

SUMERU INDUSTRIES LIMITED

CIN NO.L65923GJ1994PLC021479

Regd. Office : Final Plot No. 123, Behind Andaz Party Plot, S. G. Highway Road, Ahmedabad- 380058

27th ANNUAL REPORT 2019-20

SUMERU INDUSTRIES LIMITED

CIN No.-L65923GJ1994PLC021479

Regd. Office : Final Plot no-123, Behind Andaz Party Plot, Near Makarba Cross Road, S. G. Highway, Makarba, Ahmedabad-58

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the members of the SUMERU INDUSTRIES LIMITED will be held on Monday, 28th September, 2020 at 9:30 AM through VC/OAVM (Video Conference or Other Audio Visual Means) to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider, approve and adopt the Audited Financial Statements and the Reports of the Board of Directors and Auditor's thereon for the financial year ended on 31st March, 2020.
- 2) To appoint a Director in place of Mrs. Sonal V. Raja (DIN-07122685), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

- 3) Re-appointment of Mr. Vipul H. Raja (DIN-00055770) as Chairman and Managing Director for the term of five years w.e.f. 8th May, 2020
To consider and if, though fit, to pass the following resolution as a Special 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) and subject to necessary approvals consent of the members of the Company be and is hereby accorded to the re-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, 2020 on the existing terms and conditions."
- 4) Approval to enter into Related Party Transactions:
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:
"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement), 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board), to enter into contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto) on arm's length basis with related parties within the meaning of the Act and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement annexed to this Notice on such terms and conditions as defined in the related party contracts/ agreements."
"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company."

PLACE: AHMEDABAD.

DATE: 18TH AUGUST, 2020

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

**NIDHI K. SHAH
COMPANY SECRETARY
ACS NO-A33325**

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. General instructions for accessing and participating in the AGM through Video Conference/ Other Audio-Visual Means (VC/ OAVM) Facility and voting through electronic means including remote e-Voting
 - a) In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 27th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue.
 - b) In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 27th AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
 - c) In line with the MCA Circulars and SEBI Circular, the Notice of the 27th AGM will be available on the website of the Company at www.sumerugroup.in, on the websites of BSE Limited (BSE) at www.bseindia.com and also on the website of NSDL at www.evoting.nsdl.com.
 - d) Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
 - e) National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting, for participation in the 27th AGM through VC/OAVM Facility and e-Voting during the 27th AGM.
 - f) Members may join the 27th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 9:15 AM. IST i.e. 15 minutes before the time scheduled to start the 27th AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 27th AGM.
 - g) Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 500 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and

Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 27th AGM without any restriction on account of first-come- first-served principle.

- h) Attendance of the Members participating in the 27th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 27th AGM and facility for those Members participating in the 27th AGM to cast vote through e-Voting system during the 27th AGM.

3. Instructions for Members for Remote e-Voting are as under:-

- a) The remote e-Voting period will commence on 25th September 2020 (9.00 am IST) and end on 27th September 2020 (5.00 pm IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date of 21st September 2020, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- b) A person who is not a Member as on the cutoff date should treat this Notice of 27th AGM for information purpose only.
- c) The details of the process and manner for remote e-Voting are explained herein below

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- viii. Now, you will have to click on "Login" button.
- ix. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of company for which you wish to cast your vote.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

4. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use

Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- e) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

5. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

- a) The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

6. General guidelines for Shareholders-

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kshahcs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- d) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 27th AGM by email and holds shares as on the cut-off date i.e. 21st August 2020, may obtain the User ID and password by sending a request to the Company's email address investors.sumeru@gmail.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
- e) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the

depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

- f) 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: 380009) has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
 - g) During the 27th AGM, the Chairman shall, after response to the questions raised by the Members in advance at the 27th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 27th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 27th AGM.
 - h) The Scrutinizer shall after the conclusion of e-Voting at the 27th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 27th AGM, who shall then countersign and declare the result of the voting forthwith.
 - i) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.sumerugroup.in and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE.
7. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 27th AGM and the Annual Report for the FY 19-20 including therein the Audited Financial Statements, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 27th AGM and the Annual Report for the year FY 19-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
- a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's Registrar and Transfer Agent at bssahd@bigshareonline.com
 - b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
8. The Notice of the 27th AGM and the Annual Report for the Financial

Year 2019-20 including therein the Audited Financial Statements for the Financial Year 2019-20, will be available on the website of the Company at www.sumerugroup.in and the website of BSE at www.bseindia.com. The Notice of 27th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.

9. The Register of Members and the Share Transfer books of the Company will remain closed from – 22nd September, 2020 to 28th September, 2020, both days inclusive, for the purpose of 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.
11. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Resolution No-4 To re-appoint Mr. Vipul H. Raja (DIN-00055770) as Chairman and Managing Director for the term of five years w.e.f. 8th May, 2020

Mr. Vipul H. Raja is engaged with the Company since its incorporation as he is one of the promoters of the Company. He was appointed as Chairman and Managing Director of the Company for the term of five financial years in the board meeting held on 8th May, 2015 and further, his appointment as such was approved by the members in the 22nd Annual General Meeting.

Now, further appointment of Mr. Vipul H. Raja, as Chairman and Managing Director require approval of members by way of Ordinary Resolution. Hence, Board members proposed his appointment as such for the term of five years w.e.f. 8th May, 2020 subject to approval of members in the ensuing Annual General Meeting on existing terms and conditions.

As per earlier terms, Mr. Vipul H. Raja will not be paid any remuneration as Chairman & Managing Director, if appointed.

The nature of concern or interest, financial or otherwise of:

- (1) Director: None of the Directors except Mrs. Sonal V. Raja, Woman Director, is interested in the Resolution being wife of Mr. Vipul H. Raja;
- (2) KMP – No interest, financial or otherwise;
- (3) Relatives of the Directors: Relatives of Mr. Vipul H. Raja, are interested to the extent of their shareholding.

It is to be noted that this resolution does not relate to or affects any other Company.

Mr. Vipul H. Raja is above 66 years as on date of this Notice. Continuation of his term as Chairman and Managing Director will require approval of members by way of Special Resolution at the time of or before his attainment of 70 years as per Section 196 of the Companies Act, 2013. Hence, The Board recommends the passing of this resolution by way of Special resolution.

SUMERU INDUSTRIES LIMITED

Resolution No-5 Approval to enter into Related Party Transactions

Company has entered into leasing Agreement with below mentioned parties

Name of related party	Nature of relationship	Estimated Amount with nature of Transaction
Mr. Nandit Raja	Promoter and Relative of Director	Rent receipt of Rs. 1,80,000/- in a year from Company (Rs. 15,000/- per month)
Mrs. Sonal Raja	Promoter Director	Rent receipt of Rs. 1,80,000/- in a year from Company (Rs. 15,000/- per month)

Above referred Related Parties have offered their premises to the Company to use it as a Registered Office of the Company at negligible rent compared with area of the office and location where such office

premises in commercial complexes are being rented at present to other parties. Hence, these transactions under consideration, are proposed to be entered into by the Company on 'arm's length basis'.

However, as per amended provisions of Section 188 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, approval of shareholders is required for these transactions as sum of above mentioned Transactions with Related Parties during the year exceeds the threshold limit applicable to these transactions on the basis of Turnover of the Company As per latest Audited Balance sheet. Hence, these transactions required approval of shareholders by way of Special Resolution.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through ordinary resolution. However, as per exemption Regulation, this compliance is exempt for the Company.

None of the Directors, except Mr. Vipul H. Raja and Mrs. Sonal V. Raja and their relatives are interested in the resolution. The Board recommends the passing of this resolution by way of Special resolution.

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

Name of Director	Mr. Vipul H. Raja
DIN	00055770
Date of Birth	22/11/1953
Age	67 years
Educational Qualification	B. Com
Experience (No. of Years)	45 years
Business field in which Experience	He has vast experience of in Company Management and Commercial activities.
Date of Appointment as Director in the Company	03/03/1994
Shareholding in Sumeru Industries Ltd.	1,71,53,491 shares consisting of 23.82% of total shares
Member/ Chairman of any Committees in Sumeru Industries Limited	Member- Audit Committee Member- Stakeholders Relationship Committee
Directorship held in any other Company	Gujrat Credit Corporation Limited Anaxis Trade and Services Pvt. Ltd. (Formerly ViratTradex Pvt. Ltd) AALPS Infraspace LLP (as a nominee of Sumeru Industries Limited)
Member/ Chairman of any committees of the Directors in other Companies with names of the Company.	N.A.
Member of any Trade Association/ Charitable Organization/ NGOs etc.	President of shri Amdavad Dasa Shrimadi Sharavak ni nyat

Name of Director	Mrs. Sonal V. Raja
DIN	07122685
Date of Birth	19/08/1958
Age	62 years
Educational Qualification	B.A.
Experience (No. of Years)	15 years
Business field in which Experience	Planning and communication
Date of Appointment as Director in the Company	31/03/2015
Shareholding in Sumeru Industries Ltd. (As on date of Notice)	7122953 shares consisting of 9.89% of total share capital
Member/ Chairman of any Committees in Sumeru Industries Limited	Member- Nomination and Remuneration Committee & Stakeholders' Relationship Committee
Directorship held in any other Company	Anaxis Trade and services Private Limited (Formerly- ViratTradex Private Limited)
Member/ Chairman of any committees of the Directors in other Companies with names of the Company.	NIL
Member of any Trade Association/ Charitable Organization/ NGOs etc.	

DIRECTORS' REPORT

To,
The members of,
Sumeru Industries Limited

Your Directors are pleased to present the Twenty Seventh Annual Report on the business and operations of the Company togetherwith the Audited Financial Statements for the year ended March 31, 2020.

1. Financial Performance of the Company:

A summary of the Company's financial results for the Financial Year 2019-20 is as under

(Amount in Lacs.)

Particulars	2019-20	2018-19
Income from Operation	0	0
Other Income	39.22	38.50
Total income	39.22	38.50
Total Expenditure before tax and dep.	28.63	30.52
Profit/(loss) before tax and dep.	10.59	7.98
Provision for depreciation	7.12	7.69
GST recovered on sales	0	0
Tax expenses	-0.30	-3.11
Net profit/(loss) after tax for the year	3.77	3.40
Add: balance B/F from previous year	302.69	299.29
Balance carried to next year	306.46	302.69

2. Operational Review:

Company is in the business of Trading.During the year under review, the Company has earned total income of Rs. 39.22 Lacs which comprises of other income only as due to degraded market scenario and uncertainty in trading, Company could not earn trading orders. After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the Company has earned a net profit of Rs. 3.77 Lacs during the current year. (Previous year of Rs. 3.40 Lacs).

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

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

4. Dividend:

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

5. Unclaimed Dividend:

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

6. Share Capital

The paid up Equity Share Capital as at March 31, 2020 stood at 720 Lakhs.. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

7. Deposits:

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

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

Company has not provided any guarantee or any security in connection with a loan to any other body corporate or person during the year under review. However, the Company has decreased its investment in AalpsInfraspace LLP from 25% to19% of investment and profit sharing. The LLP is still in nascent stage and not started its operations yet.The Company does not have significant influence and control based on the representation on the management of AalpsInfraspace LLP.

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

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

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

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

11. Change in Directors

Mr. Vipul H. Raja is engaged with the Company since its incorporation as he is one of the promoters of the Company. He was appointed as Chairman and Managing Director of the Company for the term of five financial years in the board meeting held on 8th May, 2015 and further, his appointment as such was approved by the members in the 22nd Annual General Meeting.

Now, further appointment of Mr. Vipul H. Raja, as Chairman and Managing Director require approval of members by way of Ordinary Resolution. Hence, Board members proposed his appointment as such for the term of five years w.e.f. 8th May, 2020 subject to approval of members in the ensuing Annual General Meeting on existing terms and conditions.

As per earlier terms, Mr. Vipul H. Raja will not be paid any remuneration as Chairman & Managing Director, if appointed.

12. Business continuity during COVID-19

The world has been hit by the worst pandemic in recent times, and our Company is no exception. The management has assessed the

potential impact of COVID-19 on the Company and the management is of the view that the impact of the COVID-19 on the operations of the company and the carrying value of its assets and liabilities is not likely to be material. However, the assessment of impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.

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

(1) 21st May, 2019, (2) 17th July, 2019, (3) 14th November, 2019, (4) 3rd February, 2020.

Name	Designation	Attendance at committee meeting			
		21-05-19	17-07-19	14-11-19	03-02-20
Mr. Vipul H. Raja	Chairman	✓	✓	✓	✓
Mr. Bhavin D. Mashruwala	Member	✓	✓	✓	✓
Mr. A. C. Patel	Member	✓	✓	✓	✓
Mrs. Sonal V. Raja	Woman Director	✓	✓	✓	✓

14. Key Managerial Personnel

The following are the Key managerial Personnel of the Company-

1. Mr. Vipul H. Raja- Chairman and Managing Director
2. Mrs. Nidhi Shah- Company Secretary
3. Mr. Manish H. Mishra- Chief Financial Officer

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

The Company has following Committees-

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

Name	Designation	Attendance at committee meeting			
		21-05-19	17-07-19	14-11-19	03-02-20
Mr. Bhavin D. Mashruwala	Chairman	✓	✓	✓	✓
Mr. Vipul H. Raja	Member	✓	✓	✓	✓
Mr. A. C. Patel	Member	✓	✓	✓	✓

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

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

(c) Stakeholders' Relationship Committee- The members of Stakeholders' Relationship Committees met eleven times during the year i.e. April 29, 2019, May 27, 2019, June 29, 2019, July 29, 2019, August, 30, 2019, September 30, 2019, October 31, 2019, November 30, 2019, December 30, 2019, January 27, 2020, and February 28, 2020. Following is the Composition of Stakeholders' Relationship Committee-

Change in composition during the year.

Name	Designation	Attendance at committee meeting					
		29-04-19	27-05-19	29-06-19	29-07-19	30-08-19	30-09-19
Mr. Bhavin D. Mashruwala	Chairman	✓	✓	✓	✓	✓	✓
Mr. Vipul H. Raja	Member	✓	✓	✓	✓	✓	✓
Mrs. Sonal V. Raja (Appointed w.e.f. 30/07/2018)	Member	-	-	-	✓	✓	✓

Name	Designation	Attendance at committee meeting				
		31-10-19	30-11-19	30-12-19	27-01-20	28-02-20
Mr. Bhavin D. Mashruwala	Chairman	✓	✓	✓	✓	✓
Mr. Vipul H. Raja	Member	✓	✓	✓	✓	✓
Mrs. Sonal V. Raja (Appointed w.e.f. 30/07/2018)	Member	✓	✓	✓	✓	✓

16. Board policies:

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

17. Exemption from certain provisions of Corporate Governance:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Paid up Capital and net worth of the Company as on 31st March, 2020 are less than the prescribed limit and as per exemption rule, our Company is exempted from certain provisions of Corporate Governance. Accordingly (i) Corporate Governance

Report, (ii) declaration of CEO/ CFO certifying compliance by Board of Directors and Senior Management personnel with respective Code of Conduct and (iii) Compliance Certificate from Statutory Auditor regarding compliance with Corporate Governance Provisions is not given herewith.

Company will follow above mentioned provisions as and when become applicable to the Company.

18. Formal Annual Evaluation Process by Board:

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

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

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

19. Establishment of vigil mechanism for directors and employees:

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

20. Establishment of code of conduct for directors and senior management persons:

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

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

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

Company has adopted a policy for prevention of Sexual Harassment of Woman at workplace and has designated woman director Mrs. Sonal V. Raja to ensure implementation of the said policy. During the year, Company has not received any complaints and no complaint is pending at the Company's end.

22. 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.

23. Related Party Transactions:

Company has executed Leave and license agreement with Mr. Nandit V. Raja, Promoter and Mrs. Sonal V. Raja, Promoter Director of the Company for the use of Registered office premises situated at S. G. Highway.

The said transaction is considered "Material Transaction" as per regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as Annual Consolidated Turnover of the Company is Nil. However, as per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is exempted from making disclosures with SEBI regarding Material Transactions done with related party during the year.

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

24. 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.

25. Director's Responsibility Statement:

Pursuant to the provision contained in Section 134(5) of the Companies Act 2013, the Directors of your Company confirm that-

- (a) in the preparation of the annual accounts, as far as possible and to the extent mentioned by the Auditors in their report, the applicable accounting standards has been followed and no material departure has been made from the same;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the Company at the end of the financial year and of the profit or loss of the Company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. Declaration as to Independent Directors:

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

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

- (a) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (b) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (c) (i) Independent Directors are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
(ii) Independent Directors are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (d) Independent Directors have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (e) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (f) Independent Directors, neither himself, nor any of his relatives,
 - i. Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - ii. Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed, of –
- (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or Associate company amounting to ten per cent, or more of the gross turnover of such firm;

- iii. Holds together with his relatives less than two per cent shares or total voting power of the company; or
- iv. Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

- (g) Independent Directors possesses such qualifications as prescribed.
 - (h) All Independent Directors of the Company has registered themselves with the databank of Independent Director as per guidelines by Ministry of Corporate Affairs. Considering experience of the Directors, they are exempted from examination process.
27. 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.

28. Dematerialization of securities:

Your Company's Equity shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed triparty Agreement through Registrar and Share Transfer Agent M/s Big share Services Private Limited. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 764 B01029. Total Share dematerialized up to 31st March 2020 were 56198499 which constitute 78.05% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the Company as early as possible.

Transfer of securities only in demat form- SEBI has mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Hence, w.e.f. 1st April, 2019, no Company can transfer shares in physical mode.

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

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

30. Statutory Auditors:

M/s M. B. Gabhawala & Co., Chartered Accountants, (FRN-001183C) were appointed as a firm of Statutory Auditor of the Company for five(5) consecutive years i.e. for the Financial year 2017-18 to 2021-2022.

31. Cost Auditors:

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

Auditor.

32. 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.

33. Secretarial Auditor and report thereon:

M/s Kamlesh M. Shah, Practicing Company Secretary was appointed as Secretarial Auditor for the financial year 2019-2020 as per Section 204 of the Companies Act, 2013 and Secretarial Audit report (Form MR-3) is part of the Board's Report and attached as Annexure- II. The Secretarial Auditor has not made any adverse remarks in their report which may require any further clarification from the Board.

34. Extract of Annual Return:

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as at March 31, 2020 is uploaded on the website of the Company and can be accessed at <http://www.sumerugroup.in/annual-reports>

35. Management Discussion and Analysis –

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

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

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:
Total expenses of Director's Remuneration- Nil
Managerial Remuneration Expenses: Nil
Other employees Remuneration: Rs. 11,08,500/-
- ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:
Directors were not paid any remuneration. The percentage increase in remuneration paid to the Company Secretary & CFO was NIL over that of last year.
- iii) The percentage increase in the median remuneration of other employees in the financial year is NIL.
- iv) The number of permanent employees as on 31st March, 2020 is 5.
- v) The explanation on the relationship between average increase in remuneration and company performance;
The increase in remuneration is considered on the overall economic condition, Industry trend and inflammatory pressure.
- vi) Comparison of the remuneration of the Key managerial personnel against the performance of the company ;

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

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

Closing Market Price of shares of Company as on 31/03/2019 : Rs.1.27/-

Closing Market Price of shares of Company as on 31/03/2020 :Rs. 1.26/-

Earnings Per share for the financial year ended on 31/03/2019 :Rs.0.005.

Earnings per share for the financial year ended on 31/03/2020 :Rs. 0.005.

Based on the Closing Price as on 31st March, 2019, P/E Ratio is minimum.

- viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration ;

Company Secretary and CFO were paid remuneration during the year and there was no increase in their remuneration during the year.

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

Company Secretary and CFO were paid remuneration during the year. Whereas, Company has no operational income during the year and other income are generated as dividend income from Investment made by the Company.

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

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

- xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and

Directors are not paid any remuneration and No employee is receiving remuneration in excess of Key Managerial personnel i.e. Company Secretary and CFO.

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

Remuneration of the Employees and KMPs are recommended by Nomination & Remuneration Committee to the Board of Directors within the organization.

37. Registrar & Transfer agent:

The Company has appointed M/s Bigshare Services Private Limited as its Registrar & Transfer agent w.e.f. 3rd June, 2016. Complete details of their name, address, contact details are given below-

Bigshare Services Pvt. Ltd.,
A/802, Samudra Complex,
Near Klassic Gold Hotel, Near Girish Cold Drinks,
Off. C.G. Road, Ahmedabad-380009
Tel No.-079 – 40024135
Email- bssahd@bigshareonline.com
Website- www.bigshareonline.com

38. Cautionary Statement

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

39. Appreciation:

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

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

PLACE: AHMEDABAD**DATE: 18-08-2020**

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

**VIPUL H. RAJA
CHAIRMAN & MANAGING DIRECTOR
DIN-00055770**

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

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis
All contracts/ arrangement with related parties were on arm's length basis.
2. Details of Material Contracts or arrangements or transactions at arm's length basis
Lease rent paid for office premises to related parties pursuant to Section 188(1)© as per Lease Rent Agreement is Rs. 3,60,000/- were approved by Board of Directors.

Name of related party	Nature of relationship	Estimated Amount with nature of Transaction
Mr. Nandit Raja	Promoter and Relative of Director	Rent receipt of Rs. 1,80,000/- in a year from Company (Rs. 15,000/- per month)
Mrs. Sonal Raja	Promoter Director	Rent receipt of Rs. 1,80,000/- in a year from Company (Rs. 15,000/- per month)

On Behalf of the Board of Directors

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

Date- 18/08/2020
Place- Ahmedabad

**ANNEXURE-II
FORM NO. MR-3**

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies

(Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,

The Members,

**SUMERU INDUSTRIES LIMITED
CIN: L65923GJ1994PLC021479**

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices followed by **SUMERU INDUSTRIES LIMITED** (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us

a reasonable basis for evaluating the corporate conducts/ statutory compliances and on that basis; we are expressing our opinion thereon.

Based on my/our verification of the records of **SUMERU INDUSTRIES LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on **31st March 2020** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by **SUMERU INDUSTRIES LIMITED (CIN: L65923GJ1994PLC021479)** for the financial year ended on **31.03.2020** according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') :-
 - (a) The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeover) Regulations, 2011; **(COMPLIED WITH ANNUAL DISCLOSURE OF SHAREHOLDING AS PER REGULATION NO. 30 OF THE REGULATIONS)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NO ESOS OR ESOPS WERE ISSUED DURING THE YEAR UNDER REVIEW)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India(Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE FOR THE YEAR**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

(vii) No Other Observations regarding other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, Listing Agreements etc.

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

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

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

I/We further report that

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. All decisions are obtained through majority while the dissenting members' views are captured and recorded as part of the minutes.

I/We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

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

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

Place: Ahmedabad

Date: 02-06-2020

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

**Kamlesh M. Shah
Proprietor**

ACS: 8356, COP: 2072

UDIN : A008356B000310119

ANNEXURE-A

Securities Laws

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

Labour Laws

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

Environmental Laws

1. As the company is not Manufacturing Company so the discharging the contaminated water at the public drains / rivers (Not Applicable).
2. The company has been disposing the hazardous waste as per applicable rules.(Not Applicable)

Taxation Laws

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

Place: Ahmedabad

Date: 02-06-20

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

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

ANNEXURE-III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Director's have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31st March, 2020.

A) Industry structure and development:

Sumeru Industries Limited is engaged in the business of trading Due to depressed market scenario and uncertainty of trading, Company had not done business however we are hopeful for the betterment of market.

B) Opportunities & Threats:

The Company is in continuous process of identifying new business opportunities. The Company is operating in the business of trading & management hope for the expansion of this business. However, the Company has already started venturing into the business of construction and development in partnership with AALPS Infraspaces LLP.

The management has assessed the potential impact of COVID-19 on the Company and the management is of the view that the impact of the COVID-19 on the operations of the company and the carrying value of its assets and liabilities is not likely to be material.

C) Segment wise Performance:

During the current year, the Company is working in only one segment i.e. trading, and hence segment reporting is not applicable.

D) Internal Control & their adequacy:

Considering the size of the Company, your Company has adequate system of Internal Control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.

E) Financial Performance with respect to operational Performance:

The overall financial performance during the year 2019-2020 has not been satisfactory. However, the Company looks positive scope in this trading business.

F) Material developments in Human Resources / Industrial Relations front, including number of people employed.

As on 31st March, 2020, the Company had 5 employees including Company Secretary, Chief Financial Officer and Managing Director, where Managing Director doesn't draw any salary from the Company. The industrial relations remain cordial.

G) Disclosure of key changes in financial indicators as per SEBI (LODR) (Amendment) Regulations, 2018

There is no significant change (i.e., change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, e.g. Debtors Turnover, Inventory Turnover, Interest Coverage Ratio, Current Ratio, Debt Equity Ratio, Operating Profit Margin, Net Profit Margin or any sector specific equivalent ratio. Hence, no detailed explanation is required.

H) Disclosure of any change in Return on Net worth

There is no change in return on Net worth compared to the immediately preceding financial year hence no detail disclosure is required.

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

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

**DATE- 18/08/2020
Place- Ahmedabad**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUMERU INDUSTRIES LIMITED.

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Sumeru Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the state of affairs (financial position) of the Company as at March 31, 2020 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	Fair Valuation of Investments The Company's investments (other than investment in Associates) are measured at fair value at each reporting date and these fair value measurements significantly impact the Company's results. Within the Company's investment portfolio, the valuation of certain assets such as unquoted equity and bonds requires significant judgment as a result of quoted prices being unavailable and limited liquidity in these markets.	We have assessed the Company's process to compute the fair value of various investments. For quoted instruments, we have independently obtained market quotations and recalculated the fair valuations. For the unquoted instruments, we have obtained an understanding of the various valuation methods used by management and analysed the reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at the fair value measurement.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also;
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimate and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit's report to the related disclosures in the standalone financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall, presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify, during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charge with governance, we determine those matter that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in paragraph 3 and 4 of the Order.
16. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the statement of Profit & Loss including Other comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the opening effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has neither paid nor provided for any remuneration to its directors during the year.
 - h) With respect to the other matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us;
 1. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 2. The Company did not have any Long Term Contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad

Date : 08/06/2020

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

Mahendra B. Gabhawala
Partner
M. No. 017139
UDIN: 20017139AAAAAC2784

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of SUMERU INDUSTRIES LIMITED on the Standalone Ind AS financial statements for the year ended March 31, 2020

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

1. We have audited the internal financial controls over financial reporting of SUMERU INDUSTRIES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting, were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad
Date : 08/06/2020

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

Mahendra B Gabhawala
Partner
M. No. 017139
UDIN: 20017139AAAAAC2784

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of SUMERU INDUSTRIES LIMITED on the standalone Ind AS financial statements for the year ended March 31, 2020

(i) In respect of its Fixed Assets:

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

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

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

(ii) In respect of its Inventory:

The Company does not have any inventory and therefore, reporting under clause (ii) of the Order is not applicable to the Company.

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

(iv) According to information and explanations given to us, the Company has not given any loans, guarantees or security. In respect of the investments made, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.

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

(vi) In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014, the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.

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

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. Further, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any

other statutory dues in arrears as at March 31, 2020 for period of more than six months from the day they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, sales tax, value added tax and goods and service tax which have not been deposited on account of any dispute.

(viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

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

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

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

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

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

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

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

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

Place : Ahmedabad
Date : 08/06/2020

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

Mahendra B Gabhawala
Partner
M. No. 017139
UDIN: 20017139AAAAAC2784

SUMERU INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in Rs.)

Particulars	Note No.	As At 31st March, 2020	As At 31st March, 2019
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	1	2570087	3268036
(b) Capital Work-in-Progress	-	-	-
(c) Investment Property	-	-	-
(d) Intangible Assets	2	8950	22571
(e) Financial Assets			
- Non Current Investments	3	20044853	17852688
- Other Non Current Financial Assets	4	25000	175000
(f) Non Current Tax Assets (Net)	5	1448682	1466682
(g) Other Non-Current Assets	6	39641535	38138665
TOTAL NON CURRENT ASSETS		63739107	60923642
Current Assets			
(a) Inventories	-	-	-
(b) Financial Assets			
- Investments	7	37043571	39592865
- Trade Receivables	8	726102	726102
- Cash and cash equivalents	9	971401	973246
- Other Bank Balances	-	-	-
- Other Financial Assets	10	512460	512460
(c) Other Current Assets	11	243101	147112
TOTAL CURRENT ASSETS		39496635	41951785
TOTAL ASSETS		103235742	102875427
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	72000000	72000000
(b) Other Equity	13	31151753	30774568
TOTAL EQUITY		103151753	102774568
Liabilities			
Non-current Liabilities			
(a) Deferred Tax Liabilities	0	-	30606
(b) Other Non Current Liabilities		4950	-
TOTAL NON CURRENT LIABILITIES		4950	30606
Current Liabilities			
(a) Financial Liabilities			
- Trade Payables	14	46589	37803
- Other Current Financial Liabilities		-	-
(b) Other Current Liabilities	15	-	0
(c) Provisions		32450	32450
(d) Current Tax Liabilities (Net)		-	-
TOTAL CURRENT LIABILITIES		79039	70253
TOTAL LIABILITIES		83989	100859
TOTAL EQUITIES AND LIABILITIES		103235742	102875427

Significant Accounting Policies 20

The accompanying notes form an integral part of the financial statements.
As per our report of even date

For M B Gabhawala & Co.

Chartered Accountants

Firm Reg. No. 01183C

For & on behalf of the Board

Vipul Raja

A C Patel

CA Mahendra B. Gabhawala

Partner.

Mem. No. 017139

Ahmedabad,
08/06/2020

DIN-00055770

Nidhi Shah

Company Secretary
ACS : 33325

DIN-00037870

Manish Mishra

CFO

STATEMENT OF PROFIT AND LOSS FOR THE YEAR

ENDED 31ST MARCH, 2020

(Amount in Rs.)

Particulars	Note No.	As At 31st March, 2020	As At 31st March, 2019
I. Revenue from operations (Gross)	16	0	0
II. Other income	17	3922018	3849850
III. Total Income (I + II)		3922018	3849850
IV. Expenses			
Purchase of Stock-in-Trade		0	0
Changes in inventories of Stock-in-Trade		0	0
Employee benefit expenses	18	1108500	968700
GST recovered on Sales		0	0
Finance Costs		0	0
Depreciation and amortization costs	1	711570	769378
Other expenses	19	1755369	2083382
Total expenses		3575439	3821460
V. Profit before exceptional items and tax (III-IV)		346579	28390
VI. Exceptional items		-	-
VII. Profit before tax (V-VI)		346579	28390
VIII. Tax expense			
(1) Current tax		0	0
(2) Deferred tax		-30606	-311372
IX. Profit for the year (VII-VIII)		377185	339762
X. Other Comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
Loss on fair value of equity shares	0	0	0
Income tax related to above item		0	0
XI. Total Comprehensive Income		377185	339762
X. Earning Per Equity Share Rs.(FV of Re.1/- each) (Basic and Diluted)		0.005	0.005

Significant Accounting Policies 20

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

For M B Gabhawala & Co.

Chartered Accountants

Firm Reg. No. 01183C

For & on behalf of the Board

Vipul Raja

A C Patel

CA Mahendra B. Gabhawala

Partner.

Mem. No. 017139

Ahmedabad,
08/06/2020

DIN-00055770

Nidhi Shah

Company Secretary
ACS : 33325

DIN-00037870

Manish Mishra

CFO

STATEMENT OF CHANGES IN EQUITY
For the year ended 31st March, 2020

Balance as of April 1, 2019	Changes in equity share capital during the year		Balance as of March 31, 2020
A. Equity Share Capital 72000000	-		72000000
B. Other Equity Share Capital			
Particulars	General Rs.	Retained Earnings	Total
Balance as at April 1, 2018	-	30434806	30434806
Total Comprehensive Income for the year	-	339762	339762
Balance as at March 31, 2019	-	30774568	30774568
Particulars	General Reserve	Retained Earnings	Total
Balance as at April 1, 2019	-	30774568	30774568
Total Comprehensive Income for the year	-	377185	377185
Balance as at March 31, 2020	-	31151753	

STATEMENT OF CASH FLOW FOR THE YEAR
ENDED ON 31ST MARCH, 2019

Particulars	For the year ended 31st March 2020 Rs.	For the year ended 31st March 2019 Rs.
A) Cash Flow From Operating Activities		
Net Profit before tax and extraordinary items	346579	28390
Adjustments for:		
Depreciation	711570	769378
Interest Received	-854888	-854888
Share of Profit from LLP	-54	
Dividend Received	0	-913890
Operating profit before working capital changes	203207	-971010
Adjustments for:		
Trade receivables & Other receivables	0	14084700
Other Non Current Financial Assets	150000	
Trade payables and other liabilities	8786	-12563317
Other Non Current Liabilities	4950	
Non Current Tax Assets (Net)	18000	11000
Other Non Current Assets	-1502870	-1254712
Other Current Assets	-95989	284300
Short-term provisions	0	6575
Cash generation from operation	-1417123	568546
Net cash from operating activities	-1213916	-402464
B) Cash Flow From Investing Activities		
Interest received	854888	854888
Dividend Received	0	913890
Payment for Fixed Asset	0	-20500
Investments	2549294	-2938916
Share of Profit from LLP	54	
Non Current Investment	-2192165	949076
Net cash used in investing activities	1212071	-241562
C) Cash Flow From Financing Activities		
Interest paid	0	0
Repayment/borrowings of Long Term Borrowings	0	
Net cash from financing activities	0	0
Net change in cash and cash equivalents (A+B+C)	-1845	-644026
Opening Cash and Cash Equivalents	973246	1617272
Closing Cash and Cash Equivalents	971401	973246

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

For M B Gabhawala & Co.

Chartered Accountants
Firm Reg. No. 01183C

CA Mahendra B. Gabhawala

Partner.
Mem. No. 017139
Ahmedabad,
08/06/2020

For & on behalf of the Board

Vipul Raja
Chairman & MD
DIN-00055770

Nidhi Shah
Company Secretary

A C Patel
Director
DIN-00037870

Manish Mishra
CFO

Notes:

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

For M B Gabhawala & Co.

Chartered Accountants
Firm Reg. No. 01183C

CA Mahendra B. Gabhawala

Partner.
Mem. No. 017139
Ahmedabad,
08/06/2020

For & on behalf of the Board

Vipul Raja
Chairman & MD
DIN-00055770

Nidhi Shah
Company Secretary
ACS : 33325

A C Patel
Director
DIN-00037870

Manish Mishra
CFO

SUMERU INDUSTRIES LIMITED

NOTE 1

Property, Plant and Equipment's

Particulars	Computer & DPU	Office Equip.	Electrical Equip.	Furniture & Fix.	Vehicle	TOTAL
GROSS BLOCK						
Balance as At April 1,2019	186666	106664	995839	5323508	564755	7177432
Additions during the year	0	0	Nil	Nil	Nil	0
Discarded / Disposed off during the year	0	Nil	Nil	Nil	Nil	0
Balance as At March 31,2020	186666	106664	995839	5323508	564755	7177432
ACCUMULATED DEPRECIATION						
Balance as At April 1,2019	109718	115541	540678	2635178	508281	3909396
Additions during the year	2997	22328	100854	571770	0	697949
Discarded / Disposed off during the year	0	0	Nil	Nil	Nil	0
Balance as At March 31,2020	112715	137869	641532	3206948	508281	4607345
Net Carrying Amount						
Balance as At April 1,2019	76948	-8877	455161	2688330	56474	3268036
Balance As at March 31,2020	73951	-31205	354307	2116560	56474	2570087

NOTE 2

Intangible Assets

Particulars	Software
GROSS BLOCK	63774
Balance as At April 1,2019	63774
Additions during the year	0
Discarded / Disposed off during the year	-
Balance as At March 31,2020	63774
ACCUMULATED DEPRECIATION	
Balance as At April 1,2019	41203
Additions during the year	13621
Discarded / Disposed off during the year	-
Balance as At March 31,2020	54824
Net Carrying Amount	8950
Balance as At April 1,2019	22571
Balance As at March 31,2020	8950

NOTE 3

Intangible Assets

	31 March, 2020	31 March, 2019
NON - CURRENT INVESTMENTS		
Investments in Mutual Fund		
Kotak Floater Short Term - Growth (No. of Units: 2020-50.696, 2019-50.696)	167313	155985
ICICI Prudential Income Opportunities Fund - Growth Plan (No. of Unit : 244537.042)	6994786	6315903
Investment in Tax Free Bonds		
NHB Tax Free Bonds (Nos. 2019- 100000,2020-100000)	11095000	11095000
NTPC Bond (Nos.125) (P.Y. 125)	125000	125000
Investment in Equity Shares		
Non Trade Investment in Eq. Shares of Jaihind Leasing & Finance Ltd. (Valued at FVTPL) (No. of Shares: 15227) (P.Y. 15000)	160800	158300
Investment in Capital Contribution of LLP		
Investment in AalpsInfraspace LLP (19% share [P.Y. 25% share], measured at cost)	1501954	2500
	20044853	17852688

NOTE 4

OTHER NON - CURRENT FINANCIAL ASSETS

	March 31, 2020	March 31, 2019
Deposits with Government and Rent Deposit with others	25000	175000
	25000	175000

NOTE 5

NON - CURRENT TAX ASSETS (NET)

	March 31, 2020	March 31, 2019
Advance Income Tax (Net) and Tax Deducted At Source	762926	780926
MAT Credit Entitlement	685756	685756
	1448682	1466682

SUMERU INDUSTRIES LIMITED

NOTE 6 OTHER NON - CURRENT ASSETS

	March 31, 2020	March 31, 2019
Kutch Salt Pan Project Pending Adjustment	39641535	38138665
	39641535	38138665

NOTE 7 CURRENT INVESTMENTS

	March 31, 2020	March 31, 2019
Investments in Mutual Fund		
Kotak Mutual Fund (No of Units : 2020 : 6652.946)	26614951	33751280
Axis Banking & PSU Debt. Fund (No of Units: 3331.325)	6367382	5841585
ICICI Prudential Equity Arbitrage Fund - Dividend Mutual Fund (No. of Units: 2020-297010.8730)	4061238	0
	37043571	39592865

NOTE 8 TRADE RECEIVABLES

	March 31, 2020	March 31, 2019
TRADE RECEIVABLES (Unsecured, considered good) Outstanding for a period exceeding Six months (Unsecured, Considered Good) Other Debts	726102 0	726102 0
TOTAL	726102	726102

NOTE 9 CASH AND CASH EQUIVALENTS

	March 31, 2020	March 31, 2019
CASH AND CASH EQUIVALENTS		
Cash on Hand	836387	936257
Balances with Banks On Current Accounts	135014	36989
TOTAL	971401	973246

NOTE 10 OTHER FINANCIAL ASSETS

	March 31, 2020	March 31, 2019
Interest Accrued But Not Due on Bonds	512460	512460
	512460	512460

NOTE 11 OTHER CURRENT ASSETS

	March 31, 2020	March 31, 2019
Cesses on Service Tax CENVAT-Service Tax Input Tax Credit of GST	243101	147112
	243101	147112

NOTE 12 EQUITY SHARE CAPITAL

		March 31, 2019	March 31, 2018
Authorised			
8,00,00,000 (8,00,00,000)			
Equity Shares of Re.1/- each	80000000	80000000	80000000
	80000000	80000000	80000000
Issued, Subscribed & Fully Paid Up			
7,20,00,000 (7,20,00,000)			
Equity Shares of Re.1/- each	72000000	72000000	72000000
	72000000	72000000	72000000

Reconciliation of the number of Equity Shares outstanding

At the beginning of the period	72000000	72000000	72000000
Add: Shares issued during the year	Nil	Nil	Nil
Less: Shares bought back during the year	Nil	Nil	Nil
Add: Other movements during the year	Nil	Nil	Nil
Outstanding at the end of the period	72000000	72000000	72000000

Terms/Rights attached to equity shares

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

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

	March 31, 2020	March 31, 2019
Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	Nil	Nil

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

Name of the Shareholder	No. of Shares & % of holding	No. of Shares & % of holding
Vipul H Raja	17153491 23.82 %	17153491 23.82 %
Anjan H Raja	9295950 12.91%	9295950 12.91%
Sonal V Raja	7039982 9.78 %	7039982 9.78 %
Nandit V Raja	6405354 8.9%	6405354 8.9%

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

NOTE 13 OTHER EQUITY STATEMENT OF CHANGES IN EQUITY

Particulars	Retained Earnings	Total
Balance as at April 1, 2018	30434806	30434806
Profit for the year	339762	339762
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	30774568	30774568
Transfers	-	-
Adjustment to opening Retained Earnings	-	-
Balance as at March 31, 2019	30774568	30774568

Particulars	Retained Earnings	Total
Balance as at April 1, 2019	30774568	30774568
Profit for the year	377185	377185
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	31151753	31151753
Transfers	-	-
Adjustment to opening Retained Earnings	-	-
Balance as at March 31, 2020	31151753	31151753

NOTE 14 TRADE PAYABLES

Particulars	March 31, 2020	March 31, 2019
Total Outstanding dues of creditors other than micro enterprises and small enterprises	46589	37803
TOTAL	46589	37803

NOTE 15 OTHER CURRENT LIABILITIES

Particulars	March 31, 2020	March 31, 2019
Statutory Liability	0	0
TOTAL	0	0

NOTE 16 REVENUE FROM OPERATIONS

	March 31, 2020	March 31, 2019
Sale of Products		
Traded Goods-Fabric (Net Sales)	0	0
Add: GST	0	0
Gross Sales	0	0

NOTE 17 OTHER INCOME

	March 31, 2020	March 31, 2019
Interest on IT Refund	1160	1050
Dividend on Mutual Fund	0	913890
Short Term Gain on Redemption of Mutual Funds	0	15240
Fair Value Gain on Mutual Funds and Equity Shares	3065916	2053550
Share in Profit in LLP	54	0
Other income	0	11233
Interest on Bonds	854888	854888
	3922018	4161223

NOTE 18 EMPLOYEE BENEFIT EXPENSES

	March 31, 2020	March 31, 2019
Admin Salary Expense	1108500	968700
	1108500	968700

NOTE 19 OTHER EXPENSES

	March 31, 2019	March 31, 2018
Management Service & Establishment Expenses		
Annual Custodian Fees	85379	63018
Annual Listing Fees	322500	250000
Rent, Rates & Taxes	535890	393135
Insurance	3128	17918
Postage & Telegraph	39186	97441
Consultancy Expenses	260000	173625
Bank Charges	1533	1918
Payment to Auditors for:		
Audit Fees	32450	32450
Tax Audit Fees	0	0
Filing Fees	6600	4800
Motor Vehicle Expense	0	7500
Office Maintenance	0	20440
Office Electric Expense	112590	138830
Office Expense	103680	106104
Stationary & Printing Exp	69164	124703
Service Tax Cenvat Written off	0	402192
Telephone & Trunkcall	94022	166091
Travelling Expnese	39828	28175
SUB TOTAL	1705950	2028340
Marketing Expenses		
Advertisement Expenses	49419	55042
SUB TOTAL	49419	55042
TOTAL	1755369	2083382

1. Significant Accounting Policies:

1) Basis of Preparation of Financial Statements:-

(i) Compliance with Ind AS

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

1. Significant Accounting Policies:

1) Basis of Preparation of Financial Statements:-

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

(ii) Historical cost convention

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

(iii) Classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2) Summary of Significant Accounting Policies:

a) Property, Plant and Equipment:

All items of Property, plant and equipment except land are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other non refundable taxes or levies and any cost directly attributable to the acquisition / construction of those items; any trade discounts and rebates are deducted in arriving at the cost of acquisition.

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

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

Transition to Ind AS

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

equipment.

(b) Depreciation and amortisation:

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

(c) Impairment of assets

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

(d) Inventories:

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

1. Raw material and Packing Materials : At Cost including local taxes (Net of setoff) or Net realisable

value, whichever is lower.

2. Stock in Process : At Cost or Net realisable value, whichever is lower.

3. Stock of Finished Goods : At Cost or Net realisable value, whichever is lower.

4. Consumable Stores & Spares : At Cost or Net realisable value, whichever is lower.

5. Scrap : At Net realisable value

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

(e) Revenue recognition:

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

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

Income recognition for services takes place as and when the services are performed in accordance with IND AS 115.

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

(f) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

(g) Financial Instruments:

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

(h) Financial assets

Classification and Measurement

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

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

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

Amortised cost

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

Impairment of financial assets

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

De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(i) Income recognition

Interest income

Interest income is recognised at contracted rate of interest.

Dividends

Dividends are recognised in profit or loss only when the right to receive

payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(j) Provision, Contingent Liabilities and Contingent Assets

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

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

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

Contingent assets are not recognized in the financial statements.

(k) Taxes on Income

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

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

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

(l) Loans and Receivables

Trade receivables and loans are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as most loans and receivable of the Company

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

(m) Investments

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

Investment in Limited Liability Partnership (LLP) firm is carried at cost in the separate financial statements. The share in profit/loss in LLP is recognised as income/expense in the standalone statement of profit and loss and is recorded under other current financial asset/liabilities as the right to share the profit/loss is established as per the LLP's agreement.

(n) Segment reporting

Identification of segments:

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

Segment policies:

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

(o) Earning per share

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

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

(p) Borrowing costs

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

(q) Leases:-

Policy applicable before April 1, 2019

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership

are retained by the lessor are classified as operating leases.

(i) Operating Lease:

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

(ii) Finance Lease:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Policy applicable after April 1, 2019

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line

method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The Company's leases mainly comprise land and building for office use.

(r) Employee benefits

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

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

The company does not have gratuity Liability.

(s) Foreign Currency Transactions

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

(t) Project Development Expenses Pending Adjustment

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

Notes to Accounts:

- 1) Contingent Liability : Nil
- 2) The balances of sundry debtors, sundry creditors, loans and advances are subject to confirmation.
- 3) As explained to us, the provisions of Provident Fund Act, ESI Act, and Gratuity Act are not applicable to the Company.
- 4) The Company at present is engaged in the business of trading in product, which constitutes a single business segment.
- 5) The public issue expenses and deferred revenue expenditure incurred are written off over a period of 10 years.
- 6) According to the information available with the Company, there are no amounts as at 31st March, 2020 due to suppliers in amounts outstanding for more than Rs.1,00,000/- for more than 45 days who constitute a "Micro, Small and Medium Enterprises" as per MSMED Act, 2006.
- 7) The Board of Directors is of the opinion that all the liabilities have been adequately provided for.
- 8) There is no operational activity in the business of shares and securities, lease and in finance field.
- 9) Earnings Per Share (EPS)

Particulars	2019-20 (Amount in Rs.)	2018-19 (Amount in Rs.)
Net Profit as per profit & loss account	3 77 185	3 39 762
Less: Preference dividend and tax thereon	0	0
Net Profit for calculation of basic/diluted EPS	3 77 185	3 39 762
Weighted average number of equity shares	7 20 00 000	7 20 00 000
(in calculated basic/diluted EPS)		
[Nominal value of Shares Re.1(Previous Year Re.1)	0.005	0.005
Earning Per Share		

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(10) Auditor's Remuneration

Particulars	2019-20 (Amount in Rs.)	2018-19 (Amount in Rs.)
As Auditor		
-Statutory Audit	32 450	32 450
-Tax Audit	0	0
As Advisor or in other capacity	0	0
Reimbursement of Expenses	0	0
Total	32 450	32 450

(11) Directors Remuneration

Particulars	2018-19 (Amount in Rs.)	2017-18 (Amount in Rs.)
Directors Remuneration		
Salaries	0.00	0.00
Perquisites	0.00	0.00
Contribution to Provident & Superannuation Fund	0.00	0.00
Total	0.00	0.00

(12) Deferred Tax Liability Related to:

No.	Particulars	Deferred Tax Assets		Deferred Tax Liabilities		Net Balance	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	Difference in amounts of depreciation	0	0	0	0	0	0
2	Section 43B expenses deductible for tax purposes on payment basis	0	0	0	0	0	0
3	On current Investment measured at FVTPL	0	0	0	30606	0	30606

P.N.: P.N.: Deferred tax is measured based on the tax rates and the tax laws enacted by the Finance Act, 2020 @22% and education cess/health and education cess @4% payable on taxable profits under the Income Tax Act, 1961.

13) Related Parties Disclosure

- Name of related parties and nature of relationships under Ind AS 24 and Companies Act, 2013
AalpsInfraspace LLP, of which the Company is partner in profit/loss at 19%

Key Management Personnel:

Shri Vipul H. Raja : Chairman and Managing Director
Smt. Sonal V. Raja : Woman Director
Shri Bhavin D. Mashruwala : Independent Director
Shri Ambalal C. Patel : Independent Director
Shri Manish H. Mishra : Chief Financial Officer
Smt. Nidhi K. Shah : Company Secretary

2) Related Party Transaction: **Key Management Personnel**

Vipul H Raja, Promoter Director
-Transaction Value Rs. Nil
Sonal V Raja, Director,
-Office Rent of Rs.1,80,000/-
(P.Y. Rs.1,80,000/-)
Nandit V Raja,
-Office Rent of Rs.1,80,000/-
(P.Y. Rs.1,80,000/-)
Nidhi K Shah, Company Secretary
-Remuneration of Rs.2,40,000/-
(P.Y. Rs.2,40,000/-)
Manish Mishra, Chief Financial Officer
-Remuneration of Rs.2,52,000/-
(P.Y. Rs.2,52,000/-)

Partner in AalpsInfraspace LLP

-Fixed Capital Contribution –Rs.1,900/- (P.Y. 2,500/-)
-Variable Capital Contribution –Rs.15,00,000/- (P.Y. Nil)
-Share of Profit from Firm –Rs.54 (P.Y. Nil)

14) The figures of the previous years have been regrouped/rearranged wherever necessary. The figures of the previous years are given in brackets. The Company has compiled the above accounts based on the revised/Modified schedule III applicable for the accounting period 2018-19. The disclosure requirements are made in notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

15) Financial Instruments and Related Disclosures

I. Capital Management

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

II. Categories of Financial Instruments

SUMERU INDUSTRIES LIMITED

		Note	As at		As at	
			April 1, 2020		April 1, 2019	
			Carrying Value	Fair Value	Carrying Value	Fair Value
A	Financial Assets					
	a) Measured at amortized cost					
	i) Cash and cash equivalents		971401	971401	973246	973246
	ii) Other bank balances, other than (i) above		-	-	-	-
	iii) Trade Receivables		726102	726102	726102	726102
	iv) Other Financial Assets		512460	512460	512460	512460
	Sub-Total		2209963	2209963	2211808	2211808
	b) Measured at fair value through profit or loss					
	i) Investments in mutual funds and Bonds		55425670	55425670	57284753	57284753
	II) Investment in unquoted equity share		160800	160800	158300	158300
	iii) Investment in LLP measured at cost		1501954	1501954	2500	2500
	Sub-Total		57088424	57088424	57445553	57445553
	Total Financial Assets		59298387	59298387	59657361	59657361
B	Financial Liabilities					
	Measured at amortized cost					
	i) Trade Payables		46589	46589	37803	37803
	II) Other Financial Liabilities		-	-	-	-
	Total Financial Liabilities		46589	46589	37803	37803

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

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

III. Expected Credit Loss

The company has receivable balances on commercial trades, which are generally short term in nature. Further, financial instruments such as mutual funds and tax free bonds are made in high quality papers/counterparties. Accordingly, the Company has concluded that no provision for expected credit loss is required.

IV. Financial Risk Management

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

16) The financial statements were approved for issue by the Board of Directors on 8th June, 2020.

Signature to Notes 1 to 20

In terms of our report of even date

For M B Gabhawala & Co.

Chartered Accountants
Firm Reg. No. 01183C

CA Mahendra B. Gabhawala

Partner.
Mem. No. 017139
UDIN: 20017139AAAAAC2784
Ahmedabad,
08-06-2020

For & on behalf of the Board

Vipul Raja
Chairman & MD
DIN-00055770

A C Patel
Director
DIN-00037870

Nidhi Shah
Company Secretary
ACS : 33325

Manish Mishra
CFO

Book - Post

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