

# SUMERU INDUSTRIES LIMITED

## 22nd ANNUAL GENERAL MEETING PROGRAMME

DATE	:	21st September, 2015
DAY	:	Monday
TIME	:	9.00 a.m.
VENUE	:	Final Plot No. 123, b/h. Andaz Party Plot, Makarba Cross Road, S.G. Highway Road, Ahmedabad-380 051.

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### BOARD OF DIRECTORS

Vipul H. Raja	-Chairman & Managing Director
Nandit V. Raja	-Managing Director( upto 23-3-2015)
Bhavin D. Mashruwala	-Director
Ambalal C. Patel	-Director
Sonal V. Raja	-Additional Director (w.e.f. 31-03-2015)
Nidhi K. Shah	-Company Secretary

### REGISTRAR & TRANSFER AGENTS

Sharepro Services (India) Private Limited,  
13/A-B, Samhita Warehousing Corporation Bldg.  
2nd Floor, Near Sakinaka Telephone Exchange,  
AndheriKurla Road, Mumbai- 400072.

### LISTED AT AHMEDABAD

Ahmedabad Stock Exchange,  
Kamdhenu Complex, Near Panjara Pole,  
Ambawadi, Ahmedabad-380 015.

### MUMBAI

Bombay Stock Exchange  
25th Floor, P. J. Towers,  
Dalal Street, Fort, Mumbai- 400 001.

### AUDITORS

M/s Nitin K. Shah & Co.  
(Peer Reviewed Firm)  
Chartered Accountants  
3rd Floor, Empite Tower, Near Associate Petrol Pump,  
C. G. Road, Ahmedabad

### INTERNAL AUDITORS

Shailesh Patel & Co.  
Chartered Accountants  
5th Floor, Samruddhi Complex, Near Old High Court,  
Income Tax, Ashram Road, Ahmedabad

### COMPANY LAW & SECRETARIAL ADVISOR & SECRETARIAL AUDITOR

Kamlesh M. Shah & Co.  
Practising Company Secretary

### BANKERS

ICICI Bank Ltd.  
Axis bank Ltd.  
HDFC Bank Ltd.  
Andhra Bank Ltd.

### BOARD COMMITTEE

Audit Committee  
1. Bhavin D. Mashruwala  
2. Vipul H. Raja  
3. A. C. Patel

### Stakeholders' Relationship Committee

1. Bhavin D. Mashruwala  
2. Vipul H. Raja

### Nomination & Remuneration Committee

1. Bhavin D. Mashruwala  
2. Vipul H. Raja (upto 8th May, 2015)  
3. A. C. Patel  
4. Sonal V. Raja (w.e.f. 8th May, 2015)

### Risk Management Committee

1. A. C. Patel  
2. Vipul H. Raja  
3. Vipul Patel

# SUMERU INDUSTRIES LIMITED

## NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of the SUMERU INDUSTRIES LIMITED will be held on 21st September, 2015 at 9.00 A.M. at the Final Plot No. 123, b/h. Andaz Party Plot, Makarba Cross Road, S.G. Highway Road, Ahmedabad-380 051. to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as at March 31, 2015 and statement of Profit and Loss for the year ended on that date along with the Reports of Directors and Auditor's thereon.
- 2) To appoint a director, in place of Mr. Vipul H. Raja (DIN NO. 00055770), who retires by rotation and being eligible, offers himself for reappointment.
- 3) To Consider and if thought fit to pass with or without modification following Resolution as an ORDINARY RESOLUTION:

Appointment of Statutory Auditor-

"RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions of Companies Act, 2013 read with Rule 4 and 6 of the Companies (Audit and Auditors) Rules, 2014, M/s Nitin K. Shah & Co., a firm of Chartered Accountants (CA FIRM Registration Number: 107140W and CA Member No: 012398), who was appointed as Statutory Auditor of the Company in last Annual General Meeting for 3 Financial years i.e. for the financial year 2014-15, 2015-16 and 2016-17 subject to ratification by members in every General Meeting, be and is hereby appointed as Statutory Auditor of the Company for the Financial Year 2015-16 as per remuneration decided by Board of Directors in consultation with the Statutory Auditor."

### SPECIAL BUSINESS:

- 4) To appoint Mrs. Sonal V. Raja (DIN-07122685) as Director and in this regard to consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION-

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Sonal V. Raja (DIN-07122685), appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and being eligible, offers herself for appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this Meeting."

- 5) To Appoint Mr. Vipul H. Raja as Chairman and Managing Director and in this regard to consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION-

"RESOLVED THAT in accordance with the provisions of Article of Association of the Company and Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in

force), consent of the members of the Company, be and is hereby accorded to the appointment of Mr. Vipul H. Raja (DIN-00055770), as Chairman and Managing Director of the Company, for the period of 5 (five) years with effect from 8th May, 2015.

"RESOLVED FURTHER THAT Mr. Vipul H. Raja, as Chairman and Managing Director of the Company, will not be paid any remuneration taking into consideration of current financial position of the Company.

"RESOLVED FURTHER THAT Mr. Vipul H. Raja as Chairman and Managing Director of the Company shall have the substantial powers of the management and administration of the business and affairs of the Company subject to the overall superintendence, control and direction of the Board of Directors from time to time.

- 6) To appoint Mr. Bhavin D. Mashruwala (DIN-00055910) as an Independent Director and in this regard to consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION-

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualifications of directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Bhavin D. Mashruwala (DIN-00055910) who was appointed as director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 4 (four) consecutive years, from the date of this Annual General Meeting up to the conclusion of 26th Annual General Meeting of the Company in the calendar year 2019."

- 7) To appoint Mr. Ambalal C. Patel (DIN-00037870) as an Independent Director and in this regard to consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION-

"RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualifications of directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Ambalal C. Patel (DIN-00037870), who was appointed as director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 4 (four) consecutive years, from the date of this Annual General Meeting up to the conclusion of 26th Annual General Meeting of the Company in the calendar year 2019."

**PLACE : AHMEDABAD**

**DATE : 01-08-2015**

**BY ORDER OF THE BOARD OF DIRECTORS  
OF SUMERU INDUSTRIES LIMITED**

**NIDHI K. SHAH  
COMPANY SECRETARY**

### NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto.
2. a) 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 of the company.  
b) Proxies, in order to be effective must be received at the company's registered office not less than 48 hours before the meeting.  
c) Proxies submitted on behalf of limited companies, societies, trusts, etc. must be supported by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.  
d) A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 a proxy for any other persons or shareholders.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 14-09-2015 to 21-09-2015 (both days inclusive).
4. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.
5. 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. Members holding shares in physical form are requested to intimate the Registrars and Share Transfer Agents of the Company, Sharepro Services (I) Pvt. Ltd. And members holding shares in demate form are requested to intimate their Depository Participant (DP) immediately for any change in their address.
7. All shareholders are requested to dematerialize their shareholding immediately as the shares are to be traded compulsorily in demat form only.
8. A member desirous of seeking any information on the accounts or operations of the Company is 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.
9. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. 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.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Sundays, up to and including the date of the Annual General Meeting of the Company
12. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2015 is uploaded on the Company's website [www.sumerugroup.in](http://www.sumerugroup.in) and may be accessed by the members and also on the website of The Bombay Stock Exchange Ltd. [www.bseindia.com](http://www.bseindia.com).
13. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
14. General Instructions for voting:
  - a. 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 read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 22nd 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).
  - b. 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.
  - c. 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.
  - d. 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - e. Mr. Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - f. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period 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, submits to the Chairman of the Company.
  - g. The Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website [www.sumerugroup.in](http://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 ASE and BSE Limited and will be uploaded on website of Stock Exchange.

# SUMERU INDUSTRIES LIMITED

- h. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 14-09-2015, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or RTA.
17. The process and manner for remote e-voting are as under:
- The voting period begins on 18-09-2015 at 9.00 a.m. and ends on 20-09-2015 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 of (record date) of 14-09-2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on Shareholders.
  - Now Enter your User ID
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - Next enter the Image Verification as displayed and Click on Login.
  - If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - If you are a first time user then follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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"> <li>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 no is printed on attendance sheet</li> <li>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 RA00000001 in the PAN field.</li> </ul>
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 Detail	<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"> <li>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).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- 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 demat 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.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> i.e. SUMERU INDUSTRIES LIMITED, on which you choose to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 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.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- 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.
- 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](http://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](mailto: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 the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

# SUMERU INDUSTRIES LIMITED

## ANNEXURE TO THE NOTICE

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

#### ITEM NO.-4

Mrs. Sonal V. Raja is one of the Promoter Directors of the Company and holds 9.29% of total paid up Capital of the Company. The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mrs. Sonal V. Raja (DIN- 07122685) as "Additional Director" (designated as Promoter, Non-Executive and Woman Director) of the Company from 31st March, 2015.

In terms of Section 161 of the Companies Act, 2013, Mrs. Sonal V. Raja holds office as Additional Director only upto the date of the forth coming Annual General Meeting.

The Board of Directors is of the opinion that her appointment will be beneficial to the Company and hence recommends the Resolution at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof, except Mr. Vipul H. Raja, being relative of Mrs. Sonal V. Raja, is concerned or interested in the resolution at the Item No. 4 of the Notice.

Brief resume of Mrs. Sonal V. Raja, her experience and names of Companies in which she holds directorships and memberships / chairmanships of Board committees, shareholding as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below.

#### ITEM NO.-5

Mr. Vipul H. Raja is engaged with the Company since its incorporation as he is one of the promoters of the Company. Currently he is serving as Chairman and Director of the Company.

Mr. Vipul H. Raja is qualified enough and has experience of more than 40 years in the field of Management and Commerce. He holds 23.51% shares of the Company. He also serves as Independent Director in many reputed Companies. Taking into consideration, the qualification and experience of Mr. Vipul H. Raja and in order to fill the resultant vacancy of Managing Director after the resignation of Mr. Nandit V. Raja, Nomination and Remuneration Committee in its meeting held on 28th April, 2015, recommended to appoint Mr. Vipul H. Raja as Chairman & Managing Director of the Company.

The Nomination and Remuneration Committee has decided that Remuneration package of Mr. Vipul H. Raja as Chairman & Managing Director, if appointed, will be same as that was of Mr. Nandit V. Raja, former Managing Director. But, looking into current business operations

of the Company, Mr. Vipul H. Raja has agreed to work without remuneration as Chairman & Managing Director, if appointed.

None of the Directors, Key Managerial Personnel and relatives thereof, except Mrs. Sonal V. Raja, being relative of Mr. Vipul H. Raja, is concerned or interested in the resolution at the Item No. 5 of the Notice.

#### ITEM NO.-6&7

Mr. Bhavin D. Mashruwala (DIN- 00055910) and Mr. Ambalal C. Patel (DIN- 00037870) are appointed as Non-Executive Independent directors, liable to retire by rotation and have held the position as such for more than 17 Years and 10 years respectively.

As per the current provisions of company law and clause 49 of the Listing Agreement, Independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel as Independent directors under section 149 of the Act and clause 49 of the Listing Agreement to hold office for 4 (Four) consecutive years for a term up to the conclusion of 26th Annual General Meeting of the company in the calendar year 2019.

Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as directors.

The company has also received declarations from Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel that they meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel fulfil the conditions for appointment as independent directors as specified in the Act and the Listing Agreement. Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel are independent of the management.

Brief resume of Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships / chairmanships of Board committees, shareholding as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below.

## SUMERU INDUSTRIES LIMITED

### INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 22nd ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY.

Name of Director	Mrs. Sonal V. Raja	Mr. Vipul H. Raja	Mr. Bhavin D. Mashruwala	Mr. Ambalal C. Patel
DIN	07122685	00055770	00055910	00037870
Date of Birth	19/08/1958	22/11/1953	03/07/1974	01/04/1944
Age	57 years	62 years	41 years	71 years
Educational Qualification	B. A	B. Com	B. Com	B.Sc. B.E.(Metallurgy) from Indian Institute of Science, Bangalore.
Experience (No. of Years)	10 years	40 years	19 Years	41 Years.
Business field in which Experience	She has wide experience in the field of Planning and Communication	He has vast experience of over 40 years of Company Management and Commercial activities.	He has vast experience in Business of Trading, Real Estate & Financial Service, for more than 18 years	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.
Date of Appointment as Director in the Company.	31/03/2015-Appointed as Additional Director	03/03/1994	30/05/1998	12/09/2005
Shareholding in Sumeru Industries Ltd. (As on date of Notice)	66,90,801 shares consisting 9.29% of total shares	1,69,24,406 shares consisting of 23.51% of total shares	47,000 shares	3,997 shares
Member/ Chairman of any Committees in Sumeru Industries Limited	Member- Nomination and Remuneration Committee (w.e.f. 8th May, 2015)	Member-Audit Committee Member-Nomination and Remuneration Committee (Up to 8th May, 2015) Member- Stakeholders Relationship Committee Member-Risk Management Committee	Chairman-Audit Committee Chairman-Stakeholder's Relationship Committee Chairman- Nomination and Remuneration Committee	Member-Audit Committee Member-Nomination and Remuneration Committee Chairman- Risk Management Committee
Directorship held in any other Company.	Virat Tradex Private Limited (Formerly known as Vatrak Advisers Private Limited)	Gujrat Credit Corporation Limited Gujarat Jaypee Cement & Infrastructure Limited ViratTradex Private Limited (Formerly known as Vatrak Advisers Private Limited)	No other Directorship in any Company Held.	Jindal hotels Ltd. S A L Steel Ltd. Ajmera Realty and Infra India Ltd. Karnavati Hospitals Pvt. Ltd. Chiripal Industries 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.	NIL	NIL	NIL	<ul style="list-style-type: none"> <li>Audit Committee: Jindal Hotels Ltd.- Member Ajmera Realty &amp; Infra Ltd.-Member Shree Precoated Steels Ltd.- Member S A L Steels Ltd.- Member Nandan Denim Ltd. – Chairman CIL Nova Petrochemicals Ltd.- Chairman</li> <li>Stakeholder's Relationship Committee: Nandan Denim Ltd.- Member CIL Nova Petrochemicals Ltd.- Chairman</li> </ul>
Member of any Trade Association/Charitable Organization/NGOs etc.	N.A.	N.A.	N.A.	N.A.

# SUMERU INDUSTRIES LIMITED

## DIRECTORS' REPORT

To,  
The members of,  
Sumeru Industries Limited

Your Directors have pleasure in presenting herewith the 22nd Annual Report on the business and operations of the Company together with audited accounts for the financial year ended on 31st March, 2015.

### 1. Performance of the Company:

(Amount in Lacs.)

Particulars	2014-15	2013-14
Income from Operation	46.69	62.44
Total income	46.69	62.44
Total Expenditure	40.34	58.35
Profit/(loss) before tax and dep.	6.35	4.09
Provision for depreciation	5.17	1.80
Provision for Tax	(0.04)	0.1
Net profit/(loss) after tax for the year	1.22	2.19
Add: balance B/F from previous year	292.15	295.22
Profit available for appropriation	293.37	297.41
Less: Excess/ (short) Provision	0	(5.26)
Balance carried to next year	293.37	292.15

### 2. Year under Review:

During the year under review, the Company has earned total Income of Rs. 46,68,997/- (Previous year of Rs. 62,43,906/-) from business. After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the Company has earned a net profit of Rs. 1,22,516 (previous year of Rs. 2,19,371/-)

### 3. State of Company's Affairs and Changes, If Any:

Company was developing a salt pan project for which Company is already in possession of leasehold land in Kutchh district of Gujarat State. The company had initiated development of pilot project. However, on account of local condition and local environment, Company is facing difficulty in implementing the project. Hence, company has decided to halt all work related to this project. The company is evaluating various options. In course of time, based on the circumstances, management will take suitable decision. In the meantime Management's focus will be to concentrate on providing management consultancy services.

### 4. 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.

### 5. Dividend:

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

### 6. 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.

### 7. 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.

### 8. 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.

### 9. 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.

### 10. 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 such order has been passed.

### 11. 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.

### 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 tripartite Agreement through Registrar and Share Transfer Agent M/s Sharepro Service (India) 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 2015 were 54047749 which constitute 75.07% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the Company as early as possible.

## 15. Statutory Auditors:

M/s Nitin K. Shah & Co., Chartered Accountants, were re-appointed as Statutory Auditor of the Company for three (3) consecutive years i.e. for the Financial year 2014-15, 2015-16 and 2016-17 in the last Annual General Meeting provided that his appointment shall be subject to ratification in every Annual General Meeting by way of passing of an Ordinary Resolution.

M/s Nitin K Shah & Co., present Statutory Auditors of the company has given letter of consent and confirmation under section 139(1) the Companies Act, 2013 for reappointment as Statutory Auditors of the Company.

The Board has now proposed to appoint the Statutory Auditors for a further period of 2 years as per requirements of Companies (Audit and Auditors) Rules 2014. Necessary Resolution for ratification of their appointment as the Statutory Auditors for Financial year 2015-16 and fixing their remuneration is proposed to be passed at this Annual General Meeting.

## 16. Internal Auditors

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

## 17. Secretarial Auditor and report thereon:

M/s Kamlesh M. Shah, Practicing Company Secretary was appointed as Secretarial Auditor for the financial year 2014-15 as per Section 204 of the Companies Act, 2013. Secretarial Audit report is part of the Board's Report and attached as Annexure- I

The Secretarial Auditor has not made any remarks in their report which may require any further clarification from the Board.

## 18. Extract of Annual Return:

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

## 19. Directors:

### A. Changes during the year:

**a) Resignation of Managing Director:** Mr. Nandit V. Raja was re-appointed as Managing Director for the term of 3 years in 21st Annual General Meeting of the Company held on 30th September, 2014. Due to some personal reasons and unavoidable circumstances, Mr. Nandit V. Raja has given resignation from the position of Director and Managing Director on 17th January, 2015. Board has accepted and considered his resignation in the Board Meeting held on 23rd March, 2015. The Board appreciated the services rendered by Mr. Nandit V. Raja during his tenure as Managing Director.

**b) Appointment of Woman Director:** In compliance with Section 149(1) of the Companies Act, 2013, Rule 3 of Companies Appointment and Qualification of Directors And in compliance with Clause 49 II(A) of Listing Agreement, Mrs. Sonal Vipul Raja has been appointed as Woman Director on the Board w.e.f. 31st March, 2015.

Appointment of Mrs. Sonal V. Raja as Non-executive, promoter, woman director of the Company was recommended by Nomination and Remuneration Committee.

Being appointed as Additional Director, she can serve upto the next Annual general Meeting.

**c) Appointment of Mr. Vipul H. Raja as Chairman & Managing Director:** Mr. Vipul H. Raja is engaged with the Company since its incorporation as he is one of the promoters of the Company. Currently he is serving as Chairman and Director of the Company. Mr. Nandit V. Raja, Managing Director has resigned w.e.f. 23rd March, 2015. Taking into consideration, the qualification and experience of Mr. Vipul H. Raja and in order to fill the resultant vacancy, Nomination and Remuneration Committee recommended to appoint Mr. Vipul H. Raja as Chairman & Managing Director of the Company.

The Nomination and Remuneration Committee has decided that Remuneration package of Mr. Vipul H. Raja as Chairman & Managing Director, if appointed, will be same as that was of Mr. Nandit V. Raja, former Managing Director. But, looking into current business operations of the Company, Mr. Vipul H. Raja has agreed to work without remuneration as Chairman & Managing Director, if appointed.

Mr. Vipul H. Raja, Chairman and Managing Director shall retire by rotation at the ensuing Annual general Meeting as per provisions of law. He is eligible for reappointment and offered himself for directorship of the Company. Your directors recommended for his re-appointment.

**d)** Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel were appointed as Independent Directors on the Board liable to retire by rotation. Now, Board recommends appointment of Mr. Bhavin D. Mashruwala and Mr. Ambalal C. Patel as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement in the ensuing General Meeting for 4 consecutive years i.e. for a term upto the conclusion of 26th Annual General Meeting of the Company in calendar year 2019.

### B. 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,



## SUMERU INDUSTRIES LIMITED

- 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, or more of the 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 other qualifications as may be prescribed.
- C. 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 operative 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.
- D. 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 Remuneration expenses: Rs. 7,63,000/-  
Managerial Remuneration Expenses: Rs. 4,50,000/-  
(paid to Mr. Nandit V. Raja as MD)  
Other employees Remuneration: Rs. 3,13,000/-
- 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:
- Only Managing Director Mr. Nandit V. Raja was being paid Managerial Remuneration. No other director is paid any Remuneration, Commission on net profit or any other benefits. Company has appointed Company Secretary in the month of November, 2014. There was no Increase in remuneration of any of the Managing Director, Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager during the year.
- iii) The percentage increase in the median remuneration of employees in the financial year is 10%
- iv) The number of permanent employees on the rolls of company; 3 (Three)
- v) The explanation on the relationship between average increase in remuneration and company performance;
- The increase in remuneration of employees are 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 KMP i.e. Managing Director is being paid Remuneration of Rs. 45,000/- per month since last 5 years which is kept constant. There is no increase of any amount of remuneration during last 5 years. Company Secretary is appointed w.e.f. November, 2014 and Remuneration payable is Rs. 15,000 per month which 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 31/03/2014 : Rs.0.64/-  
Closing Market Price of shares of Company as on 31/03/2015 : Rs.0.55/-  
Earnings Per share for the financial year ended on 31/03/2014 : Rs.0.003/-  
Earnings per share for the financial year ended on 31/03/2015 : Rs.0.002/-  
Based on the Closing Price as on 31st March, 2015, 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 ;
- NOT APPLICABLE as there was no increase in Remuneration of Managerial Personnel whereas remuneration of employees increased by 10%.
- ix) Comparison of the remuneration of each key managerial personnel against the performance of the company;
- Not Comparable, as the Company has decided to halt all work related to Salt project.

## SUMERU INDUSTRIES LIMITED

- x) The key parameters for any variable component of remuneration availed by the directors;  
NOT APPLICABLE.
- 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  
No employee is receiving remuneration in excess or higher than the remuneration of Director or Key Managerial Personnel.
- xii) Affirmation that the remuneration is as per the remuneration policy of the company.  
All remuneration of the Employees and directors are decided by Nomination & Remuneration Committee and by the Board of Directors within the organization.

### E. Formal Annual Evaluation Process by Board:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

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

### 20. Number of meetings of the Board of Directors: 8

21. **Audit Committee:** The composition of Audit Committee is as follows:

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

The members of Audit Committee met 4 times in a year and gap between two meetings was not more than four months.

### 22. Nomination and Remuneration Committee:

Name	Designation
Mr. Bhavin D. Mashruwala	Chairman
Mr. Vipul H. Raja (up to 8th May, 2015)	Member
Mr. A. C. Patel	Member
Mrs. Sonal V. Raja (w.e.f. 8th May, 2015)	Member

The Nomination & Remuneration Committee met 2 times during the year.

### 23. 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 Clause 49 IIE of the listing Agreement. The same is posted on website of the Company.

### 24. 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 behaviour, fraud or violation of the Company's code of Conduct or ethics policy. The same is posted on website of the Company.

### 25. 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.

### 26. Particulars of contracts or arrangements with related parties under section 188(1):

During the financial year 2014-15, there was no transaction 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. However, details of transactions with related parties are given in note 14 of notes to accounts by Auditors as per Accounting Standard 18.

### 27. Particulars of development and implementation of a Risk Management Policy:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the company has constituted a business risk management committee. The details of the committee and composition are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

### 28. Corporate Governance and Management Discussion & Analysis Report:

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as Annexure- III. Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is set out as Annexure- IV.

### 29. Appreciation:

Your directors take this opportunity to acknowledge the trust reposed in your Company by its shareholders, Bankers and clients. Your Directors also keenly appreciate the dedication and commitment of all our employees, without which the continuing progress of the Company would not have been possible.

PLACE: AHMEDABAD

DATE: 01-08-2015

FOR & ON BEHALF OF THE  
BOARD OF DIRECTORS

VIPUL H. RAJA  
CHAIRMAN & MANAGING DIRECTOR  
DIN-00055770

## ANNEXURE-I

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015  
(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 by **SUMERU INDUSTRIES LIMITED**. (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 2015 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 here in after:

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 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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;
- (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;
  - (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;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (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 and
- (h) The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998;
- (vi) As stated in the Annexure - A - all the laws, rules, regulations are applicable specifically to the company.

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 though it is applicable w.e.f 1st day of July 2015 and not mandatory right now is also complied.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchanges.

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.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and 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) Merger/ amalgamation/reconstruction etc.

## SUMERU INDUSTRIES LIMITED

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(V) Foreign technical collaborations

**Place: Ahmedabad**

**Date: 5th May 2015**

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

**Kamlesh M. Shah**

**ACS: 8356, COP: 2072**

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### ANNEXURE-A

#### Securities Laws

1. All Price Sensitive Information was informed to the stock exchanges from time to time
2. All investors complain directly received by the RTA& Company are 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/Graduity Act are not applicable to Company.

#### Environmental Laws

AS the company is not engaged in the manufacturing activities so the Environmental laws are not applicable to the company.

#### Taxation Laws

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: 5th May 2015**

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

**Kamlesh M. Shah**

**ACS: 8356, COP: 2072**

# SUMERU INDUSTRIES LIMITED

## ANNEXURE- II

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

#### AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2015

[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	Sharepro Services (India) Private Limited, 13/A-B, Samhita Warehousing Corporation Bldg. 2nd Floor, Near Sakinaka telephone Exchange, AndheriKurla Road, Mumbai- 400072.

#### 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	Consultancy Service	74140	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-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	27813284	9257000	37070284	51.49%	28581670	9257000	37838670	52.55%	+1.06%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	<b>27813284</b>	<b>9257000</b>	<b>37070284</b>	<b>51.49%</b>	<b>28581670</b>	<b>9257000</b>	<b>37838670</b>	<b>52.55%</b>	<b>+1.06%</b>

## SUMERU INDUSTRIES LIMITED

(2) Foreign									
a) NRI- Individual	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp	--	--	--	--	--	--	--	--	--
d) Banks, FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A) (2)</b>	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	27813284	9257000	37070284	51.49%	28581670	9257000	37838670	52.55%	+1.06%
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1811588	2185000	3996588	5.55%	1728349	2185000	3913349	5.44%	-0.11%
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	13459595	6472251	19931846	27.68%	12663891	6341251	19005142	26.39%	-1.29%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	10563115	161000	10724115	14.89%	10828282	161000	10989282	15.26%	+0.37%
c) Others (specify)									
Non Resident Indians	259167	--	259167	0.36%	235557	--	235557	0.33%	-0.03%
Overseas Corporate Bodies	10000	8000	18000	0.03%	10000	8000	18000	0.03%	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):-</b>	26103465	8826251	34929716	48.51%	25466079	8695251	34161330	47.45%	-1.06%
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	26103465	8826251	34929716	48.51%	25466079	8695251	34161330	47.45%	-1.06%

## SUMERU INDUSTRIES LIMITED

<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	53916749	18083251	72000000	100.00%	54047749	17942251	72000000	100.00%	–

### ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	16156020	22.44	0	16924406	23.51	0	+1.07
3	Sonal V. Raja	5976657	8.30	0	5976657	8.30	0	0
4	Nandit V. Raja	5552657	7.71	0	5552657	7.71	0	0
5	Namrata V. Raja	89000	0.12	0	89000	0.12	0	0
	<b>Total</b>	<b>37070284</b>	<b>51.49</b>	<b>0</b>	<b>37838670</b>	<b>52.55</b>	<b>0</b>	<b>+1.06</b>

### 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	Sell/purchase	No. of shares	% of total shares of the company
	At the beginning of the year	16156020	22.44%		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	1/4/2014	Purchase of 50000 shares	16206020	22.50%
		27/11/2014	Purchase of 368386 shares	16574406	23.02%
		02/12/2014	Purchase of 50000 shares	16624406	23.08%
		12/03/2015	Purchase of 300000 shares	16924406	23.50%
	At the end of the year			16924406	23.50%

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):

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SanketFincap Private Limited	1844000	2.5611	1844000	2.5611
2	SanketFincap Private Limited	1237000	1.7181	1237000	1.7181
3	Niraj A. Patel	608431	0.8450	608431	0.8450
4	ChintanJatinSheth	566000	0.7861	566000	0.7861
5	NirajShashinSheth	541000	0.7514	541000	0.7514
6	AshvinParshottamdas Shah*	531739	0.7385	698392	0.9700
7	Manish H Mishra*	531064	0.7376	345005	0.4792
8	SurendrakumarAmratlal Shah	447415	0.6214	447415	0.6214
9	VipulPratapbhai Patel	443415	0.6159	443415	0.6159
10	Manjulaben A. Shah*	407597	0.5661	389097	0.5404
11	Hitesh RamjiZaveri	378410	0.5256	378410	0.5256

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\*Date wise Increase/ decrease in shareholding is given separately in the following tables:

6	AshvinParshottamdas Shah	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	Sell/ Purchase	No. of shares	Date of sell/ purchase
	At the beginning of the year	531739	0.7385		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease:	5000	Sell	526739	4/4/2014
		50	Sell	526689	30/05/2014
		30000	Purchase	556689	20/06/2014
	Increase/Decrease due to sell/ purchase of shares	1500	Purchase	558189	11/07/2014
		15023	Purchase	573212	18/07/2014
		13377	Purchase	586589	25/07/2014
		1400	Purchase	587989	1/8/2014
		9005	Purchase	596994	8/8/2014
		3450	Purchase	600444	15/08/2014
		1600	purchase	602044	22/8/2014
		7000	Purchase	609044	29/8/2014
		4500	Purchase	613544	5/9/2014
		4314	Purchase	617858	12/9/2014
		5739	Purchase	623597	19/9/2014
		15500	Purchase	639097	30/09/2014
		1500	Purchase	640597	10/10/2014
		6700	Purchase	647297	17/10/2014
		500	Purchase	647797	24/10/2014
		17893	Purchase	665690	14/11/2014
		6800	Purchase	672490	21/11/2014
		679	Purchase	673169	28/11/2014
		3200	Purchase	676369	5/12/2014
		3400	Purchase	679769	31/12/2014
		200	Purchase	679969	02/01/2015
		3072	Purchase	683041	9/1/2015
		15351	Purchase	698392	6/2/2015
	At the end of the year			698392	0.9700

  

7	Manish H. Mishra	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	Sell/ Purchase	No. of shares	Date of sell/ purchase
	At the beginning of the year	531064	0.7376		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease	113241	Purchase	644305	30/06/2014
		904	Purchase	645209	30/09/2014
		104	Sell	645105	14/11/2014
	Increase/Decrease due to sell/ purchase of shares	100	Sell	645005	19/12/2014
		300000	Sell	345005	13/03/2015
	At the end of the year			345005	0.4792

  

10	Manjulaben A. Shah	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	Sell/ Purchase	No. of shares	Date of sell/ purchase
	At the beginning of the year	407597	0.5661		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease	15000	sold	392597	4/4/2014
		7000	Sold	385597	9/5/2014
		1500	Sold	384097	16/5/2014
	Increase/Decrease due to sell/ purchase of shares	5000	Buy	389097	13/2/2015
	At the end of the year			389097	0.5404



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### 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	16156020	22.44%		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	1/4/2014	Purchase of 50000 shares	16206020	22.50%
		27/11/2014	Purchase of 368386 shares	16574406	23.02%
		02/12/2014	Purchase of 50000 shares	16624406	23.08%
		12/03/2015	Purchase of 300000 shares	16924406	23.50%
	At the end of the year			16924406	23.50%
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	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	3997	0.005
3	Bhavin D. Mashruwala, 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	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	45000	0.065
4	Sonal V. Raja, Additional 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	5976657	8.30	5976657	8.30
	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	5976657	8.30	5976657	8.30
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	-	-	-	-

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### V. INDEBTEDNESS:

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

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

### 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 Nandit Raja, Former MD	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,50,000/-	4,50,000/-
	(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)	4,50,000/-	4,50,000/-
	Ceiling as per the Act	42,00,000/-	

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## 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	
		CS	Total
		Nidhi K. Shah	
1	Gross salary	66,000/-	66,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66,000/-	66,000/-
	(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	66,000/-	66,000/-

## 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					

## ANNEXURE - III

### REPORT ON CORPORATE GOVERNANCE 2014-15

#### 1. Company's Philosophy on Code of Corporate Governance:

The Corporate Governance policies followed by your Company are aimed at ensuing transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationship between itself and its stake – holders.

#### 2. Board of Directors:

##### a) Composition, category of Directors and their other Directorship during the year under review:

Name & Designation	Category	No. of Board Meetings Attended	Attendance at Last AGM (30/09/14)	No. of other Directorship (As on date of Notice)	Membership in the committee of other companies (as on date of Notice)	
					Membership	Chairmanship
Vipul. H. Raja Chairman & MD (DIN-00055770)	Executive Promoter Director	8	Yes	3	Nil	Nil
A. C. Patel (DIN-00037870)	Non- Executive Independent Director	8	Yes	8	5	3
Bhavin D. Mashruwala (DIN-00055910)	Non- Executive Independent Director	8	Yes	Nil	Nil	Nil
*Sonal V. Raja (DIN-07122685)	Non-Executive Promoter Director	1	No	1	Nil	Nil
**Nandit V. Raja (DIN-00055722)	Executive Promoter Director	5	Yes	1	Nil	Nil

\* Mrs. Sonal V. Raja was appointed on the Board as Non-Executive, Promoter, Additional Woman Director w.e.f. 31st March, 2015.

\*\* Mr. Nandit V. Raja has resigned w.e.f. 23rd March, 2015 as Managing Director and Director of the Company.

##### b) Board Meetings:

During the year ended on 31st March, 2015, eight (8) Board Meetings were held on 22nd May, 2014, 25th July, 2014, 30th September, 2014, 18th October, 2014, 18th November, 2014, 16th January, 2014, 23rd March, 2015 and 31st March, 2015.

#### 3. Committees on the Board:

##### a) Audit Committee:

###### i) Terms of Reference:

Brief description of the terms of reference for a qualified and independent audit committee has been set up by the board. The terms of reference of the Audit Committee include;

1. Reviewing, with the management, the annual financial statements and auditor's report before submission to the board;
2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
3. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
4. Recommendation for appointment, remuneration and terms of appointment of auditors of the company
5. Approval of payment to statutory auditors for any other services rendered by the statutory Auditors;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the Whistle Blower mechanism;
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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### ii) Composition of Audit Committee:

During the year, four meetings of Audit Committee were held on 22/05/2014, 25/07/2014, 18/10/2014 and 16/01/2015.

The attendance records and other details of Committee members are as follows:

Name and designation in Committee	Designation in Committee	Category	Number of meetings attended
Mr. Bhavin D. Mashruwala,	Chairman	Non-Executive, Independent	4
Mr. Vipul H. Raja	Member	Executive, Promoter	4
Mr. A. C. Patel	Member	Non-Executive, Independent	4

### b) Stakeholder's Relationship Committee:

In terms of Section 178(5) of the Act and Clause 49 of Listing Agreement, the Company has renamed the Shareholders Grievance Committee as Stakeholders Relationship Committee (SRC).

The Committee met regularly at the end of the month and during the year under review, twelve meetings were held.

Composition of Committee:

Name and designation in Committee	Designation in Committee	Category	Number of meetings attended
Mr. Bhavin D. Mashruwala,	Chairman	Non-Executive, Independent	12
Mr. Vipul H. Raja	Member	Executive, Promoter	12

Company Secretary of the Company acts as Compliance officer of the Committee.

During the year 2014-15, no complaints were received from shareholders and investors.

### c) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee for appointment & remuneration of Directors and key managerial personals was constituted w.e.f. 25th July, 2014 with Mr. Bhavin D. Mashruwala as Chairman of the Committee.

#### i) Composition:

Name and designation in Committee	Category	Number of meetings attended
Mr. Bhavin D. Mashruwala, Chairman	Non-Executive, Independent	2
Mr. Vipul H. Raja, Member (Up to 8th May, 2015)	Executive, Promoter	2
Mr. A. C. Patel, Member	Non-Executive, Independent	2
Mrs. Sonal V. Raja, Member (w.e.f. 8th May, 2015)	Non- Executive, Promoter	0

Two meetings of the Nomination and Remuneration Committee were held during the year.

As per Clause 49 IV of the Listing Agreement, members of the Nomination and Remuneration Committee should be non-executive

directors. Mr. Vipul H. Raja was Non- executive Chairman of the Company and member of the Committee. But, w.e.f. 8th May, 2015, Mr. Vipul H. Raja was appointed as Executive Managing Director of the Company and hence resigned from the membership of the Committee. Mrs. Sonal V. Raja has taken his place in the committee.

#### ii) Terms of Reference:

- (1) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- (2) Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnels.
- (3) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- (4) Conduct Annual performance review of MD and CEO and Senior Management Employees;
- (5) Administration of Employee Stock Option Scheme (ESOS);
- (6) Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

#### iii) Remuneration Policy:

Currently, Company is not paying any remuneration by any means to any non-executive directors of the Company. Further, Mr. Nandit V. Raja, former Managing was paid remuneration within the specified limit as approved by shareholders. After his resignation, Mr. Vipul H. Raja was appointed as Chairman & MD, and looking into current financial position of the Company, he has agreed not to receive any remuneration from the Company.

#### iv) Details of Remuneration to Directors:

Not Applicable as directors don't receives any remuneration from the Company.

### d) Risk Management Committee:

The Company has formed Risk Management Committee w.e.f. 25th July, 2014 consisting of the following members:

Name	Designation	Position in Committee
Mr. A. C. Patel	Independent Non-Executive Director	Chairman
Mr. Vipul H. Raja	Promoter Director	Member
Mr. Vipul Patel	Finance Officer	Member

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Risk Management Committee will, periodically, review the various risks associated with the Company and report the same to the Board of Directors, as and when required.

#### 4. Independent Director Meeting:

During the year under review, Independent Directors met on 16th January, 2015, where both Independent Directors were present, inter alia, to discuss-

- a. the performance of non-independent directors and the Board as a whole;
- b. the performance of chairperson of the company;
- c. the quality, quantity and timeliness of flow of information between the board and company management.

