



Date- 18th September, 2015

REGISTERED AD

To

Shri Ravindra Shetty, Bombay Stock Exchange Ltd., 24 th Floor, Pheroz Jijeebhoy Towers, Dalal Street, Fort, Mumbai: 400 001.	Rajesh Gandhi, Bombay Stock Exchange Ltd., 24 th Floor, Pheroz Jijeebhoy Towers, Dalal Street, Fort, Mumbai: 400 001.
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Dear Sirs,

Suspension in Trading of Securities of Sumeru Industries Limited

We refer to the letter ref. L/DOSS/PK/INV/COM/530445/1 dated August 24, 2015 addressed to us by Shri Rajesh Saraf, Sr. General Manager, Surveillance & Supervision, BSE forwarding a copy of the Order passed by Shri Ashishkumar Chauhan, MD & CEO, BSE directing suspension in trading of Equity Shares of Sumeru Industries Limited (the Company).

We are shocked and surprised to receive the said impugned order and are aggrieved by the same as it is passed without giving any opportunity to the Company to represent our case. We therefore wish to make the following representation:

1. At the outset, we submit that the suspension is the outcome of the direction given by SEBI to the stock exchanges to arrest and stop market manipulation. We have reproduced the relevant extract of the impugned Order as under:

“.....SEBI, inter alia, apprised the stock exchanges of a modus operandi of market manipulation being perpetrated by certain entities; and to prevent further damage, SEBI had directed to suspend trading.....”

Sir, we submit that in case of our Company, there is neither any modus operandi nor any market manipulation and the promoters or management of the Company are not indulged in to any fraudulent or unfair practices concerning the price of the shares of the Company. This being the case of the Company, and no damage is done, there is no reason or need *“to prevent further damage”* as stated in the impugned Order. The impugned Order is therefore bad in law as it fails the test of the very purpose of suspension set out in the preamble of the impugned Order.

2. We further submit that the directions given by SEBI are too general in nature as disclosed in the minutes of the SEBI meeting attached with the impugned Order. We have reproduced the relevant extract of the said minutes as under:

“.....generally such companies may have one or more of the following features.....”



SUMERU INDUSTRIES LIMITED

Regd. Office: Sumeru Centre, Near Parimal Crossing, C.G. Road, Ahmedabad - 380 007

Phone: +91 79 2665 2748, 2665 1357 Fax: +91 79 2665 1664

CIN No.: L65923GJ1994PLC021479 • Email: investors.sumeru@gmail.com • website: sumerugroup.in



".....The Exchanges were also appraised of the modus operandi being used by entities for Long term capital Gains (LTCG) through preferential allotment route in such companies....."

Sir, we therefore submit that the impugned Order is passed merely on the basis of assumptions and presumptions, and without inquiring in to basic facts whether one or more features just coincidentally found in case of the Company had even any remote nexus to market manipulation or facilitating LTCG in any manner. The impugned Order is therefore bad in law on this ground also as it fails this test too. We believe that only a quick preliminary inquiry out of the data available with BSE could have clearly revealed that there is no market manipulation or facilitation of LTCG in case of our Company. However, in order to prove our case, we wish to deal with various features narrated in the minutes of the SEBI meeting attached to the impugned order in the following paragraphs:

3. **Nonexistent at the address mentioned:** The Company exists at the address of the registered office. In fact, during the month of February, 2015, two officers of BSE, under the leadership of Mr. Jigar Rathod visited registered office of the Company and met two directors of the Company present at the registered office during his visit. At that time also, the directors had given all information required by them and the Company had also submitted the required documents in physical form with the office of BSE, Ahmedabad on 27th February, 2015.

The Company is also maintaining its website www.sumerugroup.in and the same is printed on all stationery and Annual Reports of the Company and the Company has also intimated about the same to BSE as prescribed in Clause 54 of the Listing agreement. The Company has also employed a whole time Company Secretary & Compliance Officer to ensure compliance of applicable laws.

4. **Not appearing to be carrying out any operations:** The Company is in the process of setting up a Salt manufacturing plant, and was allotted 3,107 Acres of land on lease hold basis at villages 'Mohadi' and 'Karamata' of Taluka- Abdasa of Kutchh district of Gujarat state by the Govt. of Gujarat for the same. Documents related with possession of the said land are attached herewith as **Annexure-"A"** for your kind reference

Place	Area in Hectare	Area in Acres
In Mohadi	611	1527.5
In Karamata	646	1615

But on account of certain local conditions and local environment, the-Company is facing some difficulty in implementation of the project. Further, pending implementation of the project, the Company has parked its surplus funds of Rs. 5.55 crores in current investments and thus the intrinsic value of assets of the Company is very high. Accordingly, the funds raised from the shareholders are not only protected but the shareholders' value has significantly enhanced by applying Net Asset Method of valuation applying market value of the assets of the Company. The impugned Order is passed just after having a casual look at the Profit & Loss account of the Company and without bothering to study the Balance

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Sheet or the report of the Directors thereon. We therefore submit that the criteria of "not carrying out any operations" can not be applied in case of our Company.

5. **Preferential allotment:** The Company has not made any preferential allotment and accordingly the basic finding by SEBI leading to market manipulation or LTCG as disclosed in the minutes of the SEBI meeting is missing in case of our Company. Hence, marking regarding "preferential allotment made by the Company", is not applicable to our Company.
6. **Increase in price of the scrip with low volume during one year of lock in period:** Since the Company has not made any preferential allotment; there is no question of any lock in period. Further, the period of increase in price mentioned in the impugned Order was 26 months and not a short period of less than one year.
7. **Huge rise in volume after lock in period and exit of preferential allottees:** As submitted in paragraph 5 & 6, Company has not made any preferential allotment and thus there is no question of any lock in period in case of our Company. Moreover, the Company has around 5,335 shareholders as on date, and the volumes had never been very high after the increase in price of the shares of the Company. There was no exit by promoters or their associates in case of our Company.
8. **Weak financials and price rise not supported by such financials:** As submitted in Paragraph 4 hereinabove, the financials of the Company are very strong considering the market value of the assets of the Company including 3,107 Acres of land. The Book Value of the share of the Company is much higher than the current price of the share by applying Net Asset Method of valuation after considering market value of the assets. Accordingly, the contention that the financials of the Company are weak is far from the truth. Further, from the balance sheets of past several years, you may conclude that the Company is not a loss making Company and so far the Company has never made any default for repayment of any statutory dues with any of the statutory authorities or financial institutions.

Sir, we also take this opportunity to inform and confirm that the promoters or management of the Company have focused only on growth of the Company and have never paid any attention on the price and volume of the shares on BSE. We are not even aware and neither connected nor involved in any movement of price or volume of the shares of the Company.

Sir, we therefore request you to appreciate that the trading in shares of the Company is unnecessarily suspended without any cause or reason whatsoever. It is just a coincidence that few features highlighted by SEBI are found to have appeared in the case of the Company. However a quick preliminary inquiry and detailed study of the financials including the Balance Sheet and market value of the assets of the Company would reveal that it is not at all a case for suspension intended by SEBI. This order has been passed without giving any opportunity to furnish details to the Company.



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Sir, we therefore request you to arrange to review the impugned Order and urgently lift the suspension in trading of shares of Sumeru Industries Limited for the benefit of our shareholders.

Thanking you,
Yours sincerely,

For Sumeru Industries Ltd.,

Vipul H. Raja



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

Encl:

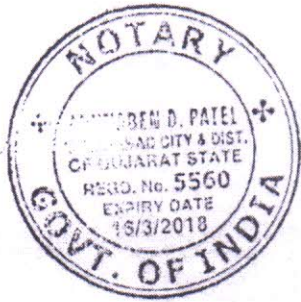
1. Copy of land possession documents

Copy to-

Shri Ashishkumar Chauhan, Chairman & Managing Director, BSE.

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S.R. No. 10116 2015

Ar Patel
ARUNABEN D. PATEL
NOTARY
GOVT. OF INDIA

16 SEP 2015
VILLAGE FORM NO. 7 & 12

No. B. 3262257

Block/Survey No. : Unsurveyed
Type of right : Non Govt. given on rent
Name of Farm :
Other details :

Page : 1 of 1
Moje : Mohadi
Taluka : Abadasa
District : Kutch

Cultivation Land	Area Hec. Sq. Mt.	A/c. No.	Area Hec. Sq. Mt.	Shape	Reg. no. & Name of Occupants
P.K. A.	611-63-36				166
Total Area	611-63-36	70	611-63-36	0.00	Shri Sumeru Industries Ltd. Ahmedabad <166>
Shape	Rs. 0.00				
Jude & Imp. Sec.	Rs. 0.00				
Water Part	Rs. 0.00				
Details of Tenants	Other rights and details of charge : 166 On rent for 10 years for manufacture of Salt <166>				

Village form no. 12

Year	Name of farmer	Season	Crop	Area of Crop Hec. Are. Sq. Mt.	Type of irrigation	Organ of Cultivation	No. of Trees self & Govt.	Remarks
2006-2007	No details							
2007-2008	No details							
2008-2009	No details							

E-Ward Computerized copy

Sd/-

Deputy Mamlatdar (E-ward)

Naliya-Kutch, Ta. Abdasa

#-Rejected &-Disputed *-Cancel

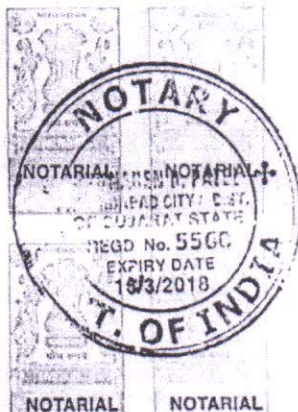
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Chargable copy In words Rs. 5/- (Rupees Five net) received with thanks.

Courtesy : National Information-Science Center, Gujarat State, Ver. 2.4.8

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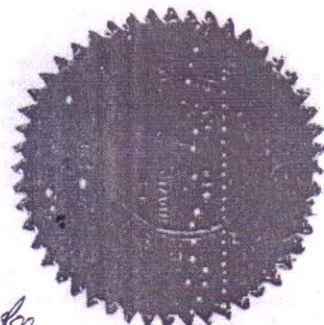
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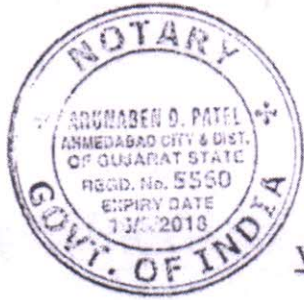
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correct translation of a Gujarati
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Ar Patel
ARUNABEN D. PATEL
NOTARY
GOVT. OF INDIA

16 SEP 2015



Vipul Singh



S.R. No. 10117/2015

ARUNABEN D. PATEL
NOTARY
GOVT. OF INDIA

16 SEP 2015

VILLAGE FORM NO. 7 & 12

No. B. 3262258

Block/Survey No. : Unsurveyed
Type of right : Non Govt. given on rent
Name of Farm :
Other details :

Page : 1 of 1
Moje : Mohadi
Taluka : Abadasa
District : Kutch

Cultivation Land	Area Hec. Sq. Mt.	A/c. No.	Area Hec. Sq. Mt.	Shape	Reg. no. & Name of Occupants
P.K. A.	646-42-66				115
Total Area	646-42-66	46	646-42-66	0.00	Shri Sumeru Industries Ltd. Ahmedabad <115>
Shape	Rs. 0.00				
Jude & Imp. Sec.	Rs. 0.00				
Water Part	Rs. 0.00				
Details of Tenants	Other rights and details of charge : 115 On rent for 10 years for manufacture of Salt <166>				

Village form no. 12

Year	Name of farmer	Season	Crop	Area of Crop Hec. Are. Sq. Mt.	Type of irrigation	Organ of Cultivation	No. of Trees self & Govt.	Remarks
2008-2009	No details							

E-Ward Computerized copy
Sd/-
Deputy Mamlatdar (E-ward)
Naliya-Kutch, Ta. Abdasa

#-Rejected &-Disputed *-Cancel

As per 9-10-2009 12:23:20

Chargable copy In words Rs. 5/- (Rupees Five net) received with thanks.

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Courtesy : National Information-Science Center, Gujarat State, Ver. 2.4.8

Mamlatdar office, Gujarat Government



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ARUNABEN D. PATEL
NOTARY
GOVT. OF INDIA

16 SEP 2015

Vipul

