

सुमेरु

SUMERU INDUSTRIES LIMITED

Annual Report
2008-2009

CERTIFIED TRUE COPY
Vipul Chandra
DIRECTOR

**16th ANNUAL GENERAL MEETING PROGRAMME**

DATE : 25th September, 2009
DAY : Friday
TIME : 09.30 A.M.
VENUE : **REGISTERED OFFICE**
10th FLOOR, SUMERU CENTRE,
NEAR PARIMAL CROSSING,
C.G. ROAD, PALDI, AHMEDABAD 380 007.

BOARD OF DIRECTORS

Vipul H Raja (Chairman)
Nandit V Raja (Managing Director)
Supreme P Shah (Director)
A.C. Patel (Director)
Bhavin D Mashruwala (Director)

REGISTRAR AND SHARE TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.
13th Samita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange,
Off Andheri-Kurla Road, Sakinaka,
Andheri (East) Mumbai-400 072.

**LISTED AT
AHMEDABAD**

The Stock Exchange Ahmedabad
Kamdhenu Complex,
Nr. Panjarapole,
Ambawadi, Ahmedabad 380 015

MUMBAI

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

RAJKOT

Saurashtra & Kutchha Stock
Exchange Limited,
The Rajkot Stock Exchange,
Popatbhai Sorathia Bhavan,
Sadar Bazar, Rajkot.

COMPANY LAW & SECRETARIAL ADVISOR

Kamlesh M Shah & Co.
Practising Company Secretary

AUDITORS

M/s Nitin K Shah & Co.
Chartered Accountants
3rd Floor, Empire Tower
Nr. Associate Petrol Pump
C.G. Road, Ahmedabad

INTERNAL AUDITORS

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

BANKERS

ICICI Bank Ltd.
The Ahmedabad Peoples Co.Op. Bank Ltd
Axis Bank Ltd.
HDFC Bank Ltd.

Board Committee**Audit Committee**

1. Supreme P Shah
2. Vipul H Raja
3. Bhavin D Mashruwala

Shareholders Grievances Committee

1. Supreme P Shah
2. Vipul H Raja
3. Bhavin D Mashruwala

INVESTORS EMAIL ID

investors.sumeru@gmail.com

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NOTE TO THE SHAREHOLDERS : As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting. The ISIN Number of the Company is INE 764 B 01029

**NOTICE**

NOTICE is hereby given that the 16th Annual General Meeting of the Members of the **SUMERU INDUSTRIES LIMITED** will be held on 25th September, 2009 the Friday at 9:30 A.M. at the Registered Office of the Company at 10th Floor, Sumeru Center, Near Parimal Railway Crossing, C.G. Road, Ahmedabad-380 007 to transact the following business:

Ordinary Business:

- 1) To Receive, Consider, Approve and Adopt the Audited Statement of Accounts i.e. The Audited Balance Sheet as at 31st March, 2009 The Profit & Loss Account for the year ended on that date, the report of the Auditors and Directors thereon.
- 2) To appoint a director in place of Mr. Vipul. H. Raja who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint a director in place of Mr. Supreme. P. Shah who retires by rotation and being eligible offers himself for reappointment.
- 4) To Appoint M/s. Nitin. K. Shah, Chartered Accountants, as Statutory Auditors for the next financial year and to fix their remuneration.

Special Business:**5) To Consider and if thought fit to pass with or without modification following resolution as Special Resolution.**

RESOLVED THAT pursuant to provisions of section 198, 269, 309, 310, 311, 349, 350 all read with Schedule XIII of the Companies Act 1956 Mr. Nandit. V. Raja, currently who is acting as Executive Director be and is hereby appointed as Managing Director for a period of 5 years w.e.f. 24th July 2009 to 25th August 2014 with no change in the remuneration payable to him and other terms and conditions of his appointment as Executive Director except that he will be designated as Managing Director for a new term of office.

RESOLVED FURTHER THAT as Managing Director of the Company Mr. Nandit. V. Raja shall have substantial powers of management of the Business and affairs of the Company subject to overall superintendence, control and direction of the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT as Managing Director Mr. Nandit. V. Raja in addition to the salary, perquisite payable to him will be also entitled to reimbursement of all expenditure incurred by him on telephone, mobile telephone bills, car repairs, maintenance, petrol, driver salary and all other expenses including business travel expenses incurred by him in the regular course of business of the company.

RESOLVED FURTHER THAT in case of financial loss or inadequacy of profit in any financial year, Mr. Nandit V Raja will be entitled to the remuneration as fixed by the members in their 13th AGM Held on 20th September 2006 as the minimum of remuneration.

RESOLVED FURTHER THAT necessary intimation of change in designation of Mr. Nandit V Raja be intimated to Registrar of Companies, Stock Exchanges, SEBI and all concerned authorities and also the company do file necessary forms in the office of the Registrar of Company.

6) To Consider and if thought fit to pass with or without modification following Resolution as Special Resolution.

"RESOLVED THAT subject to approval of members in general meeting and in compliance to SEBI (Delisting of Shares) guidelines as in force or as amended from time to time, the Equity shares of the company be de-listed from The Saurashtra Kutchh Stock Exchange (The Rajkot Stock Exchange).

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to take all necessary steps to give complete effect to this resolution.



7) To Consider and if thought fit to pass with or without modification following Resolution as Special Resolution.

RESOLVED THAT pursuant to provisions of Section 17(1) and all other relevant provisions of the Companies Act 1956, the present main objects clauses of the Memorandum of Association of the Company be and is hereby altered/ amended/ modified by addition of the following object clause as Clause III (A)(13) immediately after the present main object clause No.III (A)(13) which namely and more specifically reads as under:

"To carry on the business of providing all types, description, nature of consultancy services to trade, industry, business, commercial, industrial, charitable or any types of organizations, such as management, accounting, man power and human resources, educational and training, market survey, market research, marketing, import export management, financial, legal, taxation, all types of government departments and industrial approvals, industrial consultancy services providing on turn key basis or otherwise, all types of projects consultancy services, projects execution consultancy services, procurement of all types of industrial, commercial, residential, infrastructure development projects on turn key basis, EPC basis, providing of all types of engineering, architectural, structural and technical services, consultancy services and to any type description or nature of consultancy services on commercial professional basis."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all necessary steps to file necessary forms in the office of the Registrar of Companies as also to obtain their approval to the proposed changes in the main objects clause of the memorandum of association.

**PLACE: AHMEDABAD.
DATE: 24/07/2009**

BY ORDER OF THE BOARD

**(VIPUL. H. RAJA)
CHAIRMAN**

AN EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT 1956 TO THE RESOLUTION PROPOSED TO BE PASSED BY MEMBERS AS SPECIAL RESOLUTIONS AND MENTIONED IN SPECIAL BUSINESS OF THE NOTICE CONVENING 16TH ANNUAL GENERAL MEETING DISCLOSES ALL MATERIAL FACTS AND INFORMATION RELATING TO THE BUSINESS: -

(1) APPOINTMENT/ RE-DESIGNATION OF MR. NANDIT. V. RAJA AS MANAGING DIRECTOR

The Company had appointed Mr. Nandit V Raja as the Executive Director of the Company before 7 years. His term of office was last renewed by members in the 13th Annual General Meeting held on 20th September 2006. Mr. Nandit. V. Raja is educationally qualified and has now gained sufficient experience for taking over the management of the Business and affairs of the Company as the Managing Director.

It is now proposed only to re-designate Mr. Nandit. V. Raja from Executive Director to a Managing Director with no changes in the terms of the remuneration payable to him. However, still for the information of the members the brief terms of the remuneration currently being paid to Mr. Nandit V Raja is as under:

- (1) A monthly remuneration of Rs. 45,000/- in pay scale of 45000-2500-55000 and other benefits as under ;
- (2) Reimbursement of expenditure on personal mobile telephone (unlimited).
- (3) Reimbursement of petrol expenditure and repair & maintenance expenditure for his car.(unlimited)
- (4) Medical insurance premium for self and family up to an annual premium of Rs.45000/-.
- (5) Personal accident insurance for an amount of Rs. 50 Lakhs.
- (6) All expenditure incurred in due course of business of the company.
- (7) Leave travel expenses to be reimburse on actual basis for self and family for traveling in India once in a year.



Brief profile of Mr. Nandit V Raja showing his educational qualification, experience, other directorships held, other committee memberships held etc. are given in an Annexure as per requirements of Clause 49 of the Listing Agreement.

Except Mr. Nandit. V. Raja and Mr. Vipul. H. Raja, no other directors may be deemed to be concerned or interested in the proposed resolution.

(2) DELISTING OF EQUITY SHARES OF THE COMPANY FROM RAJKOT STOCK EXCHANGE.

At present company's shares are listed at The Ahmedabad Stock Exchange Ltd (Regional Stock Exchange), The Bombay Stock Exchange Ltd. (National Level Stock Exchange or a stock exchange having nation wide trading terminals) and The Saurashtra Kutchh Stock Exchange Ltd.

The Saurashtra Kutchh Stock Exchange (SKSE) is local exchange and the trading in security facilities are not available in SKSE. Further as the shares of the company are freely tradable on The Bombay Stock Exchange Ltd which has nationwide trading terminal facilities including trading terminals in Rajkot City and nearby area. Hence just by delisting of shares on SKSE the liquidity in shares will not be affected. At the same time it will also reduce the administrative procedure work of the company.

As per provisions of SEBI (Delisting of Shares) guidelines the resolution is recommended for approval of members in general meeting. Your directors recommended for passing the resolution.

None of the directors of the company may be deemed to be concern or interested in the resolution.

(3) ALTERATION TO MAIN OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY;

The management of the Company has identified a new business of providing consultancy services to trade, industry, commerce, business organizations, prospective entrepreneurs, to establish successfully any business, industrial, commercial, residential, infrastructural projects in Gujarat state right from the concept development to identification of sites, obtaining all government approvals, licenses, registrations, to the actual project execution from engineering designing, procurement of materials, contractors, manpower, etc., construction, commencement of business etc. level. It will also cover various areas of operations right from the technical consultancy, architectural, structural, engineering, HRD, manpower, educational and training, financial, accounting, taxation, corporate strategic planning, expansion, development of new products, product market, product market research, import export management etc.

The Company had recently done the business for M/s Gujarat Anjan Cement Limited for establishment of a 1.2 MTPA Cement manufacturing project at Kutchh District of Gujarat state. The entire project is on completion stage and now is on the track of starting the commercial production. The Company is also establishing a new project of Salt Pan manufacturing project. The Promoters have also rich experience in establishment and development of the various commercial and residential real estate projects in the city of Ahmedabad.

As amendment in the memorandum of Association by way of addition of a new business activities as Main object will attract provisions of section 17 of the Companies and requires approval from members of the Company as well as obtaining of a confirmation to such amendments from Registrar of Companies. Hence, a Special Resolution is proposed to be passed at the ensuing Annual General Meeting.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution.

PLACE: AHMEDABAD.

DATE: 24/07/2009

BY ORDER OF THE BOARD

(VIPUL. H. RAJA)

CHAIRMAN



The Register of Members of the Company will remain closed from 21ST SEPTEMBER 2009 (MONDAY) TO 25TH SEPTEMBER 2009 (FRIDAY) (both Days inclusive).

Notes:

- 1) A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the company. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 2) The Register of members and share transfer books of the Company shall remain closed from 21ST SEPTEMBER 2009 (MONDAY) TO 25TH SEPTEMBER 2009 (FRIDAY) (Both days inclusive) as per the provisions of section 154 of the Companies Act 1956 and the provisions of the Clause 16 of the Listing Agreement.
- 3) Members desiring any information on accounts are requested to write to the company 7 days before the meeting to enable the management to keep the information ready.
- 4) Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, Sharepro Services (India) Pvt. Ltd. Shareholders holding shares in electronic form must advise their respective depository participants about change in address and not to company.
- 5) All shareholders are requested to dematerialized their shareholding immediately as the shares are traded compulsorily in demat segment only.

**INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT.**

Particulars	Mr. Nandit. V. Raja	Mr. Vipul. H. Raja	Mr. Supreme. P. Shah
Director Identification Number.	00055722	00055770	00055970
Date of Birth.	01/09/1979	22/11/1953	30/06/1958
Age.	30 Years	56 Years	51 Years
Educational Qualification.	BA (Hons) Management Leeds University UK	Bachelor of Commerce, Gujarat University	Bachelor of Science, Gujarat University
Experience (No. of Years)	7 Years.	30 Years	22 Years
Business field in which Experience.	Management and Administration of Corporate affairs of a Public Limited Listed Company. Project Development work.	He has vast experience in trading in commodities, real estate and financial services, business of more than 30 years.	He is in the business of chemical trading. Also he has rich experience in marketing of cement and rubber products
Date of Appointment as Director in the Company.	01/09/2000	03/03/1994	30/05/1998
Directorship held in any other Company.	GCCL Infra. & Project Ltd	Gujarat Jaypee Cement & Infrastructure Ltd. Gujarat Credit Corpo. Ltd Sumeru Securities Ltd Swastik Cement Sales & Org. Pvt. Ltd.	Devbhoomi Developers Ltd Swastik Cement Sales & Org. Pvt. Ltd.
Member of any Committees of the Directors in the Company.	N.A.	Audit Committee Shareholder's Grievances Comm.	Audit Committee Shareholder's Grievances Comm.
Member of any committees of the Directors in other Companies with names of the Company.	N.A.	N.A.	N.A.
Member of any Trade Association/ Charitable Organization/NGOs etc.	N.A.	Shree Hari Public Charitable Trust, Ahmedabad	Shrimad Rajchandra Nijabhanayans Mandap & Vihar Bhuvan Trust, Ahmedabad

**DIRECTORS' REPORT**

Your Directors are pleased to submit herewith their report together with the audited statement of accounts for the 16th financial year ended 31st March, 2009.

(Amount in Rs.)

Particulars.	2008-09	2007-08
Income from Operation	37,94,460	1,99,03,368
Other Income	-	-
Total Income	37,94,460	1,99,03,368
Total Expenditure	33,63,181	39,34,180
Profit/ (Loss) Before Tax and Dep.	4,31,279	1,59,69,188
Provision for Depreciation	2,49,595	2,25,371
Provision for Tax (Incl. Differed Tax)	93,711	12,00,586
Net Profit/ (Loss) after tax for the Year.	87,973	1,45,09,909
Add: Balance B/f from Previous Year.	2,25,14,020	80,04,111
Profit/(Loss) Carried to Balance Sheet	2,26,01,993	2,25,14,020

DIVIDEND:

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

UNPAID / UNCLAIMED DIVIDEND:

The Company does not have any outstanding unpaid/unclaimed dividend which is required to be transferred to the Investors Education and Protection funds as per the provision of Section 205C of the Companies Act 1956. The Company does not have any outstanding liability on account of Interest and Principal on Deposits, Debentures or Share Application Money.

SHARE CAPITAL STRUCTURE:

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

BUY BACK OF EQUITY SHARES:

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

YEAR UNDER REVIEW:

During the year under review the Company has earned total income of Rs.37,94,460 *(Previous year 1,99,03,368/-) from business. After deducting all administrative expenses and depreciation the company has earned a net profit of Rs.87,973/- *(Previous year Rs.1,45,09,909). *(The Previous year gross income include a Long Term Capital Gain/ Profit of Rs.17298080 earned by the Company on sale of its investments in Gujarat Anjan Cement Limited.)

DEMATERIALISATION OF SECURITIES:

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent M/s. Sharepro Service (India) Private Limited. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 764B 01029. Total Share dematerialized up to 30th June 2009 were 5,38,88,750. Your Directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

**COMPLIANCE TO CODE OF CORPORATE GOVERNANCE:**

The Complete Report on Corporate Governance is given as ANNEXURE to this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and perceptions on existing business, future out look of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate para in Corporate Governance Report.

DEPOSITS

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act-1956.

DIRECTORS

Mr. Vipul. H. Raja and Mr. Supreme. P. Shah shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. They are eligible for reappointment and offered themselves for directorship of the company. Hence, your directors recommend for their reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- A. That in the preparation of the annual accounts, as far as possible and except the Accounting Standards which are mentioned by the Auditors in their Report and the Notes to the Accounts separately, the applicable accounting standards has been followed and no material departure has been made from the same;
- B. That they have 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. That they have 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. That they have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS

M/s Nitin K Shah & Co., Present Statutory Auditors of the company have given their letter of consent and confirmation under section 224(1B) the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution for their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

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.

AUDITORS OBSERVATION

There are no specific observations made by the Auditors in their report. However notes to the Accounts itself are Satisfactory and self explanatory in the nature.

- (1) The Company has at present no employee who have put in or completed the services so as to make them eligible for retirement benefits as per various labour laws. In view of the same the Company has not framed any retirement benefits scheme. Hence, as there is not retirement benefits are accruing to any employee of the Company, no provisions for the same is required to be made in the financial accounts of the Company.

**FORMATION OF AUDIT COMMITTEE IN COMPLIANCE TO SECTION 292 A OF THE COMPANIES ACT, 1956.**

In Compliance with the provisions of Section 292A of the Companies Act 1956 your company has formed an Audit Committee within the Organization consisting of 2 independent directors and one promoter director. Internal Auditors have been appointed as Advisors in their professional capacity on this committee. The area of operations and functional responsibilities assigned to the committee are as per the guidelines provided in Clause 49 of the Listing Agreement for implementation of code of corporate governance. The Committee meets at least once in a quarter and gives its report of each meeting to the Board for its approval, record and information purposes. The detail of powers, responsibilities and system of functioning of this committee is given in report on Corporate Governance forming part of this report.

EMPLOYEES

There are no employees of the company who were in receipt of the remuneration of Rs.24,00,000/- annually in the Aggregate if employed for the year and in receipt of the Monthly remuneration of Rs. 2,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 being not applicable and hence not given in this report.

STATUTORY INFORMATION

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 217 (1) (e) of the Companies Act-1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable to the company hence are not given herewith. There was no foreign Exchange earnings or outgo during the year.

MATERIAL CHANGES

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.

APPRECIATION

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

PLACE: AHMEDABAD.

DATE: 24th JULY 2009

ON BEHALF OF THE BOARD OF DIRECTORS

(VIPUL. H. RAJA)
CHAIRMAN



ANNEXURE TO THE DIRECTORS REPORT REPORT ON CORPORATE GOVERNANCE 2008-09

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

Board of Directors :

As on 31st March 2009, the composition of the Board of Directors is as shown below. The Chairman being a non-executive independent Director and hence the composition of Independent Director is more than 50% (as against the requirement of 33.33% of the Board) comprise of non-executive independent directors.

Name & Designation	Category	No. of Board Meeting Attended	Attendance at Last AGM (24/09/2007)	No. of Other Directorship	Membership in the committee of other companies	
*Supreme P Shah, Chairman	Independent Director	5	Yes	1	Nil	Nil
**Vipul H Raja Director	Promoter Director	4	Yes	3	Nil	Nil
***Nandit V Raja Executive Director	Promoter Director	5	Yes	1	Nil	Nil
A C Patel Director	Independent Director	3	Yes	11	4	3
Bhavin Mashruwala Director	Independent Director	5	Yes	Nil	Nil	Nil

*Mr. Supreme. P. Shah has resigned as Chairman of the Company w.e.f. 24th July 2009.

**Mr. Vipul. H. Raja has been appointed as Chairman of the Company w.e.f. 24th July 2009.

***Mr. Nadit V. Raja has been appointed as Managing Director w.e.f. 24th July 2009.

Composition of Committees.

A. Audit Committee: Brief description of the terms of reference

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

- Review of quarterly and half yearly financial results with the management and the statutory auditors;
- Review with the management and statutory auditors of the annual financial statements before submission to the Board;
- Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control system;
- Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;



- e. Review of the financial report process and disclosure of financial information;
- f. Review of the adequacy of the internal audit function;
- g. Look into the reasons for any substantial defaults in payments to the depositors, shareholders, creditors, if any;
- h. Recommending the appointment and removal of External Auditors, fixation of audit fees and approval for payment for any other services;
- i. Authority to investigate into any matter covered by section 292A of the Company Act, 1956;
- j. Reviewing the Company's financial and risk management policies;

COMPOSITION, NAME OF MEMBERS AND CHAIRMAN

	Name	Type
1	Mr. Supreme P Shah	Chairman
2	Mr. Vipul H Raja	Member
3	Mr. Bhavin D Mashruwala	Member

FUNCTIONS OF AUDIT COMMITTEE:

The Audit Committee is headed by Mr. Supreme P Shah as Chairman and includes other director namely Mr. Vipul H Raja and Bhavin D Mashruwala. The Committee is regularly giving feed back on daily financial and accounting position of the company to the Board. The Committee meets at least once in every quarter and prepare its minutes on the proceedings and business discussed, transacted. All committee Reports and minutes are placed before the Board in all its meetings for information, guidance, directions and taking the same on record. Other functions, powers, duties etc. of the committee are defined taking in to account the legal provisions of the Listing Agreement and the same are kept flexible to be decided by the Board from time to time.

B. INVESTOR GRIEVANCE COMMITTEE

	Name	Type
1	Mr. Supreme P Shah	Chairman
2	Mr. Vipul H Raja	Member
3	Mr. Bhavin D Mashruwala	Member

FUNCTIONS OF INVESTORS SERVICE COMMITTEE.

This Committee looks in to all aspects and business related to shares and retail investors. The Committee also looks after the Dematerialization process of equity shares.

The Committee is also empowered to keep complete records of Shareholders, Statutory Registers relating to Shares and securities, maintaining of the complete records of Share Demated, Investors Grievances, complaints received from investors and also from various agencies.

The Committee has also appointed Mr. Kamlesh. M. Shah Company secretary to look after the legal cases and problems relating to the investors, shares etc.

The Committee meets every month to approve all the cases of shares demate, transfer, issue of duplicate and resolution of investors complaints, submission of information to various statutory authorities like NSDL/CDSL, SEBI, Stock Exchanges, Registrar of Companies periodically and from time to time.



Other functions, roles, duties, powers etc. have been clearly defined in line with the Clause 49 of the Listing Agreement and are kept flexible for modification by the Board from time to time.

C. REMUNERATION COMMITTEE:

The Company has only one Managing Director Mr. Nandit V Raja. The remuneration payable to Mr. Nandit V Raja as Managing Director has been fixed within the statutory limit and the frame work of the provisions of section 269,198 and Schedule XIII of the Companies Act, 1956. The Company at present does not pay any other type of remuneration to other non executive directors whether by way of sitting fees for Board or committee meetings or share in profit or otherwise. If the company in future decides to pay any sitting fees or other remuneration the same will be decided by the Board of Directors of the company within the framework of company law. In view of the above said position the company has not formed Remuneration Committee.

NUMBER OF BOARD AND COMMITTEES MEETINGS HELD DURING THE YEAR:

Name of the Committee	No. of Meetings held
Board	5
Audit Committee of Board	5
Investor Grievance Committee	12

ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS :

	Name of the Director	Board Meeting	ACB Meeting	IGCB Meeting
1	Mr. Supreme P. Shah	5	5	12
2	Mr. Vipul H Raja	4	4	11
3	Mr. Nandit V Raja	5	-	-
4	Mr. A.C. Patel	3	-	-
5	Mr. Bhavin D Mashruwala	5	5	12

Details of Annual General Meeting Held During the Last 4 Financial Years :

Sr.No.	Date of AGM	Day	Time	Venue
(1)	30/09/2005	Friday	09.30 A.M.	10 th Floor, Sumeru Center, Nr. Parimal Crossing, C.G. Road, , Ahmedabad: 380 007.
(2)	20/09/2006	Wednesday	09.30 A.M.	10 th Floor, Sumeru Center, Nr. Parimal Crossing, C.G. Road, Ahmedabad: 380 007.
(3)	24/09/2007	Monday	09.30 A.M.	10 th Floor, Sumeru Center, Nr. Parimal Crossing, C.G. Road, Ahmedabad: 380 007.
(4)	27/09/2008	Saturday	09.30 A.M.	10 th Floor, Sumeru Center, Nr. Parimal Crossing, C.G. Road, Ahmedabad: 380 007.

PASSING OF THE RESOLUTION BY POSTAL BALLOT SYSTEM:

The Company had not passed any resolution by means of Postal Ballot since the last Annual General Meeting. The Company had during the financial year not passed any resolutions by means of Postal Ballot system.

MANAGEMENT DISCUSSION AND ANALYSIS

A) PRESENT STRENGTH OF THE COMPANY:

In view of the global recession period the Company has diversified as service provider for industrial projects and management consultancy. The service provider business is remunerative and cost-effective.

**B) FUTURE OUTLOOK:**

The Company is in process of identifying the best available business opportunities for making timely investment. The Company has already acquired land for SALT PAN Manufacturing project as a new business venture on lease basis. Total land acquired for the purpose is 3020 acres in Kutchh District of Gujarat State. The product is proposed to be marketed in Domestic and Foreign. The company proposes to manufacture industrial grade and edible grade salt in future.

DISCLOSURES**A) MATERIALLY RELATED PARTY TRANSACTION:**

During the financial year 2008-09 there was no transactions of material nature with its promoters, the directors and the management, their subsidiaries or relatives, etc., which may have potential conflict with the interest of the company at large. However details of transactions with related parties are given in note No.2.17 to Notes of Accounts Schedule – 10 given by auditors as per Accounting Standard 18.

B) DETAILS OF NON-COMPLIANCE

During the year, the Company had filed an Application under SEBI's Scheme for Consent Order for composition of an offence under Regulation 6(2), 6(4), 8(3) of the SEBI (Substantial Acquisition of Shares and Takeover Regulations, 1998) whereby the SEBI had imposed a penalty of Rs.225000/- on the Company. The Company has paid the penalty to SEBI and now the irregularity noted by SEBI has since been regularized.

MEANS OF COMMUNICATIONS:**ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEM:**

The Company has established the Management information system whereby any problem requiring policy decisions are being intimated to Audit Committee for redressal or amendments in the policy and procedures. The progress reports are being maintained regularly. All the Investors' grievances or share department related queries are addressed to the Compliance officer who in turn put the same before the Investors' Grievances Committee.

INFORMATION SYSTEM BETWEEN COMMITTEES AND THE BOARD

Both Audit Committee and Investors' Grievances Committees receive periodical regular information from the concerned functional heads, after resolutions of all the problems communicate back the same to functional heads for further communications. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and taking the same on records.

INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS

The Company is regularly taking on record the un audited financial results on quarterly basis as per requirements of the Clause 41 of the listing Agreement and the same are published in English And Gujarati News Papers in time. Further these original paper cuttings are also being submitted to stock Exchanges in time. The Material information relating to the business of the Company are being intimated to the Stock Exchange who in turn publish the same in their official bulletin. The Audited Financial Balance Sheet is being dispatched to every shareholder in time at their registered addresses.

STATUTORY COMPLIANCES MADE AND RETURNS ETC., FILED

The Company has duly complied with the provisions of the Companies Act 1956, all the provisions of the Listing Agreement. The Company has also filed various unaudited financial results, Balance sheets, Income Tax returns and other statutory returns with all the authorities in time. There are no defaults as on date in any such compliances and no legal action of any nature has been taken against the company or its officers/ directors.

DEMATERIALISATION OF SHARES AND LIQUIDITY:

The Company has entered into Triparty Agreement with both Depository namely National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Now the Shareholders have the option to hold their share either in physical form or in Demat form. However as per SEBI circular hereby advise all its shareholders to dematerialize their holding at the earliest. Total Shares dematerialized up to 30/06/2009 is 5,38,88,750 shares.

**SHARE TRANSFER SYSTEM :**

The share transfer system in physical form are processed and the Share Certificate are returned within a period of one month from the date of receipt. The company has as per SEBI guidelines with effect from December 2000 offered the facility of Transfer cum Demat. Under the said system, after the shares are transferred, an option letter is sent to the transferee including the details of the transferred shares and in case of transferee wishes to demat the shares, he can approach Depository Participants with the said letter.

NAME AND ADDRESS OF THE COMPLIANCE OFFICER:

Mr. Vipul H Raja
Chairman.
10th Floor, Sumeru Center,
Near Parimal Crossing, Paldi, Ahmedabad – 380 007.

STATUS OF LISTING / TRADING OF SHARES :

The Company's Equity Shares are at present listed and are freely traded on the Stock Exchange at Ahmedabad, Mumbai and Rajkot. The details of the Trading code are as under:

Name of Stock Exchange	Trading Code
Ahmedabad Stock Exchange (ASE)	57645
Mumbai Stock Exchange (BSE)	530445
The Saurashtra Kutch Stock Exchange (SKSE)	-

MARKET PRICE DATA (BSE) – HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR.

Month	High Rs.	Low Rs.
April 2008	2.25	1.84
May 2008	3.17	1.62
June 2008	3.32	1.74
July 2008	2.13	1.62
August 2008	2.11	1.70
September 2008	2.34	1.37
October 2008	1.83	0.96
November 2008	1.05	0.85
December 2008	0.90	0.74
January 2009	0.99	0.73
February 2009	0.78	0.66
March 2009	0.75	0.51

Note : (1) As the Company's share are not included in any Index of the Stock Exchange, the effect of price movement of shares of the company viz a viz general index of the industry are not given.

**CATEGORY WISE HOLDING OF SHARES AS ON 30/06/2009**

Category	Shares%	Percentage of Holding
Promoters	3,53,73,579	49.12%
Bodies Corporate	89,51,720	12.44%
Public (Indian)	2,73,99,598	38.06%
NRI	2,75,103	0.38%
Total	7,20,00,000	100.00 %

Distribution of Shareholding as on 30/06/2009

DESCRIPTION		HOLDER(S) FOLIOS %		HOLDING(S) SHARES %	
LESS THAN	500	972	17.558	326704	0.454
501	- 1000	1822	32.912	1795576	2.494
1001	- 2000	897	16.203	1695196	2.354
2001	- 3000	408	7.370	1169260	1.624
3001	- 4000	193	3.486	743704	1.033
4001	- 5000	453	8.183	2246818	3.121
5001	- 10000	405	7.316	3320326	4.612
10001	- AND ABOVE	386	6.973	60702416	84.309
		5536	100.00	72000000	100.000

OTHER DETAILS :

REGISTERED OFFICE : 10th Floor, Sumeru Center,
Near Parimal Crossing,
C.G. Road, Ahmedabad: 380 007.

BOOK CLOSURE DATES : 21ST September 2009 to 25th September 2009
(Both days inclusive)

REGISTRAR AND SHARE
TRANSFER AGENT. : Sharepro Services (India) Private Limited,
13 Samita Warehousing Complex
2nd Floor, Sakinaka Telephone Exchange,
Off Andheri-Kurla Road, Sakinaka,
Andheri (East) Mumbai – 400 072.

ISIN NUMBER OF THE COMPANY : INE 764 B 01029

Declaration by the Managing Director on Code of Conduct as required by Clause 49.1.(D) (ii).

This is to declare that the company has received affirmations of compliance with applicable Code of Conduct from the Directors and Senior Management personnel of the company in respect of the financial year 2007-08.

PLACE : AHMEDABAD.
DATE : 24/07/2009

ON BEHALF OF THE BOARD OF DIRECTORS

(NANDIT V RAJA)
MANAGING DIRECTOR



CERTIFICATE

AUDITOR'S CERTIFICATE ON REPORT OF CORPORATE GOVERNANCE

To,
The Members of
Sumeru Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Sumeru Industries Ltd. for the year ended on 31st March, 2009, as stipulated in the Clause 49 of the Listing Agreement of the Company.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

For, **NITIN K SHAH & CO.**
Chartered Accountants

Place : Ahmedabad
Date : 24/07/2009

NITIN K SHAH
Proprietor
M. No. 012398

**AUDITORS' REPORT**

To Members of
Sumeru Industries Ltd.

1. We have audited the attached Balance Sheet of **Sumeru Industries Ltd.** ("the Company") as at March 31, 2009 and the related Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit and loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) on the basis of written representations received from the directors, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Nitin K. Shah & CO.**
Chartered Accountants

(**Nitin K. Shah**)
(Proprietor)
M. No. 012398

Place : **AHMEDABAD**
Date : **24/07/2009**

**ANNEXURE TO AUDITOR'S REPORT**

[Referred to in paragraph 3 of the Auditor's Report of even date to the members of Sumeru Industries Ltd. on the accounts for the year ended March 31, 2009]

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) According to the information and explanations given to us, the fixed assets of the Company were physically verified by the Management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of account.
(c) During the year, the Company has not disposed of any asset. In our opinion the status of the company continues to be going concern.
2. (a) The inventory of the Company has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
3. The company has neither granted nor taken loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. As the Company has not granted / taken any loans, secured or unsecured, to / from companies, firms etc., listed in the register maintained under Section 301 of the Act, paragraphs 4(III) (a) to (g) of the Order, are not applicable.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and/or services. Further, on the basis of our examination of the books and information and as per the explanations given to us, we have neither come across nor have we been informed of any instance of continuing failure to correct major weaknesses in the aforesaid internal control system.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that no transactions need to be entered into the register maintained under Section 301 of the Act. Consequently, requirement of clause (v,b) of paragraph 4 of the order is not applicable.
6. The company has not accepted any deposits under the provision of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
9. (a) According to the information and explanations given to us and according to the books and records examined by us, in our opinion, the Company wherever applicable, is regular in depositing the undisputed statutory dues In respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess, service tax and other material statutory dues as applicable with the appropriate authorities.
Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, the same is not applicable to the company we, therefore, do not Comment upon its requirements.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears, as at March-31, 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, details of dues of Interest tax which has not been deposited on account of dispute raised by the income tax department are given below:

Particulars	Period to which the amount relates	Forum where the dispute is pending	Amount (Rs.)
Interest Tax	1995-96	Gujarat High Court	312003
Interest Tax	1996-97	Gujarat High Court	835549
Interest Tax	1997-98	Gujarat High Court	764757
Total			1912309

10. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current year and immediately preceding financial year.
11. Based on the information and explanations given to us, the Company has not availed of any credit facilities from any financial institutions or banks during the year. The Company has not borrowed any sums through debentures. Accordingly, clause 4(xi) of the Order is not applicable.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. According to the information and explanations given by the management, the Company has not indulged in dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions during the year.
16. The company has not obtained any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investment. No long-term funds have been used to finance short term assets.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. There are no debentures issued and outstanding at the year end.
20. The Company has not raised any money by public issue during the year.
21. 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 fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the Management.

For **NITIN K. SHAH & CO.**
Chartered Accountants

(NITIN K. SHAH)
(Proprietor)
M. No. 012398

Place : Ahmedabad
Date : 24/07/2009


BALANCE SHEET AS ON 31ST MARCH, 2009

Amount in Rs.

Particulars	Sch	Amount	2008-09	2007-08
SOURCES OF FUNDS				
1. Share Holder's Fund				
a) Share Capital	1	72000000		72000000
b) Reserve & Surplus	2	27311993		27294020
			99311993	99294020
2. Net Deferred Tax Liabilities			97379	154330
TOTAL			99409372	99448350
APPLICATION OF FUNDS				
1. FIXED ASSETS	3			
a) Gross Block		3343014		3256490
Less : Depreciation		2619652		2370057
			723362	886433
2. INVESTMENTS (At Cost)	4		7660000	17140680
3. CURRENT ASSETS	5			
Loan & Advances				
a) Current Assets		74093069		70451989
b) Loans & Advances		5661738		1754693
		79754807		72206682
Less : Current Liabilities	6	1567749		1822425
NET CURRENT ASSETS			78187058	70384257
4. MISC EXPENDITURE	7		520122	892596
Pre-Operative Exps.			12318830	10144384
(To the extent not written off)				
TOTAL UTILISATION OF FUNDS			99409372	99448350

NOTES ON ACCOUNTS AND ACCOUNTING POLICIES

10

The Schedules referred to above form an integral part of Balance sheet

As per our report of even date Attached

 For **NITIN K SHAH & CO.**

Chartered Accountants

N K Shah

Proprietor

M. No. 012398

Place : Ahmedabad

Date : 24/07/2009

ON BEHALF OF THE BOARD OF DIRECTORS

VIPUL H RAJA

Chairman

NANDIT V RAJA

Managing Director

SUPREME P SHAH

Director

Place : Ahmedabad.

Date : 24/07/2009

**PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED AS ON 31ST MARCH, 2009**

Amount in Rs.

Particulars	SCH	2008-09	2007-08
INCOME	8		
Income		3794460	19903368
TOTAL INCOME		3794460	19903368
EXPENDITURE			
Administration and General Exps.	9	3363181	3934180
Depreciation		249595	225371
TOTAL EXPENDITURE		3612776	4159551
PROFIT BEFORE TAX		181684	15743817
Less : Provision for Taxation			
Current Tax		100000	1250000
Deferred Tax		(56951)	(49414)
Fringe Benefit Tax		50662	33322
Profit After Tax		87973	14509909
Add : Balance Brought Forward from P.Y.		22514020	8004111
Profit Available for appropriations		22601993	22514020
Earning Per Share of face value of Re. 1/- each		0.0012	0.2015

NOTES ON ACCOUNTS AND ACCOUNTING POLICIES

As per our report of even date Attached
For **NITIN K SHAH & CO.**
Chartered Accountants

N K Shah
Proprietor
M. No. 012398

Place : Ahmedabad
Date : 24/07/2009

10

ON BEHALF OF THE BOARD OF DIRECTORS

VIPUL H RAJA
Chairman

NANDIT V RAJA
Managing Director
SUPREME P SHAH
Director

Place : Ahmedabad.
Date : 24/07/2009



Amount in Rs.

Description	2008-09	2007-08
SCHEDULE - 1 : SHARE CAPITAL		
Authorised 80000000 Equity Shares of Rs.1/- each	80000000	80000000
Issued Subscribed and paid up 72000000 equity shares of Rs. 1/- each.	72000000	72000000
TOTAL	72000000	72000000
SCHEDULE - 2 RESERVE & SURPLUS		
General Reserves As per Last Year	4780000	4780000
Profit & Loss Account		
Opening Balance	22514020	8004111
Current Year Profit Carry Forward	87973	14509909
Profit Available for appropriation	22601993	22514020
Less : Short provision for the previous year 2007-08	(70000)	-
	22531993	22514020
TOTAL	27311993	27294020

SCHEDULE - 3 : FIXED ASSETS

Amount in Rs.

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01-04-08	Addition During the Year	As on 31-03-09	As on 01-04-08	Addition During the Year	As on 31-03-09	As on 31-03-09	As on 31-03-08
Office Equipment	595936	86524	682460	297874	91427	389301	293159	298062
Electrical Equipments	161845	Nil	161845	153753	Nil	153753	8092	8092
Furniture Fixtures	2498709	Nil	2498709	1918430	158168	2076598	422111	580279
TOTAL	3256490	86524	3343014	2370057	249595	2619652	723362	886433


SCHEDULE - 4 INVESTMENTS

Amount in Rs.

Description	Face Value	Quantity		Amount in Rs.	
		2008-09	2007-08	2008-09	2007-08
A] NON TRADE, UNQUOTED					
Sumeru Securities Ltd	10	1000	1000	10000	10000
Jaihind Leasing & Fin. Ltd	10	15000	15000	150000	150000
TOTAL				160000	160000
CURRENT					
B] MUTUAL FUNDS	10				
HDFC Cash Management Fund - Daily Dividend Reinvest		747645	—	7500000	—
ING Fixed Maturity Fund - 43 Inst. Dividend		—	10000000	—	10039800
ING Liquid Plus Fund - Inst. Daily Dividend		—	603888.757	—	6040880
TOTAL				7500000	16080680
C] PROPERTY					
Building Property		—	—	—	900000
TOTAL		—	—	—	900000
TOTAL (A+B+C)				7660000	17140680

During the year, the following current investment were purchased and Sold Mutual Funds (Unquoted) Units of face value of Rs. 10/- each)

Description	No. of Units
- ING Fixed Maturity Fund - 43 Institutional Dividend	10000000
- ING Liquid Plus Fund - Inst. Daily Dividend	603888.76
- LIC MF Investor Fund - Quarter - I Plan	40000

Amount in Rs.

Description	2008-09	2007-08
SCHEDULE - 5		
"CURRENT ASSETS, LOANS & ADVANCE"		
A] CURRENT ASSETS		
1) Stock in trade	710164	710164
2) Debtors		
a) Outstanding for a period of more than six months	26711910	20237639
b) Outstanding for a period of Less than six months	9384109	11904543
3) Advances for Goods	31820000	32320000
4) Cash & Bank Balances		
a) Cash Balances	567647	548966
b) Balances with Schedule Banks	4613093	4477863
c) Balance with other Banks	19529	18586
4) Other Current Assets		
a) Pre-paid expenses	30000	—
b) Deferred Tax Assets	229229	229229
c) Interest Accrued	7388	5000
TOTAL	74093069	70451989
B] LOANS & ADVANCES		
(Unsecured consider good)		
Advance recoverable in cash or kind for value		
Value Received	5501738	1609693
Other Deposit	160000	145000
TOTAL	5661738	1754693



Amount in Rs.

Description	2008-09	2007-08
SCHEDULE - 6		
CURRENT LIABILITIES AND PROVISIONS		
A] Current Liabilities		
1) Creditors for goods	89100	145360
2) Sundry Creditors for Exps.	7109	290000
TOTAL	96209	435360
B] Provisions		
1) Provisions for Taxation Current Tax	1348570	1250000
2) Provisions for Exps.	122970	137065
TOTAL	1471540	1387065
TOTAL (A+B)	1567749	1822425
SCHEDULE - 7 MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
A] Public Issue Expenses	449654	674482
Less : Written off	224828	224828
TOTAL	224826	449654
B] Deferred Revenue Expenditure	442942	590588
Less : Written Off	147646	147646
TOTAL	295296	442942
TOTAL (A+B)	520122	892596
SCHEDULE - 8 INCOME FROM OPERATIONS		
1) Management Services Receipt	3000000	2530900
2) Mutual Fund Dividend	492072	824984
3) Vehicle Operation Receipts	300000	-
4) Accrued Income on NSC	2388	2500
5) Long Term Capital Gain	-	17298080
6) Rent income	-	360000
7) Profit / Loss on Sale of Assets	-	(1113096)
TOTAL	3794460	19903368



Amount in Rs.

Description	2008-09	2007-08
SCHEDULE - 9 MANAGEMENT SERVICES EXPENSES		
Bank Charges	4118	9629
Directors Remuneration	540000	540000
Electricity Expenses	100569	90133
Miscellaneous Expense	188896	164850
Office Maintainance Expenses	61403	267365
Postage & Telegraph	28026	31578
Presentation & Articles Expenses	74188	176921
Professional Fees	150500	203780
Rent	360000	350550
Reparing Exps.	18512	261193
Salary Expenses	117250	405922
Security Expenses	99450	125235
Staff Welfare Expenses	26830	19689
Stationary & Printing Exps.	25086	54127
Telephone Exps.	249609	246070
Traveling Exp.	272146	149444
Software Exps.	-	7700
Insurance Exps.	-	1117
ADMINISTRATIVE EXPENSES		
Advertisement	63914	68366
Annual Lisiting Fees	43000	43000
Audit Fees	55150	56180
Demate Consulting Fees	49411	168974
Donation	70100	-
Filling Fees	2056	1607
Membership Fees	33876	13375
Professional Tax	2093	4160
Tax Audit Fees	15000	-
Service Charges	-	4490
Interest	-	4723
TAXES & DUTIES		
Rate & Taxes .	21837	-
Prior Period Tax	7333	78856
OTHER EXPENSES		
Defferred Revenue Exps. Written off	147646	147646
Mutual Fund Redemption Discount	43160	-
Public Issue Exps. Written Off	224828	224828
Vehicle Operational Exps.	267195	12672
TOTAL	3363181	3934180

**Schedule forming part of the Accounts****SCHEDULE – 10****NOTES TO ACCOUNTS****1. Significant accounting policies****1.1 Basis of preparation of financial statements**

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) the historical cost convention, on a going concern basis and on the accrual basis. GAAP comprises the applicable accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards and relevant provisions of the Companies Act, 1956, and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, and income taxes.

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.3 Revenue Recognition

Revenue is recognized when there is a reasonable certainty of its ultimate realization/collection.

- a) Dividend income has been accounted in the year of receipt.
- b) Sales of trading products are accounted as and when bills are issued.
- c) Services are net of service tax. Revenue from services is recognized when services are rendered and related costs are incurred.

1.4 Inventories

Stock in trade is valued at cost or market value whichever is lower.

1.5 Fixed Assets

Gross Block of fixed assets including leased assets is valued at historical cost. Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost is inclusive of all identifiable expenditure incurred to bring the assets to their working condition for intended use. Borrowing cost, if any, attributable to fixed assets, are capitalized. Additional cost arising out of fluctuations in foreign currency is adjusted to the cost of the assets. Where an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of accounts and the resultant profit or loss, if any, is reflected in the Profit and Loss Account.

Advances paid towards acquisition of Fixed Assets and direct costs as well as related incidental expenses incurred on assets that are not yet ready for their intended use or not put to use as on the Balance Sheet date are stated as Capital Work in Progress.

1.6 Depreciation and Impairment loss

Depreciation on fixed assets has been provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.



The carrying amount of assets are reviewed at each balance sheet date, if there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

1.7 Investment

- a) Current Investment : Current Investments are valued at lower of cost and fair market value.
- b) Long term Investments : Long term Investments are valued at cost.

1.8 Retirement Benefits

There is no retirement benefit scheme for the employees of the company.

1.9 Earning Per Share

Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the no. of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings Per Share, the net profit or loss for the period attributable to equity shareholders and no. of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.10 Segment Reporting

The Company operates only in one segment i.e. Management Consultancy Services; hence no separate segment wise reporting is given herewith.

1.10 Taxes on Income

Provisions for current tax are made on the basis of relevant provisions of the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual /reasonable certainty that these would be realized in future. Deferred tax Liabilities as at 31st March, 2009 is Rs.97,379/-. Tax on Fringe Benefit is measured at the specified rates on the value of Fringe Benefits in accordance with the provisions of the Section 115WC of the Income Tax Act, 1961. Accounting for Fringe Benefit Tax is done as per the Guidance note issued by ICAI.

1.11 Provisions, Contingent Liabilities and Contingent Assets

A provision is made on a reliable estimate when it is possible that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

1.12 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.

1.13 Expenditure During Construction and On New Projects

In the case of new industrial units and substantial expansion of existing units, all pre-operating expenditure specifically for the project, incurred upto the date of installation, is capitalized and added pro rata to the cost of fixed assets.

1.14 Accounting policies not specifically referred to above are consistent with generally accepted accounting practices.

2. Notes on Accounts

2.1 Amortization of Miscellaneous Expenditure

- i) Public issue expenses are amortized over a period of ten years.
- ii) Deferred revenue expenditures are amortized over a period of ten years.

2.2 Details of Managerial Remuneration

Salaries

2008-09	2007-08
540000/-	540000/-
540000/-	540000/-

**2.3 Payment to Auditors**

	2008-09	2007-08
Statutory Audit Fees	50000/-	50000/-
Tax Audit	15000/-	-
Service Tax	5150/-	6180/-
	<u>70150/-</u>	<u>56180/-</u>

2.4 In the opinion of board, Debtors and Advances are good and realizable.

2.5 Foreign Currencies Earnings and Outgoes

	As at 31/03/09	As at 31/03/08
a) Expenditure in foreign currency	Nil	Nil
b) Remittance in foreign currency	Nil	Nil
c) Earnings in foreign currency	Nil	Nil

2.6 Figures for the previous year have been regrouped wherever necessary to confirm to the figures of the current years.

2.7 The balances of creditors/debtors as on 31st March, 2009 are not disputed by the respective parties.

2.8 There is no operation activity in business of shares and securities, lease and in finance field.

2.9 We are informed by the management that there is no decline in price in respect of unquoted investments since there is no transaction in it.

2.10 There was no impairment loss on Fixed Assets on the basis of review carried out by the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

2.11 The deferred tax asset has been accounted by using the tax rates announced in the Finance Act, 2008 in accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India.

2.12 The break up of change in net deferred tax liability is as under:

Deferred Tax Liability	As at 31/03/2009	As at 31/03/2008
Depreciation Difference	(56951)	(20459)
Deferred Rev. Expenses	-	49698
Public Issue Expenses	-	75677

2.13 During the year company has sold bungalow property at no profit-no loss basis.

2.14 The Company has not received any information from suppliers or service providers, whether they are covered under the "Micro, Small and Medium Enterprises (Development) Act, 2006". Therefore, it is not possible to give the information required under the Act.

2.15 Contingent Liabilities

There are no contingent liabilities as on 31st March, 2009.

2.16 Earning per Share

	2008-09	2007-08
a) Net Profit After tax available for equity shareholders (Rs.)	87973	14509909
b) Weighted average number of equity share of Re.1/ each outstanding during the year (No. of Shares)	72000000	72000000
c) Basic / Diluted Earning per share (Rs.) (a/b)	0.0012	0.2015

2.17 Related Parties Disclosures under Accounting Standard 18**1) Related Party relationships :**

Key Management Personal : Nandit V Raja , Managing Director
Director's Remuneration Fees of Rs. 5,40,000/-
Vipul H Raja, Promoter Director
Transaction Value Rs. Nil

**ADDITIONAL INFORMATION PURSUANT TO PART-VI OF SCHEDULE IV OF
THE COMPANIES ACT, 1956.****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. Registration Details :

State Code : **04**Registration No. **04/21479**

Balance Sheet Date

Date	Month	Year
31	03	2009

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue

Nil

Right Issue

Nil

Bonus Issue

Nil

Private Placement

Nil**III Position of Mobilization and Deployment of Funds (Amount in Rs. in Thousands)**

Total Liabilities

99409

Total Assets

99409**SOURCE OF FUNDS**

Paid up Capital

72000

Reserve & Surplus

27311

Secured Loans

Nil

Unsecured Loans

Nil**APPLICATION OF FUNDS**

Net Fixed Assets

723

Investments

7660

Net Current Assets

78187

Misc. Expenditure

520

Accumulated Losses

Nil

**IV Performance of Company (Amount Rs. In Thousands)**

Turnover	Total Expenditure
3794	3612
Profit Before Tax	Profit After Tax
181	87
Earning per Share	Dividend Rate
0.0012	Nil

V Generic Names of three principal products/services of company

Item Code No. (ITC Code)

Nil

Product Description : Services, Investment, Trading.

As per our report attached of Even Date.

SIGNATURES TO SCHEDULE 1 TO 10ON BEHALF OF THE BOARD OF DIRECTORS OF
SUMERU INDUSTRIES LTD.**VIPUL H. RAJA**

Chairman

NANDIT V. RAJA

Managing Director

SUPREME P. SHAH

Chairman

Place : Ahmedabad.

Date : 24/07/2009

**CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31/03/2009**

Amount in Rs.

S.No.	Particulars	2008-09	2007-08
A	CASHFLOW FROM OPERATING ACTIVITIES		
	Net Profit before the year	181684	15743817
	adjustment for		
	Depreciation	249595	225371
	Dividend	(492071)	
	Amortisation of Deferred Revenue Exps.	147646	147646
	Public Issue Exps. W/Off	224828	224828
	Profit / Loss on sale of Mutual Fund and other investments(net)	43160	(17298080)
	Profit on Sale of Investment	-	1113096
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	354842	156678
B	CHANGE IN WORKING CAPITAL		
	Change in Debtors	(3953836)	12565169
	Change in Advance for goods	500000	-
	Change in Other Current Assets	(37388)	(44117)
	Change in Creditors	(353246)	(37623913)
	Change in Loans and Advances	(3907045)	(340185)
	Change in Provisions	-	1133632
	CASH FLOW BEFORE TAX PAID	(7396673)	(24152736)
	Direct Taxes paid	(160253)	(1233908)
	CASH FLOW FROM OPERATING ACTIVITIES	(7556926)	(25386644)
B.	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Sale of Mutual Funds and Other Investments	9480680	30876220
	Dividend Received from Mutual Fund	492071	-
	Purchase of Fixed Assets	(86524)	1885132
	Pre-operative exp.	(2174446)	(330058)
	CASH FLOW FROM INVESTMENT ACTIVITY	7711781	32431294
C.	CASH FLOW FROM FINANCING ACTIVITY		
	Increase in unsecured Loans	-	(3800000)
	CASH FLOW FROM FINANCING ACTIVITIES	-	(3800000)
	NET INCREASE IN CASH AND CASH EQUIVALENTS	154855	3244650
	CASH & CASH EQUIVALENTS AS AT 01-04-2008		
	(OPENING BALANCE)	5045415	1800765
	CASH & CASH EQUIVALENTS AS AT 31-03-2009		
	(CLOSING BALANCE)	5200270	5045415

NOTES: 1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS-3), "Cash Flow Statements" issued by the Institute of Chartered Accountants of India 2. The previous year's figures have been regrouped wherever necessary. 3. Negative figures indicated in brackets.

As per our report of even date Attached

For **NITIN K SHAH & CO.**

Chartered Accountants

N K Shah

Proprietor

M. No. 012398

Place : Ahmedabad

Date : 24/07/2009

ON BEHALF OF THE BOARD OF DIRECTORS

VIPUL H RAJA

Chairman

NANDIT V RAJA

Managing Director

SUPREME P SHAH

Director

Place : Ahmedabad.

Date : 24/07/2009



To,
The Board of Directors,
SUMERU INDUSTRIES LIMITED
Ahmedabad

The above cash flow statement has been compiled from and is based on the audited accounts of SUMERU INDUSTRIES LIMITED for the year ended 31st March, 2009 according to the information and explanations given aforesaid cash flow has been prepared pursuant to clause 32 of listing agreement and the reallocations required for the purpose are as made by the company.

For **NITIN K SHAH & CO.**
Chartered Accountants

N. K. Shah
Proprietor
M. No. 012398

Place : Ahmedabad
Date : 24/07/2009

SUMERU INDUSTRIES LIMITED

Sumeru Center, Nr. Parimal Crossing, C.G.Road,
Ahmedabad - 3800 07.

DPID	
CLINT ID	

PROXY

NO. OF SHARES	
MASTER FOLIO NO.	

I/We _____ being Member(s) of Sumeru Industries Limited hereby appoint _____ of _____ of falling him _____ of _____ of falling him _____ of _____ of my/our proxy to attend and vote for me/us on my/our behalf at the 16th Annual General Meeting to be held at Sumeru Center, Nr. Parimal Crossing, C.G.Road, Ahmedabad at 9.30 am on 25-09-2009 the Friday. Or at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2009.

Signed by the said:

Folio No. :

No. of Shares:

Affix here
Revenue
Stamp

Note : The proxy must be deposited at the Registered office of the company not less than 48 hours before the time fixed for holding the meeting.

SUMERU INDUSTRIES LIMITED

Sumeru Center, Nr. Parimal Crossing, C.G.Road,
Ahmedabad - 380007.

DPID	
CLINT ID	

ATTENDANCE SLIP

NO. OF SHARES	
MASTER FOLIO NO.	

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to be present at the meeting.

Folio No. :

Name :

Address :

I hereby record my presence at the 16th Annual General Meeting held at Sumeru Center, Nr. Parimal Crossing, C.G.Road, Ahmedabad at 9.30 am on 25-09-2009 the Friday.

SIGNATURE OF THE SHARE HOLDER/PROXY HOLDER

Book - Post



SUMERU INDUSTRIES LIMITED

Regd. Off. : Sumeru centre, Nr. Parimal Crossing, C. G. Road, Ahmedabad - 380 007.
Phone : (079) - 26652748, 26651357 - Fax : (079) - 26651664