size and nature of the business, your Company has maintained adequate Internal Financial control.

11. Board policies:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated the formulations of certain policies for all listed companies. All our corporate governance policies are available on the website of the Company. The policies are reviewed periodically by the Board and updated based on need and new compliance requirements.

12. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013 and Rules of Companies (Corporate Social Responsibility policy), 2014, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee.

As Company does not come under the ambit of above mentioned provisions, Company has not formed Corporate Social Responsibility Committee and hence Rule 9 of Companies (Accounts) Rule, 2014 regarding disclosure of contents of Corporate Social Responsibility Policy is not applicable to the Company.

13. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information requires to be disclosed in the report of the Board of Directors as per the provisions of Section 134(3)(m) of the Companies Act, 2013 and Rule 3 of the Companies (Accounts) Rules, 2014 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable to the Company, hence are not given herewith. There were no foreign Exchange earnings or outgo during the year.

14. Dematerialization of securities:

Your Company's Equity shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed triparty Agreement through Registrar and Share Transfer Agent M/s Bigshare Services Private Limited. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 764 B01029. Total Share dematerialized up to 31st March 2018 were 54203499 which constitute 75.28% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the Company as early as possible.

15. Disclosure with respect to demat Suspense account/ unclaimed suspense account-

The information required as per para F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company as the Company has no unclaimed dividend and no unclaimed shares and hence are not given herewith.

16. Statutory Auditors:

M/s M. B. Gabbawala & Co., Chartered Accountants, (FRN-001183C) were appointed as a firm of Statutory Auditor of the Company for five(5) consecutive years i.e. for the Financial year 2017-18 to 2021-2022. Company has received eligibility certificate from M/s. M.B. Gabbawala regarding their appointment as such for financial year 2018-2019. Their appointment is to be ratified by members of the company in the next Annual General Meeting.

17. Cost Auditors:

As our Company is neither engaged in the production of goods nor providing services as prescribed under Section 148 of the Companies Act, 2013, Company is not required to appoint Cost Auditor.

18. Internal Auditors:

In order to make proper compliance with the provisions of Corporate Governance the Company had appointed M/s. Shallesh Patel & Co., Chartered Accountants as Internal Auditors. They are regularly submitting their reports to the Audit Committee of the Company.

19. Secretarial Auditor and report thereon:

M/s Kamlesh M. Shah, Practicing Company Secretary was appointed as Secretarial Auditor for the financial year 2017-2018 as per Section 204 of the Companies Act, 2013 and Secretarial Audit report (Form MR-3) is part of the Board's Report and attached as Annexure- I. The Secretarial Auditor has not made any adverse remarks in their report which may require any further clarification from the Board.

20. Extract of Annual Return:

An extract of the annual return in Form No. MGT - 9 is part of the Board's report and attached herewith as Annexure-II.

21. Management Discussion and Analysis -

As per the Corporate Governance norms, a separate report on Management Discussion and Analysis outlining the business of the Company is set out as Annexure-III of this report.

22. Declaration as to Independent Directors:

(Pursuant To Provisions of Section 149(6) of the Companies Act 2013).

All the Independent Directors of the Company do hereby declare that:

- (a) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (b) All the Independent Directors in the opinion of the Board are persons

of integrity and possesses relevant expertise and experience.

- (c) (i) Independent Directors are or were not a Promoter of the Company or Its Holding or subsidiary or associate company.
(ii) Independent Directors are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
 - (d) Independent Directors have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
 - (e) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - (f) Independent Directors, neither himself, nor any of his relatives,
 - i. Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - ii. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed, of -
 - (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or Associate company amounting to ten per cent, or more of the gross turnover of such firm;
 - iii. Holds together with his relatives less than two per cent shares or total voting power of the company; or
 - iv. Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (g) Independent Directors possesses such qualifications as prescribed.
- 23. Director's Responsibility Statement:**
- Pursuant to the provision contained in Section 134(5) of the Companies Act 2013, the Directors of your Company confirm that-
- (a) in the preparation of the annual accounts, as far as possible and to the extent mentioned by the Auditors in their report, the applicable accounting standards has been followed and no material departure has been made from the same;
 - (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the Company at the end of the financial year and of the profit or loss of the Company for that period;
 - (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
 - (d) the directors had prepared the annual accounts on a going concern basis; and
 - (e) The directors had laid down internal financial controls to be

followed by the company and that such internal financial controls are adequate and were operating effectively.

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.\

24. Disclosure as per companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Total expenses of Director's Remuneration- Nil

Managerial Remuneration Expenses: Nil

Other employees Remuneration: Rs. 11,23,750/-

- ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Directors were not paid any remuneration. The percentage increase in remuneration paid to the Company Secretary & CFO is 10% over that of last year.

- iii) The percentage increase in the median remuneration of other employees in the financial year is 10%

- iv) The number of permanent employees on the rolls of company is 5.

- v) The explanation on the relationship between average increase in remuneration and company performance;

The increase in remuneration is considered on the overall economic condition, Industry trend and inflammatory pressure.

- vi) Comparison of the remuneration of the Key managerial personnel against the performance of the company ;

The Company Secretary and CFO were paid remuneration during the year and the same is in accordance with the performance of the Company.

- vii) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

Closing Market Price of shares of Company as on 31/03/2017 : Rs.1.20/-

Closing Market Price of shares of Company as on 31/03/2018 :1.14/-

Earnings Per share for the financial year ended on 31/03/2017 :Rs.0.007/-

Earnings per share for the financial year ended on 31/03/2018 :0.006/-

Based on the Closing Price as on 31st March, 2018, P/E Ratio is minimum.

- viii) Average percentile increase 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 ;

Company Secretary and CFO were paid remuneration during the year and average percentile increase in their remuneration was in line with that of employees i.e. 10%.

- ix) Comparison of the remuneration of each key managerial personnel against the performance of the company –

Company Secretary and CFO were paid remuneration during the

year. Whereas, operation income of the Company is received from trading activities and other income are generated as dividend income from Investment made by the Company.

- x) The key parameters for any variable component of remuneration availed by the directors;

NOT APPLICABLE as directors are not paid any remuneration during the year.

- xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and Directors are not paid any remuneration and No employee is receiving remuneration in excess of Key Managerial personnel i.e. Company Secretary and CFO.

- xii) Affirmation that the remuneration is as per the remuneration policy of the company.

All payable and proposed increase in the remuneration of the Employees and KMPs are recommended by Nomination & Remuneration Committee to the Board of Directors within the organization.

25. Formal Annual Evaluation Process by Board:

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual directors pursuant to provisions of the Companies Act, 2013 and Corporate Governance requirements as prescribed by SEBI under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board Composition and structure, effectiveness of board process, information and functioning etc The performance of the committee was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the structure of the committees, meetings and independency of the Committees etc

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

26. **Board Meetings:** During the year six Board meetings were duly convened and held. The following are the dates on which the board meetings were held-

(1) May 11, 2017, (2) June 3, 2017, (3) July 29, 2017, (4) September 25, 2017, (5) October 17, 2017, and (6) January 25, 2018.

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

27. **Committees:** The Company has several Committees which have been established as a part of best corporate governance practices and are in a compliance with the requirements of the relevant provisions of applicable laws and statute.

The Company has following Committees-

- (a) **Audit Committee-** The members of Audit Committee met 4 times in a year and gap between two meetings was not more than 120 days. Following is the Composition of Audit Committee--

Name	Designation	Attendance at committee meeting			
		11-05-17	29-07-17	17-10-17	25-01-18
Mr. Bhavin D. Mashruwala	Chairman	✓	✓	✓	✓
Mr. Vipul H. Rajja	Member	✓	✓	✓	✓
Mr. A. C. Patel	Member	✓	✓	✓	✓

SUMERU INDUSTRIES LIMITED

- (b) **Nomination and Remuneration Committee-** The members of Nomination & Remuneration Committee met 1 time during the year. Following is the Composition of Nomination & Remuneration Committee-

Name	Designation	Attendance at
Mr. Bhavin D. Mashruwala	Chairman	✓
Mr. A. C. Patel	Member	✓
Mrs. Sonal V. Raja	Member	✓

- (c) **Stakeholders' Relationship Committee-** The members of Stakeholders' Relationship Committees met twelve times during the year. i.e. April 20, 2017, 27 May, 2017, June 22, 2017, July 29, 2017, August 26, 2017, September 30, 2017, October 21, 2017, November 25, 2017, December 28, 2017, January 27, 2018, February 24, 2018 and March 31, 2018. following is the Composition of Following is the Composition of Stakeholders' Relationship Committee-

Name	Designation
Mr. Bhavin D. Mashruwala	Chairman
Mr. Vipul H. Raja	Member

- 28. Establishment of code of conduct for directors and senior management persons:**

To enhance ethical and transparent process in managing the affairs of the Company, Board of Directors have adopted "Code of Conduct for Board of Directors and Senior Management Personnel" as per requirements of the listing Agreement. The same is available on the website of the Company.

- 29. Establishment of vigil mechanism for directors and employees:**

Company has adopted vigil mechanism called "Whistle Blower Policy", for directors and employees to report to the management, instances of unethical behavior, fraud or violation of the Company's code of Conduct or ethics policy. The same is available on the website of the Company.

- 30. Disclosure under Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013-**

Pursuant to Section 22 of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, every Company is required to set up an Internal Complaint Committee to look into the complaints relating to sexual harassment at work place of any woman employee.

Company has adopted a policy for prevention of Sexual Harassment of Woman at workplace and has set up a committee for implementation of the said policy. During the year, Company has not received any complaints and no complaint is pending at the Company's end.

- 31. 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 Board is responsible for implementation of the Code.

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

- 32. Particulars of contracts or arrangements with related parties under section 188(1):**

During the financial year 2017-18, there was no new contract/

arrangements for sell/purchase of goods or services of material nature with its promoters, directors, management, or relatives etc., which may have potential conflict with interest of the Company at large. Company has entered into fresh leave and license agreement for a period of 36 months from April, 2016 to March, 2019 with Mr. Nandit V. Raja, Promoter and Mrs. Sonal V. Raja, Promoter Director of the Company for the use of current Registered office premises and Corporate office premises. The annual rent (total) for all such agreements is less than 10% of total Turnover of the Company, hence the whole transaction is not considered as Material as per Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) 2015.

However, details of transactions with related parties are given in note 15 of Accounting Policies by Auditors as per Accounting Standard 18. Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached herewith as Annexure-IV.

- 33. Exemption from certain provisions of Corporate Governance:**

As per SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, Paid up Capital and net worth of the Company as on 31st March, 2018 are less than the prescribed limit and as per exemption rule, our Company is exempted from certain provisions of Corporate Governance. Accordingly (i) Corporate Governance Report, (ii) declaration of CEO/ CFO certifying compliance by Board of Directors and Senior Management personnel with respective Code of Conduct and (iii) Compliance Certificate from Statutory Auditor regarding compliance with Corporate Governance Provisions is not given herewith. Company will follow above mentioned provisions as and when become applicable to the Company.

- 34. Registrar & Transfer agent:**

The Company has appointed M/s Bigshare Services Private Limited as its Registrar & Transfer agent w.e.f. 3rd June, 2016. Complete details of their name, address, contact details are given below-
Bigshare Services Pvt. Ltd.,
A/802, Samudra Complex,
Near Klassic Gold Hotel, Near Girish Cold Drinks,
Off. C.G. Road, Ahmedabad-380009
Tel No.-079-40024135
Email- bssahd@bigshareonline.com
Website- www.bigshareonline.com

- 35. Appreciation:**

Your directors wish to place on record their gratitude and sincere appreciation for the assistance, trust and co-operation received from the shareholders, Bankers, Government authorities and clients during the year under review.

Your Directors would like to express profound sense of appreciation for the commitment shown by the employees in supporting the Company in its continued performance on all fronts.

PLACE: AHMEDABAD

DATE: 30/07/2018

**FOR & ON BEHALF OF THE
BOARD OF DIRECTORS UNDER AN AUTHORITY
SUMERU INDUSTRIES LIMITED**

**VIPUL H. RAJA
CHAIRMAN & MANAGING DIRECTOR
DIN-0005770**

SUMERU INDUSTRIES LIMITED

ANNEXURE-I
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,
The Members,

SUMERU INDUSTRIES LIMITED
CIN: L65923GJ1994PLC021479

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices followed by SUMERU INDUSTRIES 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 on that basis; we are expressing our opinion thereon.

Based on my/our verification of the records of SUMERU INDUSTRIES LIMITED, 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, I/We hereby report that in my/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 compliances mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by SUMERU INDUSTRIES LIMITED (CIN: L65923GJ1994PLC021479) for the financial year ended on 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: (NOT APPLICABLE FOR THE YEAR UNDER REVIEW)
- (v) 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 Takeover) Regulations, 2011; (COMPLIED WITH ANNUAL DISCLOSURE OF SHAREHOLDING AS PER REGULATION NO. 30 OF THE REGULATIONS)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (NO ESOS OR ESOPS WERE ISSUED DURING THE YEAR UNDER REVIEW)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NOT APPLICABLE FOR THE YEAR UNDER REVIEW)

- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE FOR THE YEAR**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (vi) As stated in the Annexure – A – all the laws, rules, regulations are applicable specifically to the company.
- (Vii) No Other Observations regarding other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, Listing Agreements etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f 1st day of July 2015 are adopted by the Company by passing requisite Board Resolutions and are complied with.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I/We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non -Executives Directors, Independent Directors and Woman Director.

There were no changes in the composition of the Board of Directors during the year.

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 clarification 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.

I/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 compliances with applicable laws, rules, regulations and guidelines.

I/We further report that during the audit period the company has not made any

- (I) Public/ Right/ Preferential issue of shares/ debentures/ sweat equity, etc.
- (II) Redemption/ buy-back of securities
- (III) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (IV) Foreign technical collaborations

Place: Ahmedabad
Date: 27th April 2018

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

Kamlesh M. Shah
Proprietor
ACS: 8356, COP: 2072

ANNEXURE-A**Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges form time to time
2. All investors complain directly received by the RTA& Company is recorded on the same date of receipts and all are resolved within reasonable time.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are not applicable to Company.

Environmental Laws

1. As the company is not engaged in the manufacturing activities, so the Environmental law is not applicable to the Company.

Taxation Laws

1. The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

Place: Ahmedabad

Date: 27th April 2018

**FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES**

Kamlesh M. Shah

ACS: 8356, COP: 2072

ANNEXURE- II**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L65923GJ1994PLC021479
2	Registration Date	03/03/1994
3	Name of the Company	Sumeru Industries Limited
4	Category / Sub-Category of the Company	Public Company- Limited by Shares
5	Address of the Registered office and contact details	10th Floor, Sumeru Centre, Near Parimal Crossing, C. G. Road, Ahmedabad-380007
6	Whether listed company Yes / No	Yes Bombay Stock Exchange (Scrip Code- 530445) Ahmedabad Stock Exchange (Company Code- 57645)
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd., A/802, Samudra Complex, Near Klassic Gold Hotel, Glrish Cold Drinks, Off. C.G. Road, Ahmedabad- 380009

SUMERU INDUSTRIES LIMITED

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:-

Sl. No.	Name and Description of main services	NIC Code of the service	% to total turnover of the company
1	Trading	6092	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
NIL					

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	30325852	9211000	39536852	54.92	30693228	9211000	39904228	55.42	+0.50
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	30325852	9211000	39536852	54.92	30693228	9211000	39904228	55.42	+0.50
(2) Foreign									
a) NRI- Individual	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0	0	0	0	0
d) Banks, FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	30325852	9211000	39536852	54.92	30693228	9211000	39904228	55.42	+0.50
=(A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0

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i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1144229	2185000	3329229	4.62	1109754	2185000	3294754	4.58	-0.04
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
I) Individual shareholders holding nominal share capital upto Rs. 2 lakh	15120925	6405501	21526426	29.90	14447489	6392501	20839990	28.94	-0.96
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7309612	0	7309612	10.15	7711043	0	7711043	10.71	+0.56
c) Others (specify)									
Non Resident Indians	240020	8000	248020	0.34	214719	8000	222719	0.31	-0.03
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	49861	0	49861	0.07	27266	0	27266	0.04	-0.03
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	23864647	8598501	32463148	45.08	23510271	8585501	32095722	44.58	-0.50
Total Public Shareholding (B)=(B)(1)+ (B)(2)	23864647	8598501	32463148	45.08	23510271	8585501	32095722	44.58	-0.50
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5,41,90,499	17809501	7,20,00,000	100.00%	54203499	17796501	72000000	100	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2017)			Share holding at the end of the year (As on 31st March, 2018)			% change in share holding 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	Anjan H. Raja	9295950	12.91	0	9295950	12.91	0	0
2	Vipul H. Raja	16924406	23.51	0	17084883	23.73	0	+0.22
3	Sonal V. Raja	6822142	9.48	0	7029041	9.76	0	+0.28
4	Nandit V. Raja	6405354	8.90	0	6405354	8.90	0	0
5	Namrata V. Raja	89000	0.12	0	89000	0.12	0	0
	Total	39536852	54.92	0	39904228	55.42	0	+0.50

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iii) Change in Promoters' Shareholding

1	Vipul H. Raja	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	16924406	23.51 %	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Total 160477 shares were purchased on various dates			
	At the end of the year		-	17084883	23.73%

2	Mrs. Sonal V. Raja	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6822142	9.48 %	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Total 206899 shares were purchased on various dates			
	At the end of the year		-	7029041	9.76 %

There is no change in shareholding of other promoters during the year.

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

	Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase/ decrease in shareholding with Reason	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	SanketFincap Pvt. Ltd.	2781000	3.86%	-	2781000	3.86%
2	JeenalbenSaumilbhai Shah	681105	0.95%	-	681105	0.95%
3	Niraj A Patel	608431	0.85%	-	608431	0.85%
4	ChintanJatinSheth	566000	0.78%	-	566000	0.79%
5	VipulPratapbhai Patel	543415	0.75%	-	543415	0.75%
6	NirajShashinSheth	541000	0.75%	-	541000	0.75%
7	MayurRameshbhai Patel	470291	0.65%	-	470291	0.65%
8	SurendrakumarAmratlal Shah	447415	0.62%	-	447415	0.62%
9	Manjulaben A Shah	443997	0.62%	-	443997	0.62%
10	Hitesh RamjiJaveri	378410	0.53%	-	378410	0.53%

v) Shareholding of Directors and Key Managerial Personnel:

1	Vipul H. Raja	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	16924406	23.51 %	-	-
	Date wise Increase / Decrease In Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Total 160477 shares were purchased on various dates			
	At the end of the year		-	17084883	23.73%

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2	A. C. Patel, Director	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3997	0.005	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	-	-	3997	0.005

3	Bhavin D. Mashruwala, Independent Director	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	47000	0.065	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	-	-	47000	0.065

4	Mrs. Sonal V. Raja	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6822142	9.48 %	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Total 206899 shares were purchased on various dates.			
	At the end of the year	-	-	7029041	9.76 %

5	NidhiKartik Shah Company Secretary	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	-	-	-	-

6	Manish H. Mishra Chief Financial Officer	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	391795	0.54%	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	-	-	391795	0.54%

SUMERU INDUSTRIES LIMITED

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

SUMERU INDUSTRIES LIMITED

B. Remuneration to other directors: (NOT APPLICABLE)

Directors are not paid any remuneration.

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors Fee for attending board committee meetings Commission Others, please specify Total (1)		
2	Other Non-Executive Directors Fee for attending board committee meetings Commission Others, please specify Total (2)		
	Total (B)=(1+2) Total Managerial Remuneration Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
		Manish H. Mishra	Nidhi K. Shah	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	250000/-	237500/-	487500/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	250000/-	237500/-	487500/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section 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					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

PLACE: AHMEDABAD

DATE:

FOR & ON BEHALF OF THE
BOARD OF DIRECTORS UNDER AN AUTHORITY
SUMERU INDUSTRIES LIMITED

VIPUL H. RAJA
CHAIRMAN & MANAGING DIRECTOR
DIN-00055770

ANNEXURE-III**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Director's have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March, 2018.

- A) Industry structure and development:
Sumeru Industries Limited was engaged in the business of trading in fabric particularly cotton fabric. In terms of profit, Company has shown consistence performance compared with last year though turnover for current year was less than that of last year.
- B) Opportunities & Threats:
The Company is in continuous process of identifying new business opportunities. The Company is operating in the business of trading & management hope for the newer opportunities in this line of business.
- C) Segment wise Performance:
From the current year, the Company is working in only one segment i.e. trading, and hence segment reporting is not applicable.
- D) Internal Control & their adequacy:
Considering the size of the Company, your Company has adequate system of Internal Control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.
- E) Financial Performance with respect to operational Performance:
The overall financial performance during the year 2017-2018 has been satisfactory. Company looks positive scope in this business.
- F) Material developments in Human Resources / Industrial Relations front, including number of people employed.

As on 31st March, 2018, the Company had 5 employees including Company Secretary, Chief Financial Officer and Managing Director, where Managing Director doesn't draw any salary from the Company.

Cautionary Statement:

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially.

**FOR & ON BEHALF OF THE
BOARD OF DIRECTORS UNDER AN AUTHORITY
Sumeru Industries Limited**

Mr. Vipul H. Raja
Chairman & Managing Director
DIN-00055770

DATE- 30/07/2018
Place- Ahmedabad

**ANNEXURE-IV
Form No. AOC-2**

[Pursuant to Clause (h) of Sub Section (3) of Section 134 of Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

All contracts / arrangement with related party were on arm's length basis

2. Details of Material Contracts or arrangements or transactions at arm's length basis

There were no material related party contracts or arrangements or transactions during the year.

On Behalf of the Board of Directors

Mr. Vipul H. Raja
Chairman & Managing Director
DIN-00055770

Date- 30/07/2018
Place- Ahmedabad

CEO/CFO Certification

To,
The Board of Directors
Sumeru Industries Ltd.
Ahmedabad

We have reviewed the financial statements and the cash flow statement of Sumeru Industries Limited for the year ended 31st March, 2018 and that to the best of our knowledge and belief, we state that;

1. (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (b) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
2. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
4. we have indicated to the Auditors and the Audit Committee:
 - (a) significant changes, if any, in the internal control over financial reporting during the year.
 - (b) significant changes, if any, in accounting policies made during the year;
 - (c) Instance of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the Company's Internal Control system over financial year.

However, during the year, there were no such instances or changes.

Mr. Manish H. Mishra
Chief Financial Officer

Mr. Vipul H. Raja
Chairman & Managing Director

Date- 30/07/2018
Place- Ahmedabad

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUMERU INDUSTRIES LIMITED.

Report on the Financial Statements

1. We have audited the accompanying financial statements of SUMERU INDUSTRIES LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including 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 Financial Statements

2. The Company's Board of Directors is responsible for the matters 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 changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the India Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. 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 there under.

5. 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 and other applicable authoritative pronouncement issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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 the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. 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

8. In our opinion and to the best of our information and according to

the explanations given to us, the 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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss (comprising of other comprehensive income), of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date and
- d) Changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraph 3 and 4 of the Order.

10. 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 purposes 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, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- f) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- 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:

In our opinion, the Company has, in all material respects, an adequate internal financial controls, system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company and our separate Report in Annexure A.

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 1;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad
Date : 08/05/2018

For, **M.B. Gabhawala & Co.**
Chartered Accountants
Firm Reg. No.:001183C

Mahendra B Gabhawala
Partner
M. No. 017139

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of SUMERU INDUSTRIES LIMITED on the Standalone Ind AS financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of SUMERU INDUSTRIES 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

2. 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 Act.

Auditor's Responsibility

3. 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 Act 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 ICAI. 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.
4. 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.

5. 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

6. 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 unauthorized 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

7. 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

8. 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, 2016, 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.

Place : Ahmedabad
Date : 08/05/2018

For, **M.B. Gabhawala & Co.**
Chartered Accountants
Firm Reg. No.:001183C

Mahendra B Gabhawala
Partner
M. No. 017139

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of SUMERU INDUSTRIES LIMITED on the standalone Ind AS financial statements for the year ended March 31, 2018

(i) In respect of its Fixed Assets:

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The immovable property held by the Company is on lease rental basis, hence para 3(ii) of the Order is not applicable to the Company.

(ii) In respect of its Inventory:

According to the Information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.

(iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Sec.189 of the Companies Act, 2013. Therefore, provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) According to information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Sec.185 and 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) According to information and explanations given to us the Company has not accepted any deposits during the year.

(vi) According to the information and explanations given to us, the Central Govt. has not prescribed maintenance of cost records under sub-section (1) of Sec.148 of the Companies Act, 2013 for any of the products of the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.:

(b) There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues in arrears as at March 31, 2018 for period of more than six months from the day they became payable.

(viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any

debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) The managerial remuneration has neither been paid nor provided for, hence para 3(xi) of the Order is not applicable to the Company.

(xii) This clause of the CARO, 2016 is not applicable to the Company as the Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Companies Act, 2013 have been complied with;

(xvi) This clause of the CARO, 2016 is not applicable to the Company as the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Ahmedabad
Date : 08/05/2018

For, **M.B. Gabhawala & Co.**
Chartered Accountants
Firm Reg. No.:001183C

Mahendra B Gabhawala
Partner
M. No. 017139

SUMERU INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in Rs.)

Particulars	Note No.	As At 31st March, 2018	As At 31st March, 2017	As At 31st March, 2016
ASSETS				
Non Current Assets				
(a) Property, Plant and Equipment	1	40 22 348	47 09 012	55 25 018
(b) Capital Work-in-Progress		-	-	-
(c) Investment Property		-	-	-
(d) Intangible Assets	2	17 137	33 437	14 158
(e) Financial Assets				
- Non Current Investments	3	1 88 01 764	1 83 99 547	2 25 87 028
- Other Non Current Financial Assets	4	1 75 000	2 65 000	2 65 000
(f) Non Current Tax Assets (Net)	5	14 77 682	14 62 682	14 62 682
(g) Other Non-Current Assets	6	3 68 83 953	3 67 52 342	3 46 88 811
TOTAL NON CURRENT ASSETS		6 13 77 884	6 16 22 020	6 45 42 697
Current Assets				
(a) Inventories		-	-	-
(b) Financial Assets				
- Investments	7	3 66 53 949	3 78 06 724	3 42 27 120
- Trade Receivables	8	1 48 10 802	2 03 83 352	1 31 38 114
- Cash and cash equivalents	9	16 17 272	5 05 688	10 65 353
- Other Bank Balances		-	-	-
- Other Financial Assets	10	5 12 460	5 12 460	5 12 473
(c) Other Current Assets	11	4 31 412	3 56 184	2 63 186
TOTAL CURRENT ASSETS		5 40 25 895	5 95 64 408	4 92 06 246
TOTAL ASSETS		11 54 03 779	12 11 86 428	11 37 48 943
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	7 20 00 000	7 20 00 000	7 20 00 000
(b) Other Equity	13	3 04 34 806	3 00 04 269	2 95 24 806
TOTAL EQUITY		10 24 34 806	10 20 04 269	10 15 24 806
Liabilities				
Non-current Liabilities				
(a) Deferred Tax Liabilities		3 41 978	2 37 402	0 53 055
(b) Other Non Current Liabilities		-	-	-
TOTAL NON CURRENT LIABILITIES		3 41 978	2 37 402	0 53 055
Current Liabilities				
(a) Financial Liabilities				
- Trade Payables	14	1 26 01 120	1 88 91 290	1 19 67 686
- Other Current Financial Liabilities		-	-	1 77 634
(b) Other Current Liabilities	15	0	345	0
(c) Provisions		25 875	53 122	25 762
(d) Current Tax Liabilities (Net)		-	-	-
TOTAL CURRENT LIABILITIES		1 26 26 995	1 89 44 757	1 21 71 082
TOTAL LIABILITIES		1 29 68 973	1 91 82 159	1 22 24 137
TOTAL EQUITIES AND LIABILITIES		11 54 03 779	12 11 86 428	11 37 48 943

Significant Accounting Policies 20

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

As per our report of even date
For M B Gabhawala & Co.
 Chartered Accountants
 Firm Reg. No. 01183C

For & on behalf of the Board

Vipul Raja **A C Patel**
 DIN-00055770 DIN-00037870

CA Mahendra B. Gabhawala
 Partner.
 Mem. No. 017139
 Ahmedabad,
 08/05/2018

Nidhi Shah **Manish Mishra**
 Company Secretary CFO
 ACS : 33325

STATEMENT OF PROFIT AND LOSS FOR THE YEAR

ENDED 31ST MARCH, 2018 (Amount in Rs.)

Particulars	Note No.	As At 31st March, 2018	As At 31st March, 2017
I. Revenue from operations (Gross)	16	26770320	73774592
II. Other income	17	3004328	3511840
III. Total Income (I + II)		29774648	77286432
IV. Expenses			
Purchase of Stock-in-Trade		24902938	73009680
Changes in Inventories of Stock-in-Trade		0	0
Employee benefit expenses	18	1123750	1038725
GST recovered on Sales		390420	0
Finance Costs		0	0
Depreciation and amortization costs	1	804079	794505
Other expenses	19	2018348	1779712
Total expenses		29239535	76622622
V. Profit before exceptional items and tax (III-IV)		535113	663810
VI. Exceptional items		-	-
VII. Profit before tax (V-VI)		535113	663810
VIII. Tax expense			
(1) Current tax		0	0
(2) Deferred tax		104576	184347
IX. Profit for the year (VII-VIII)		430537	479463
X. Other Comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
Loss on fair value of equity shares		0	0
Income tax related to above item		0	0
XI. Total Comprehensive Income		430537	479463
X. Earning Per Equity Share			
Rs. (FV of Re.1/- each) (Basic and Diluted)		0.006	0.007

Significant Accounting Policies 20

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

As per our report of even date
For M B Gabhawala & Co.
 Chartered Accountants
 Firm Reg. No. 01183C

For & on behalf of the Board

Vipul Raja **A C Patel**
 DIN-00055770 DIN-00037870

CA Mahendra B. Gabhawala
 Partner.
 Mem. No. 017139
 Ahmedabad,
 08/05/2018

Nidhi Shah **Manish Mishra**
 Company Secretary CFO
 ACS : 33325

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st March, 2018

A. Equity Share Capital

Balance as of April 1, 2016	Changes in equity share capital during the year		Balance as of March 31, 2017
70000000	-		70000000
Balance as of April 1, 2016	Changes in equity share capital during the year		Balance as of March 31, 2017
70000000	-		70000000
B. Other Equity Particulars	General Rs.	Retained Earnings	Total
Balance as at April 1, 2016	0	29396411	29396411
Adjustment to opening Retained Earnings		128395	128395
Balance as at April 1, 2016 after adjustments	0	29524806	29524806
Particulars	General Res.	Retained Earnings	Total
Balance as at April 1, 2016	0	29524806	29524806
Profit for the year	0	479463	479463
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	30004269	30004269
Transfers	-	-	-
Adjustment to opening Retained Earnings	-	-	-
Balance as at March 31, 2017	-	30004269	30004269
Particulars	General Res.	Retained Earnings	Total
Balance as at April 1, 2017	0	30004269	30004269
Profit for the year	0	430537	430537
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	30434806	30434806
Transfers	-	-	-
Adjustment to opening Retained Earnings	-	-	-
Balance as at March 31, 2018	-	30434806	30434806

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

STATEMENT OF CASH FLOW FOR THE YEAR
ENDED ON 31ST MARCH, 2018

Particulars	For the year ended 31st March 2018 Rs.	For the year ended 31st March 2017 Rs.
A) Cash Flow From Operating Activities		
Net Profit before tax and extraordinary items	535113	663810
Adjustments for:		
Depreciation	804079	794505
Interest Received	-854888	-855405
Short-term Capital Gain on Sale of Mutual Fund	0	-195356
Dividend Received	-1747224	-1829604
Operating profit before working capital changes	-1262920	-1422050
Adjustments for:		
(Increase)/Decrease in Stock-in-trade	0	0
Trade receivables & Other receivables	5572550	-7245238
Other Financial Assets		
Other Current Assets		
Long term loans and advances	0	0
Trade payables and other liabilities	-6290170	6746315
Other Current Liabilities	-345	
Other Non-Current Assets	90000	0
Non Current Tax Assets (Net)	-15000	0
Other Non Current Assets	-131611	-2156516
Other Current Assets	-75228	
Short-term provisions	-27247	27360
Cash generation from operation	-877051	-2628079
Net cash from operating activities	-2139971	-4050129
B) Cash Flow From Investing Activities		
Interest received	854888	855405
Dividend Received	1747224	1829604
Payment for Fixed Asset	-101115	2222
Short-term Capital Gain on Sale of Mutual Fund	0	195356
Investments	1152775	607877
Non Current Investment	-402217	4187481
Net cash used in investing activities	3251555	3490464
C) Cash Flow From Financing Activities		
Interest paid	0	0
Repayment/borrowings of Long Term Borrowings	0	0
Net cash from financing activities	0	0
Net change in cash and cash equivalents (A+B+C)	1111584	-559665
Opening Cash and Cash Equivalents	505688	1065353
Closing Cash and Cash Equivalents	1617272	505688

Notes:

1. The Above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3), "Cash Flow Statements" issue by the Institute of Chartered Accountants of India.
2. The Previous Year's figures have been regrouped wherever necessary.

For M B Gabhawala & Co.
Chartered Accountants
Firm Reg. No. 01183C

For & on behalf of the Board

Vipul Raja
Chairman & MD
DIN-00055770

A C Patel
Director
DIN-00037870

CA Mahendra B. Gabhawala
Partner,
Mem. No. 017139
Ahmedabad,
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Company Secretary

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08/05/2018

Nidhi Shah
Company Secretary
ACS : 33325

Manish Mishra
CFO

SUMERU INDUSTRIES LIMITED

NOTE 1

Property, Plant and Equipment's

Particulars	Computer & DPU	Office Equip.	Electrical Equip.	Furniture & Fix.	Vehicle	TOTAL
GROSS BLOCK						
Balance as At April 1,2016	91541	70874	1010339	5365180	564755	7102689
Additions during the year	0	29800			0	29800
Shifted / Disposed off during the year	0	Nil	-14500	-41672	Nil	-56172
Balance as At March 31, 2017	91541	100674	995839	5323508	564755	7076317
Balance as At April 1, 2017	91541	100674	995839	5323508	564755	7076317
Additions during the year	95125	5990	Nil	Nil	Nil	101115
Discarded / Disposed off during the year	0	Nil	Nil	Nil	Nil	0
Balance as At March 31, 2018	186666	106664	995839	5323508	564755	7177432
ACCUMULATED DEPRECIATION						
Balance as At April 1, 2016	82652	50385	239438	920591	284605	1577671
Additions during the year	8385	24081	100413	570021	91605	794505
Discarded / Disposed off during the year	-4871	Nil	Nil	Nil	Nil	-4871
Balance as At March 31, 2017	86166	74466	339851	1490612	376210	2367305
Balance as At April 1, 2017	86166	74466	339851	1490612	376210	2367305
Additions during the year	21560	18218	100413	572283	91605	804079
Discarded / Disposed off during the year	-16300	Nil	Nil	Nil	Nil	-16300
Balance as At March 31, 2018	91426	92684	440264	2062895	467815	3155084
Net Carrying Amount						
Balance As at April 1, 2016	8889	20489	770901	4444589	280150	5525018
Balance As at March 31, 2017	5375	26208	655988	3832896	188545	4709012
Balance As at March 31, 2018	95240	13980	555575	3260613	96940	4022348

NOTE 2

Intangible Assets

Particulars	Software
GROSS BLOCK	
Balance as At April 1,2016	19124
Additions during the year	24150
Shifted / Disposed off during the year	-
Balance as At March 31,2017	43274
Balance as At April 1,2017	43274
Additions during the year	0
Discarded / Disposed off during the year	-
Balance as At March 31,2018	43274
ACCUMULATED DEPRECIATION	
Balance as At April 1,2016	4966
Additions during the year	4871
Discarded / Disposed off during the year	-
Balance as At March 31,2017	9837
Balance as At April 1,2017	9837
Additions during the year	16300
Discarded / Disposed off during the year	-
Balance as At March 31,2018	26137
Net Carrying Amount	
Balance As at April 1,2016	14158
Balance As at March 31,2017	33437
Balance As at March 31,2018	17137

NOTE 3

Intangible Assets

	March 31, 2018	March 31, 2017	April 1, 2016
NON - CURRENT INVESTMENTS			
Investments in Mutual Fund Kotak Floater Short Term - Growth (No. of Units: 2018-522.7072, 2017-522.7072, 2016-2458.2062)	1486881	1392390	6102201
ICICI Prudential Income Opportunities Fund - Growth Plan (No. of Unit:244537.042)	5934083	5626357	5105077
Investment in Tax Free Bonds NHB Tax Free Bonds (Nos. 2018-100000, 2017-100000, 2016-100000)	11095000	11095000	11095000
NTPC Bond (Nos.125) (P.Y. 125)	125000	125000	125000
Investment in Equity Shares Non Trade Investment In Eq. Shares of Jaihind Leasing & Finance Ltd.(Valued at FVTPL) (No. of Shares: 15000) (P.Y. 15000)	160800	160800	159750
Total	18801764	18399547	22587028

SUMERU INDUSTRIES LIMITED

NOTE 4

OTHER NON - CURRENT FINANCIAL ASSETS

	March 31, 2018	March 31, 2017	April 1, 2016
Deposits with Government and Rent Deposit with others	175000	265000	265000
	175000	265000	265000

NOTE 5

NON - CURRENT TAX ASSETS (NET)

	March 31, 2018	March 31, 2017	April 1, 2016
Advance Income Tax (Net) and Tax Deducted At Source	791926	776926	776926
MAT Credit Entitlement	685756	685756	685756
	1477682	1462682	1462682

NOTE 6

OTHER NON - CURRENT ASSETS

	March 31, 2018	March 31, 2017	April 1, 2016
Kutch Salt Pan Project Pending Adjustment	36883953	36752342	34688811
	36883953	36752342	34688811

NOTE 7

CURRENT INVESTMENTS

	March 31, 2018	March 31, 2017	April 1, 2016
Investments in Mutual Fund AXIS Treasury Advantage Fund - Daily Dividend (No. of Units: 2016-34146.363)	0	0	34227120
ICICI Prudential Equity Arbitrage Fund - Dividend Mutual Fund (No. of Units: 2018-398320.87, 2017-373857.667, 2016-0)	5472821	5137515	0
AXIS Liquid Fund - Daily Dividend (No. of Units: 2018: 31137.5416, 2017:32640.62)	31181128	32669209	0
	36653949	37806724	34227120

NOTE 8

TRADE RECEIVABLES

	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
Outstanding for a period exceeding Six months (Unsecured, Considered Good)	726102	726102	726102
Other Debts	14084700	19657250	12412012
	14810802	20383352	13138114

NOTE 9

CASH AND CASH EQUIVALENTS

	March 31, 2018	March 31, 2017	April 1, 2016
Cash on Hand	698758	371700	1019996
Balances with Banks On Current Accounts	918514	133988	45357
	1617272	505688	1065353

NOTE 10

OTHER FINANCIAL ASSETS

	March 31, 2018	March 31, 2017	April 1, 2016
Interest Accrued But Not Due on Bonds	512460	512460	512473
	512460	512460	512473

NOTE 11

OTHER CURRENT ASSETS

	March 31, 2018	March 31, 2017	April 1, 2016
Cesses on Service Tax	3122	5136	7053
CENVAT-Service Tax	399070	351048	256133
Input Tax Credit of GST	29220	0	0
	431412	356184	263186

NOTE 12

EQUITY SHARE CAPITAL

	March 31, 2018	March 31, 2017	April 1, 2016
Authorised 8,00,00,000 (8,00,00,000) Equity Shares of Re.1/- each	80000000 80000000	80000000 80000000	80000000 80000000
Issued, Subscribed & Fully Paid Up 7,20,00,000 (7,20,00,000) Equity Shares of Re.1/- each	72000000 72000000	72000000 72000000	72000000 72000000

Reconciliation of the number of Equity Shares outstanding

	March 31, 2018	March 31, 2017	April 1, 2016
At the beginning of the period	72000000	72000000	72000000
Add: Shares issued during the year	Nil	Nil	Nil
Less: Shares bought back during the year	Nil	Nil	Nil
Add: Other movements during the year	Nil	Nil	Nil
Outstanding at the end of the period	72000000	72000000	72000000

Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of Re.1 per share. Each shareholder of equity share is entitled to one vote per share.

There are no bonus issue or buy back of equity shares during the period of five years immediately preceding the reporting date.

SUMERU INDUSTRIES LIMITED

	March 31, 2018	March 31, 2017	April 1, 2016
Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	Nil	Nil	Nil

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	No. of Shares & % of holding	No. of Shares & % of holding	No. of Shares & % of holding
Vipul H Raja	17084883 23.73 %	16924406 23.51%	16924406 23.51%
Anjan H Raja	9295950 12.91%	9295950 12.91%	9295950 12.91%
Sonal V Raja	7029041 9.76 %	6822142 9.48%	6822142 9.29%
Nandit V Raja	6405354 8.9%	6405354 8.9%	6405354 8.9%

As per the records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTE 13

OTHER EQUITY

STATEMENT OF CHANGES IN EQUITY

Particulars	General Res.	Retained Earnings	Total
Balance as at April 1, 2016	-	29396411	29396411
Adjustment to opening Retained Earnings	-	128395	128395
Balance as at April 1, 2016 after adjustments	-	29524806	29524806

Particulars	General Res.	Retained Earnings	Total
Balance as at April 1, 2016	-	29524806	29524806
Profit for the year	-	479463	479463
Other Income	-	-	-
Total Comprehensive Income for the year	-	30004269	30004269
Transfers	-	-	-
Adjustment to opening Retained Earnings	-	-	-
Balance as at March 31, 2017	-	30004269	30004269

Particulars	General Res.	Retained Earnings	Total
Balance as at April 1, 2017	-	30004269	30004269
Profit for the year	-	430537	430537
Other Income	-	-	-
Total Comprehensive Income for the year	-	30434806	30434806
Transfers	-	-	-
Adjustment to opening Retained Earnings	-	-	-
Balance as at March 31, 2018	-	30434806	30434806

NOTE 14

TRADE PAYABLES

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Total Outstanding dues of creditors other than micro enterprises and small enterprises	12601120	18891290	11967686
TOTAL	12601120	18891290	11967686

NOTE 15

OTHER CURRENT LIABILITIES

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Statutory Liability	0	345	177634
TOTAL	0	345	177634

NOTE 16

REVENUE FROM OPERATIONS

	March 31, 2018	March 31, 2017
Sale of Products		
Traded Goods-Fabric (Net Sales)	26379900	73774592
Add: GST	390420	0
Gross Sales	26770320	73774592

NOTE 17

OTHER INCOME

	March 31, 2018	March 31, 2017
Interest on IT Refund	0	530
Dividend on Mutual Fund	1747224	1829604
Short Term Gain on Redemption of Mutual Funds	0	195356
Fair Value Gain on Mutual Funds and Equity Shares	402216	617163
Other Income	0	14312
Interest on Bonds	854888	854875
	3004328	3511840

NOTE 18

EMPLOYEE BENEFIT EXPENSES

	March 31, 2018	April 1, 2017
Admin Salary Expense	1123750	1038725

NOTE 19

OTHER EXPENSES

	March 31, 2018	April 1, 2017
Management Service & Establishment Expenses		
Annual Custodian Fees	113745	133559
Annual Listing Fees	273832	201000
Rent, Rates & Taxes	411497	364602
Insurance	25819	21431
Postage & Telegraph	54044	36387
Consultancy Expenses	190000	210000

	March 31, 2018	April 1, 2017
Bank Charges	8458	8094
Payment to Auditors for:		
Audit Fees	17250	17250
Tax Audit Fees	8625	8625
Filing Fees	3600	4375
Motor Vehicle Expense	95040	85210
Office Maintenance	10220	41314
Office Electric Expense	150470	121230
Office Expense	316000	185689
Stationary & Printing Exp	120260	70201
Telephone & Trunkcall	158208	226461
Travelling Expense	8396	0
SUB TOTAL	1965464	1735428
Marketing Expenses		
Advertisement Expenses	52884	44284
SUB TOTAL	52884	44284
TOTAL	2018348	1779712

NOTE 20
Significant Accounting Policies and Notes on Accounts:
Nature of Operations:

The Company's principal activity is providing management services apart from trading in products. The Company is establishing the salt pan project in the Kutch District of Gujarat. However, owing to local condition and environment, the Company has decided to halt this project.

1. Significant Accounting Policies:
1) Basis of Preparation of Financial Statements:-
(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These financial statements are the first financial statements under Ind AS.

The financial statements up to year ended March 31, 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis and under the historical cost convention except certain financial assets and liabilities are measured at fair value (refer accounting policy regarding financial instruments).

(iii) Classification of assets and liabilities

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycles of business activities of the Company, which is twelve months.

2) Summary of Significant Accounting Policies:
a) Property, Plant and Equipment:

All items of Property, plant and equipment except land are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises cost of acquisition inclusive of inward freight, import duties, and other nonrefundable taxes or levies and any cost directly attributable to the acquisition /

construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Gain or losses arising on disposal of property, plant and equipment are recognised in profit or loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

(b) Depreciation and amortisation:

Depreciation has been provided based on useful life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

(c) Impairment of assets

At the date of balance sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognised. The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the profit or loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

(d) Inventories:

The cost of various categories of inventory is determined as follows:

1. Raw material and Packing Materials : At Cost including local taxes (Net of setoff) or Net realisable value, whichever is lower.
2. Stock in Process : At Cost or Net realisable value, whichever is lower.
3. Stock of Finished Goods : At Cost or Net realisable value, whichever is lower.
4. Consumable Stores & Spares : At Cost or Net realisable value, whichever is lower.
5. Scrap : At Net realisable value

Cost of raw material and packing materials are determined using first in first out (FIFO) method. Costs of finished goods and stock in process include cost of raw material and packing materials, cost of conversion and other costs incurred in bringing the inventories to the present location and condition.

(e) Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognises sale of goods when the significant risks and rewards of ownership are transferred to the buyer.

Interest Income is accounted on accrual basis and dividend income is accounted on receipt basis.

(f) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an

asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorized within the fair value hierarchy.

(g) Financial Instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial assets and liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities (other than financial assets and liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(h) Financial assets

Classification and Measurement

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of a financial assets depends on its classification i.e., financial assets carried at amortised cost or fair value (either through other comprehensive income or through profit or loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc. which are classified as financial assets carried at amortised cost.

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company provides for lifetime expected credit losses recognized from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual

obligation to pay the cash flows to one or more recipients.

(i) Income recognition

Interest income

Interest income is recognised at contracted rate of interest.

Dividends

Dividends are recognised in profit or 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.

(j) Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably.

All known Liabilities, wherever material, are provided for and Liabilities, which are disputed, are referred to by way of Notes on Accounts.

Contingent assets are not recognized in the financial statements.

(k) Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate Tax (MAT) Credit is recognized as assets only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the profit and loss account and shown as MAT credit entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(l) Loans and Receivables

Trade receivables and loans are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivable of the Company are current in nature. Where significant, non-current loans and receivables are accounted for at amortized cost using effective rate method less appropriate allowance for credit losses. Interest is accounted for on the basis of contractual terms, where applicable and is included in interest income. Impairment losses are recognized in the profit or loss where there is an objective evidence that the Company will not be able to collect all the due amounts.

(m) Investments

At initial recognition, the Company measures its investments at its fair value plus costs that are directly attributable to the acquisition of the financial asset. Investments are designated as subsequently measured at fair value through profit or loss. The transaction costs are expenses immediately in statement of profit or loss. Movements in fair value of

these assets re taken in profit or loss.

(n) Segment reporting

Identification of segments:

The Company's operating businesses are organized and managed according to the nature of products and predominant source of the risk for the Company is business product, therefore business segment has been considered as primary segment. The analysis of geographical segments is based on the areas in which the Company operates.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(o) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

(p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(q) Leases: -Leases, where the lessor retains substantially all the risks and rewards incidental to the ownership are classified as operating leases. Operating lease payments are recognized as an expense in Profit & Loss account on Straight Line basis over the lease term.

(r) Employee benefits

Retirement benefits in the form of Provident Fund contributed to Statutory Provident Fund is a defined contribution scheme and the payments are charged to the Profit and Loss Account of the year when the payments to the respective funds are due. There are no obligations for contribution payable to Provident Fund Authorities.

Superannuation Fund and Employees' State Insurance Corporation (ESIC) are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations for the contribution payable to the respective funds.

The company does not have gratuity Liability.

(s) Foreign Currency Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

(t) Project Development Expenses Pending Adjustment

Expenditure incurred during development and preliminary stages of the Company's new projects are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in the year in which it is so abandoned.

Notes to Accounts:

- 1) Contingent Liability : NIL
- 2) The balances of sundry debtors, sundry creditors, loans and advances are subject to confirmation.
- 3) As explained to us, the provisions of Provident Fund Act, ESI Act, and Gratuity Act are not applicable to the Company.
- 4) The Company at present is engaged in the business of trading in product, which constitutes a single business segment.
- 5) The public issue expenses and deferred revenue expenditure incurred are written off over a period of 10 years.
- 6) According to the information available with the Company, there are no amounts as at 31st March, 2018 due to suppliers in amounts outstanding for more than Rs.1,00,000/- for more than 30 days who constitute a "Micro, Small and Medium Enterprises" as per MSMED Act, 2006.
- 7) The Board of Directors is of the opinion that all the liabilities have been adequately provided for.
- 8) There is no operational activity in the business of shares and securities, lease and in finance field.
- 9) Earnings Per Share (EPS)

Particulars	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Net Profit as per profit & loss account	4 30 537	4 79 463
Less: Preference dividend and tax thereon	0	0
Net Profit for calculation of basic/diluted EPS	4 30 537	4 79 463
Weighted average number of equity shares (In calculated basic/diluted EPS)	7 00 00 000	7 00 00 000
[Nominal value of Shares Re.1(Previous Year Re.1) Earning Per Share	0.006	0.007

SUMERU INDUSTRIES LIMITED

(10) Auditor's Remuneration

Particulars	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
As Auditor		
-Statutory Audit	17 250	17 250
-Tax Audit	8 625	8 625
As Advisor or in other capacity	0	0
Reimbursement of Expenses	0	0
Total	25 875	25 875

(11) Directors Remuneration

Particulars	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)
Directors Remuneration		
Salaries	0.00	0.00
Perquisites	0.00	0.00
Contribution to Provident & Superannuation Fund	0.00	0.00
Total	0.00	0.00

(12) Deferred Tax Liability Related to:

No.	Particulars	Deferred Tax Assets		Deferred Tax Liabilities		Net Balance	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Difference in amounts of depreciation	0	0	0	0	0	0
2	Section 43B expenses deductible for tax purposes on payment basis	0	0	0	0	0	0
3	On current Investment measured at FVTPL	0	0	104 576	184 347	104 576	184 347

P.N.: Deferred tax is measured based on the tax rates and the tax laws enacted by the Finance Act, 2017 and Finance Act, 2018 @29/25% and education cess/health and education cess @3%/4% payable on taxable profits under the Income Tax Act, 1961.

13) Related Parties Disclosure under Accounting Standard 18

- 1) Related Party relationship: **Key Management Personnel**
- Vipul H Raja, Promoter Director
 - Transaction Value Rs. Nil
 - Sonal V Raja, Additional Director,
 - Office Rent of Rs. 1,80,000/-
 - Nandit V Raja,
 - Office Rent of Rs. 1,80,000/-
 - Nidhi K Shah, Company Secretary
 - Remuneration of Rs. 2,37,500/-
 - Manish Mishra Chief Financial Officer
 - Remuneration of Rs. 2,50,000/-

SUMERU INDUSTRIES LIMITED

14) The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor audit, M/s Nitin K. Shah & Co., who expressed an unmodified opinion vide reports dated 20th May, 2016 and 11th May, 2017 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by M/s M. B. Gabhawala & Co. and their opinion is not qualified in respect of this matter.

15) The figures of the previous years have been regrouped/rearranged wherever necessary. The figures of the previous years are given in brackets. The Company has compiled the above accounts based on the revised/Modified schedule III applicable for the accounting period 2017-2018. The disclosure requirements are made in notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

16) Financial Instruments and Related Disclosures

I. Capital Management

The Company does not have borrowing and aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

	Note	As at		As at		As at	
		April 1, 2018		April 1, 2017		April 1, 2016	
		Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
A	Financial Assets						
	a) Measured at amortized cost						
	i) Cash and cash equivalents	1617272	1617272	505688	505688	1065353	1065353
	ii) Other bank balances, other than (i) above	-	-	-	-	-	-
	iii) Trade Receivables	14810802	14810802	20383352	20383352	13138114	13138114
	iv) Other Financial Assets	512460	512460	512460	512460	512473	512473
	Sub-Total	16940534	16940534	21401500	21401500	14715940	14715940
	b) Measured at fair value through profit or loss						
	i) Investments in mutual funds and Bonds	55294913	55294913	56045471	56045471	56654398	56654398
	ii) Investment in unquoted equity share	160800	160800	160800	160800	159750	159750
	Sub-Total	55455713	55455713	56206271	56206271	56814148	56814148
	Total Financial Assets	72396247	72396247	77607771	77607771	71530088	71530088
B	Financial Liabilities						
	Measured at amortized cost						
	i) Trade Payables	12601120	12601120	18891290	18891290	11967686	11967686
	ii) Other Financial Liabilities	-	-	-	-	177634	177634
	Total Financial Liabilities	12601120	12601120	18891290	18891290	12145320	12145320

The carrying amounts of trade payables, other financial liabilities, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

Fair value in Mutual Funds has been considered as Level 1 as Hierarchy for the same are based on unadjusted prices in active market.

III. Expected Credit Loss

The company has receivable balances on commercial trades, which are generally short term in nature. Further, financial instruments such as

mutual funds and tax free bonds are made in high quality papers/counterparties. Accordingly, the Company has concluded that no provision for expected credit loss is required.

IV. Financial Risk Management

There are no significant market risk or liquidity risk to which the Company is exposed.

For M B Gabhawala & Co.

Chartered Accountants
Firm Reg. No. 01183C

CA Mahendra B. Gabhawala

Partner.
Mem. No. 017139
Ahmedabad,

For & on behalf of the Board

Vipul Raja
Chairman & MD

A C Patel
Director

Nidhi Shah
Company Secretary

Manish Mishra
CFO

SUMERU INDUSTRIES LIMITED
CIN No.-L65923GJ1994PLC021479

Regd. Office: 10th Floor, Sumeru Centre, Near Parimal crossing, C. G. Road, Ahmedabad-380007.
 Corporate Office- "Sumeru", Behind Andaz Party Plot, S. G. Highway Road, Ahmedabad- 380058
 Tel No.-(079) 26652748, E-mail-investors.sumeru@gmail.com Website: www.sumerugroup.in

ATTENDANCE SLIP

(To be presented at the entrance)

25th Annual General Meeting of the Company held on Tuesday, 25th September, 2018 at 9:00 A.M. at
 Corporate office of the Company situated at "Sumeru", Behind Andaz Party Plot, S. G. Highway Road, Ahmedabad- 380058

Folio No./DP ID no./ Client ID No. _____
 Name of the Member/ Proxy holder _____
 Signature of the Member/ Proxy holder _____

1. Only Member/ Proxy holder can attend the meeting.
2. Member/ Proxyholder should bring his/her copy of the Annual Report to reference at the meeting.

-----TEAR HERE-----

SUMERU INDUSTRIES LIMITED
CIN No.-L65923GJ1994PLC021479

Regd. Office: 10th Floor, Sumeru Centre, Near Parimal crossing, C. G. road, Ahmedabad-380007.
 Corporate Office- "Sumeru", Behind Andaz Party Plot, S. G. Highway Road, Ahmedabad- 380058
 Tel No.-(079) 26652748, E-mail-investors.sumeru@gmail.com Website: www.sumerugroup.in

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Name of the Member(s): _____
 Registered Address: _____
 E mail ID: _____
 Folio No./ Client ID No. _____ DP ID No. _____

I/We being the member(s) of _____ number shares of Sumeru Industries Limited, hereby appoint

1. Name : _____
 Address: _____
 E mail ID: _____ Signature : _____ Or failing him
2. Name : _____
 Address: _____
 E mail ID: _____ Signature : _____ Or failing him
3. Name : _____
 Address: _____
 E mail ID: _____ Signature : _____ at "Sumeru", Behind Andaz Party Plot, S. G. Highway
 Road, Ahmedabad- 380058 and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix
 Revenue
 Stamp

No. and Particulars of Resolution	
1	To receive, consider, approve and adopt the Audited Financial Statements and the Reports of the Board of Directors and Auditor's thereon for the Financial year ended 31st March, 2018.
2	To appoint a Director in place of Mrs. Sonal V. Raja (DIN-07122685), who retires by rotation and being eligible, offers herself for re-appointment.
3	To ratify appointment of Statutory Auditors and to fix their remuneration
4	Approval for continuation of Directorship of Mr. A. C. Patel (DIN-00037870) who was reappointed as Independent Directors of the Company for a period of 4 years at the 22 nd Annual General Meeting of the Company held on 21st September, 2015 till conclusion of 26 th Annual General Meeting notwithstanding that he will attain the age of 75 years on 1st April, 2019.

Signed this _____ day of _____, 2018

Signature of Shareholder _____ Signature of Proxy holder _____

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.