

# **32<sup>ND</sup> ANNUAL REPORT**

**2012-13**

# SUDHA APPARELS LIMITED

## BOARD OF DIRECTORS

Savita Jindal (Smt.)  
R.K. Banthia  
Sandeep Shah  
Man Mohan Mittal

## AUDIT COMMITTEE

R.K. Banthia                      *Chairman*  
Sandeep Shah  
Man Mohan Mittal

## AUDITORS

Khandelwal Prajapati & Co.  
Chartered Accountants  
Kolkata - 700013

## REGISTERED OFFICE

2/5 Sarat Bose Road,  
Sukh Sagar,  
Flat No. 8A, 8<sup>th</sup> Floor,  
Kolkata - 700020

## CORPORATE OFFICE

Plot No. 30, Institutional Sector-44,  
Gurgaon- 122 002,  
(Haryana)

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## REGISTRAR & SHARE TRANSFER AGENT

NICHE TECHNOLOGIES PRIVATE LIMITED  
D-511, Bagree Market, 5th Floor  
71 B.R.B. Basu Road,  
Kolkata – 700 001

# SUDHA APPARELS LIMITED

REGD OFFICE: 2/5, SARAT BOSE ROAD, SUKH SAGAR, FLAT  
NO.8A, 8<sup>TH</sup> FLOOR, KOLKATA-700 020

## NOTICE

Notice is hereby given that 32<sup>nd</sup> Annual General Meeting of the Members of Sudha Apparels Limited will be held on Wednesday the 25<sup>th</sup> September, 2013 at 10.30 a.m. at the Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Accounts for the year ended 31<sup>st</sup> March, 2013 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Man Mohan Mittal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Khandelwal Prajapati & Co., Kolkata, Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Shri Sandeep Shah who was appointed as an Additional Director of the Company and who holds office upto the date of the ensuing Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice from a member under Section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board

Sd/-

Man Mohan Mittal  
Director

Place : Gurgaon  
Dated : 30<sup>th</sup> May, 2013

### **NOTES:-**

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. FORM OF PROXY IS SEPARATELY ANNEXED. THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.***
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.

3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special business is annexed hereto.
4. All documents referred in the Notice are open for inspection at the registered office of the Company between 10.00 AM and 1.00 P.M. on any working day upto the date of the Annual General Meeting as also at the meeting.
5. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:

Registrar and Share Transfer Agents:  
**NICHE TECHNOLOGIES PRIVATE LIMITED**  
D-511, Bagree Market, 5<sup>th</sup> Floor  
71 B.R.B. Basu Road,  
Kolkata – 700 001  
Phone : 033-22357271, Fax : 033-22156823  
e-mail : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday 24<sup>th</sup> September, 2013 to Wednesday 25<sup>th</sup> September, 2013 (both days inclusive).
7. Members intending to seek any information on the Annual Accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
8. Details of the Director seeking appointment/ reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

<b>Name of the Director</b>	<b>Shri Man Mohan Mittal</b>	<b>Shri Sandeep Shah</b>
Age	57 Years	49 Years
Qualification	Graduate	Graduate
Experience	Extensive experience in the field of Accounts, Finance & Commercial.	Extensive experience in the field of Marketing & Administration
Date of appointment as Director of the company	27.08.2007	20.03.2013
Directorship of other Companies	1. Global Jindal Fin-Invest Ltd. 2. Neptune Exploration and Industries Ltd. 3. Jindal Pipes Finance Ltd.	1. Taunus Marketing Private Limited 2. Nav Avtaar Trading Private Limited 3. Diamond Dealtrade Limited
Chairman/ Member of Committee of the other Companies	Nil	Nil
No. of shares held	Nil	Nil

#### **Explanatory Statement under Section 173(2) of the Companies Act, 1956 Item No. 4**

Shri Sandeep Shah was appointed as Additional Director of the Company on 20<sup>th</sup> March, 2013 pursuant to Section 260 of the Companies Act, 1956. He holds office upto the date of the ensuing Annual General Meeting. The Company has received Notice under Section 257 of the Companies Act, 1956 from a member, proposing the candidature of Shri Sandeep Shah for the office of Director, liable to retire by rotation.

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

The Board recommends the resolution set forth in Item No.4 for approval of members.

# SUDHA APPARELS LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 32<sup>nd</sup> Annual Report along with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

## FINANCIAL RESULTS

	<b>Year Ended</b> <b>31.03.2013</b>	<b>(Rs.)</b> Year Ended <b>31.03.2012</b>
Total Income	<b>67,03,23,297</b>	69,92,53,130
Profit before tax	<b>5,65,25,564</b>	9,22,54,897
Provision for Taxation - Current	<b>2,68,00,000</b>	3,20,00,000
Profit after Tax	<b>2,97,25,564</b>	6,02,54,897
Balance brought forward from previous year	<b>184,49,69,403</b>	180,07,65,506
Profit available for appropriation	<b>187,46,94,967</b>	186,10,20,403

## APPROPRIATIONS

Transfer to Statutory Reserve	<b>59,46,000</b>	1,20,51,000
Transfer to General Reserve	<b>15,00,000</b>	40,00,000
Balance carried to Balance Sheet	<b>186,72,48,967</b>	184,49,69,403
	<b>187,46,94,967</b>	186,10,20,403

## PERFORMANCE OF THE COMPANY

The total income of the Company during the year was Rs.6703.23 lacs as against Rs. 6992.53 lacs in the previous year. The profit before tax during the year was Rs. 565.26 lacs as against Rs. 922.55 lacs in the previous year. The profit after tax was Rs.297.26 lacs as against Rs. 602.55 lacs in the previous year.

## DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the year under review.

## **DIRECTORS**

Shri Sandeep Shah was appointed as Additional Director of the Company on 20<sup>th</sup> March, 2013 pursuant to Section 260 of the Companies Act, 1956. He holds office upto the date of the ensuing Annual General Meeting. The Company has received a Notice under Section 257 of the Companies Act, 1956 from one of the member, proposing the candidature of Shri Sandeep Shah for the office of Director, liable to retire by rotation.

Ms. Dipika Gupta resigned as Director of the Company on 20<sup>th</sup> March, 2013 due to her other preoccupations. The Board appreciates the contribution made by her during her tenure as Director of the Company.

Shri Man Mohan Mittal, Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment.

## **FIXED DEPOSITS**

The Company has not accepted any fixed deposits during the year.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (iv) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (ii) that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Annual Accounts have been prepared on a going concern basis.

## **COMPLIANCE CERTIFICATE**

The Company has obtained a Certificate under Section 383A(1) of the Companies Act, 1956 from a Company Secretary in Whole-time Practice confirming that the Company has complied with all provisions of the Companies Act, 1956, is attached herewith.

## **CORPORATE GOVERNANCE**

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchange, a separate Report on Corporate Governance has been annexed as part of the Annual Report. Certificate from the Auditors of the Company confirming compliance of conditions, is annexed to this Report.

## **CEO/CFO CERTIFICATE**

Shri Man Mohan Mittal, Director has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A separate Report on Management Discussion and Analysis has been annexed as part of the Directors' Report.

## **AUDITORS**

M/s Khandelwal Prajapati & Co., Chartered Accountants, Kolkata the Auditors of the Company are retiring at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Auditors' observations and the relevant notes on the accounts are self-explanatory and therefore, do not call for further comments.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The requirements of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 are not applicable.

## **PARTICULARS OF EMPLOYEES**

There was no employee in the Company drawing remuneration more than the prescribed limit under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **ACKNOWLEDGEMENT**

The Board expresses its grateful appreciation of the assistance and co-operation received from various Govt. Departments, Banks and Shareholders.

For and on behalf of the Board

Place : Gurgaon  
Dated : 30<sup>th</sup> May, 2013

Sd/-  
M.M. MITTAL  
DIRECTOR

sd/-  
R.K. BANTHIA  
DIRECTOR

## SUDHA APPARELS LIMITED

### CORPORATE GOVERNANCE REPORT

The Company has been maintaining the highest standards of corporate governance principles and best practices, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock Exchanges are as under:

#### **A COMPLIANCE OF MANDATORY REQUIREMENTS:**

##### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, lenders, employees, the government and the society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In this pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

##### **2. BOARD OF DIRECTORS Composition**

The strength of the Board as on March 31, 2013 was 4 Directors comprising of two promoters Directors and two independent Directors. One-half of the Board of the Company consists of Independent Directors. All Directors of the Company are Non-Executive Directors.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees of Public Limited Companies.

During the year under review 7 Board Meetings were held on 15<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 14<sup>th</sup> August, 2012, 10<sup>th</sup> October, 2012, 8<sup>th</sup> November, 2012, 7<sup>th</sup> February, 2013 and 20<sup>th</sup> March, 2013.

Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31<sup>st</sup> March, 2013 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Director -ships	Committee Member-ships	Committee Chairman-ships
Smt. Savita Jindal	NE	106662	7	-	-	-	-
Shri M.M. Mittal	NE	-	7	Yes	3	-	-
Shri R.K. Banthia	NE-I	-	5	-	2	-	-
Ms. Dipika Gupta*	NE-I	-	5	Yes	1	-	-
Shri Sandeep Shah**	NE-I	-	-	-	1	-	-

NE - Non-Executive, I - Independent



\* Resigned on 20<sup>th</sup> March, 2013

\*\* Appointed on 20<sup>th</sup> March, 2013

**Note:**

1. Only Audit and Shareholders'/Investors' Grievance Committees are considered

2. Excludes Directorship in private/foreign companies and alternate Directorship

No Director is related to each other Director on the Board as defined under the Companies Act, 1956.

**3. CODE OF CONDUCT**

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The code has been circulated to all members of the Board and senior management personnel of the Company who have confirmed compliance with the said Code.

A declaration signed by Shri Man Mohan Mittal, Director of the Company is given below:

I hereby confirm that the Company has obtained from all members of the Board and Senior Management affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the financial year 2012-13

Dated: 30th May, 2013

Man Mohan Mittal  
Director

**4. AUDIT COMMITTEE**

The Audit Committee is comprised of three Non-Executive Directors, two are independent Directors and one Promoter Director. All these members possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-Executive Director.

The terms of reference of the Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors from time to time.

Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the year under review 5 Audit Committee Meetings were held on 15<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 14<sup>th</sup> August, 2012, 8<sup>th</sup> November, 2012 and 7<sup>th</sup> February, 2013.

The composition of Audit Committee as on 31<sup>st</sup> March, 2013 and attendance at its Meetings was as follows:

Members	Category	No. of meetings attended
Ms. Dipika Gupta*	Chairperson	5
Shri R.K. Banthia	Member	5
Shri M.M. Mittal	Member	5
Shri Sandeep Shah**	Member	-

\* Resigned on 20<sup>th</sup> March, 2013

\*\* Appointed on 20<sup>th</sup> March, 2013

## 5. REMUNERATION TO DIRECTORS

The Company does not have a Remuneration Committee. Detailed terms of appointment of the Managing Director are governed under Board and Members' resolutions.

b) The Non Executive Directors were paid by way of sitting fees for attending each meeting of the Board of Directors and Audit Committee attended by them. The details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31<sup>st</sup> March, 2013 is as under:

Directors	Sitting Fees (Rs.)
Shri R.K. Banthia	25,000
Ms. Dipika Gupta	27,500
Smt. Savita Jindal	15,000
Shri M.M. Mittal*	-

\*Shri M.M. Mittal, Director of the Company relinquished his entitlement to receive sitting fees as Director of the Company for attending any meeting of the Board or Committee(s) thereof.

Apart from receiving Directors' remuneration by way of sitting fee for attending each meeting of Board and Audit Committee, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31<sup>st</sup> March, 2013.

## 6. SHAREHOLDERS/INVESTORS SHARE TRANSFER CUM GRIEVANCE COMMITTEE

### Functions

The Board has constituted a Committee under the Chairmanship of a Non-executive Director. The Committee meets as per requirement to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time.

### Composition

The composition of Shareholders'/Investors' Grievance Cum Share Transfer Committee as on 31<sup>st</sup> March, 2013 was as follows:

Name of the Members	Designation
Shri M.M. Mittal	Chairman
Smt. Savita Jindal	Member

### Compliance Officer

The Board has designated Shri Arup Kumar Mitra as Compliance Officer of the Company.

**Details of Shareholders' Complaints received & replied to the satisfaction of Shareholders**

Number of Shareholders complaints received during the period 01.04.2012 to 31.03.2013	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	N. A.
Number of pending complaints as on 31.03.2013 which were solved later on.	:	N. A.

**7. GENERAL BODY MEETINGS**

**(I) Details of the last three Annual General Meetings:**

Financial year	Date	Location of the Meeting	Time
2009-10	30.09.2010	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	10.30AM.
2010-11	20.08.2011	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	10.30AM.
2011-12	29.09.2012	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	10.30AM.

(ii) No Special Resolution was passed in the preceding three Annual General Meetings.

(iii) During the Financial Year 2012-13, no resolution was passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

**8. DISCLOSURES**

**(i) Related Party Transactions**

There have been no materially significant related party transactions in conflict with the interest of the Company.

**(ii) Accounting Standards**

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountant of India and there has been no deviation during the year.

**(iii) Details on Non Compliance**

There are no instances of non-compliance by the Company on any matter relating to the Capital Market during the last 3 years.

**(iv) Declaration by CEO with regard to Code of Conduct**

Shri Man Mohan Mittal, Director has furnished a declaration affirming compliance of Code of Conduct by the Board of Directors and Senior Management Personnel.

**(v) CEO/CFO Certificates**

Shri Man Mohan Mittal, Director has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

**(vi) Whistle Blower Policy**

The Company does not have any Whistle Blower Policy, however, no person has been denied access to Audit Committee.

**9. MEANS OF COMMUNICATION**

The Company's financial results are communicated forthwith to the Calcutta Stock Exchange as soon as they are approved and taken on record by the Board of Directors of the Company. Additionally, in strict compliance of Listing Agreement, the Company has always promptly reported dates of various Board Meetings, Book Closures/ Record Dates to the Stock Exchange Thereafter the results are published in leading newspapers.

**10. GENERAL SHAREHOLDERS INFORMATION**

**a) Annual General Meeting:**

Date & Time : 25<sup>th</sup> September, 2013 at 10.30 a.m.

Venue : Registered Office of the Company at 2/5, Sarat Bose Road, Kolkata – 700020

b) Financial Year : 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013

c) Book Closure : 24<sup>th</sup> September, 2013 to 25<sup>th</sup> September, 2013

**Financial Calendar (Tentative):**

- Financial reporting for the quarter ending 30<sup>th</sup> June, 2013 : July/Aug, 2013
- Financial reporting for the quarter ending 30<sup>th</sup> Sept, 2013 : Oct./Nov, 2013
- Financial reporting for the quarter ending 31<sup>st</sup> Dec, 2013 : Jan./Feb, 2014
- Financial reporting for the quarter/year ending 31<sup>st</sup> March, 2014. : April/May, 2014

**Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2013-14 has been duly paid.

Scrip Name:	SUDHA APPARELS
Scrip Code: CSE	10029405
NSDL/ CDSL – ISIN	INE207F01012

**Stock Market Data**

There was no trading of shares during the financial year 2012-13 on CSE.

**Distribution of shareholding as on 31st March, 2013**

No. of Equity Shares held	No. of Share-holders	% of share-holders	No. of Shares held	% of Share-holding
Upto 5000	62	88.57	48000	6.60
5001 to 50000	2	2.86	74761	10.28
50001 to 100000	2	2.86	140000	19.26
100001 and Above	4	5.71	464251	63.86
<b>Total</b>	<b>70</b>	<b>100.00</b>	<b>727012</b>	<b>100.00</b>

**Shareholding Pattern as on 31<sup>st</sup> March, 2013:**

<u>CATEGORY</u>	No. of Shares held	% of Share-holding
Promoters	534251	73.49
Private Bodies Corporate	144761	19.91
Indian Public	48000	6.60
Grand Total	<b>727012</b>	<b>100.00</b>

**Dematerialisation of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialised form. As on 31<sup>st</sup> March 2013, 43.27 % of total equity shares were held in dematerialised form.

**Outstanding GDR / Warrants and Convertible Bonds, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs or other convertible instruments.

**Registrar and Share Transfer Agents:**

NICHE TECHNOLOGIES PRIVATE LIMITED  
D-511, Bagree Market, 5<sup>th</sup> Floor  
71 B.R.B. Basu Road,  
Kolkata – 700 001  
Phone : 033-22357271  
Fax : 033-22156823  
e-mail : nichetechpl@nichetechpl.com

**Share Transfer System:**

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

**Investors' correspondence address**

Shareholders correspondence should be addressed to the Registrar and Transfer Agent at the above mentioned address or to the Registered Office of the Company.

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participant.

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

### **SUDHA APPARELS LIMITED**

We have examined the compliance of conditions of corporate governance of Sudha Apparels Limited for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

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 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 above- mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, no investor grievance is pending for a period exceeding one month.

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 KHANDELWAL PRAJAPATI & CO.**

Chartered Accountants

Sd/-

**V.N. Khandelwal**

Partner

Membership No. 52862

Place: Kolkata

Dated: 30<sup>th</sup> May, 2013

## **SUDHA APPARELS LIMITED**

### **Management Discussion and Analysis**

Forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2013

#### **FORWARD LOOKING STATEMENTS**

The statement in the Directors' Report and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, the impact of changes in oil, Steel prices worldwide and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian economic growth during the year slowed down substantially at 5.0% against 6.5% in the previous year. However, considering the fact that the world has now entered a low growth economic landscape, the Country's performance is not altogether discouraging, as India's key macroeconomic fundamentals look robust.

The Reserve Bank of India's efforts to rein in inflation and the Government's initiative and measures to limit the fiscal deficit at 4.8% of GDP during 2013-14 are expected to restore confidence in India's macroeconomic policy.

Non-Banking Financial Companies (NBFCs), over the years have played a vital role in driving the Country's inclusive growth. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

The Company will continue to focus on making long-term strategic investment in various companies promoted by D.P. Jindal Group. Considering the expected growth in the economy and the prospects of the economy as a whole and oil and gas industry in particular, the Company expects to restore its value with a hope of further enhancement in the long term for the benefit of the shareholders at large.

#### **OPPORTUNITIES & THREATS**

The Company foresees, new opportunities to come up to expand its operations by way of equity participation in new projects/expansion of existing projects, considering long term growth potential of the Country. The NBFC industry holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

The economic slowdown, coupled with inflationary pressure has the prospects of curtailing business growth, raise the delinquency rate and enhance credit costs. With

multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

### **SEGMENT-WISE PERFORMANCE**

The Company is engaged in the business of Finance/Investment activities. There is no other segment. Therefore, there are no separate segments for reporting as per the Accounting Standard AS-17 issued by The Institute of Chartered Accountants of India.

### **BUSINESS OUTLOOK**

The Company continues to hold investment in D.P. Jindal Group companies and expect to earn reasonable return on the same. D.P. Jindal Group is focusing on Oil & gas sector, which is currently a very prominent and global sector. The performance of your Company largely depends on the performance of these companies. Your Company, therefore, closely monitors the working of these Companies.

### **RISKS AND CONCERNS**

As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes the strategic investments in a specific sector. Any downward movement in the prospects of the sector could be a threat to Company's prospects.

At this juncture of rapidly evolving macroeconomic risks, it becomes imperative for business to track the macroeconomic performance on an ongoing basis. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks, so as to arrive at a profitable investment decision.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system, commensurate with its size and nature of operations, covering assurance of recording all the transaction details, regulatory compliance and protecting the Company assets from any kind of loss or misuse. Accounting records are adequate for preparation of financial statements and other financial information. Internal Audit is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The total income of the Company during the year was Rs.6703.23 lacs as against Rs. 6992.53 lacs in the previous year. The profit before tax during the year was Rs. 565.26 lacs as against Rs. 922.55 lacs in the previous year. The profit after tax was Rs.297.26 lacs as against Rs. 602.55 lacs in the previous year.

### **HUMAN RESOURCES**

Your Company has employed professionals/experienced persons, playing an important role in the operations of the Company. The Company will strengthen its operative staff as and when the need arises.





**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF  
M/S. SUDHA APPARELS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. SUDHA APPARELS LIMITED which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Cont.....2



30 MAY 2013



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### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.:

- i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2013.
- ii) In the case of the Statement of Profit and Loss of the **Profit** for the year ended on that date,
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of subsection (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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 The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - c. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.;



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30 MAY 2013

# **KHANDELWAL PRAJAPATI & CO.**

*Chartered Accountants*



8, Ganesh Chandra Avenue

5<sup>th</sup> Floor, Room No. 33

Kolkata - 700 013

Phone - 2236 - 4634

2234 - 5110

E-mail - kpcaco@gmail.com

:: 3 ::

- d. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- e. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For KHANDELWAL PRAJAPATI & CO.**

**Chartered Accountants,**

**Firm Registration No. 313154E**

**PLACE : KOLKATA**

**DATED : 30 MAY 2013**



**(V. N. KHANDELWAL)**

**Partner**

**Membership No. - 052862**



**Re. : SUDHA APPARELS LIMITED(31.03.2013)**

**Annexure referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even dated**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on such verification.
- c) Fixed Assets disposed off during the year were not substantial and therefore it does not affect the going concern assumption.
- ii) a) The inventory of the company consists only of shares in demat form. As per the information given to us, the demat statement is verified from time to time by the management and no discrepancy has been found on such verification.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies have been noticed on physical verification.
- iii) a) According to information and explanation given to us, the company has neither granted nor taken any Loan secured or unsecured to company, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub clauses (b), (c), (d), (e), (f) and (g) of clause 4(iii) of the order are not applicable.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business with regard to purchase of inventory and for sale of goods being shares and securities. There are no transactions involving purchase of fixed assets and sale of services. During the course of our audit, we have not observed any major weakness in internal controls system.



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- v) In our opinion, and according to the information and explanations given to us there are no contracts and arrangements entered into this year, the particulars of which needs to be entered into the register required to be maintained under Section 301 of the Act.
- vi) The Company has not accepted any deposits from public during the year within the provisions of section 58A & 58AA of the Companies, Act, 1956 and the rules framed there under.
- vii) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) In our opinion and according to the information and explanation given to us, the activities carried on by the Company do not require maintenance of any cost records.
- ix) i) According to information and explanations provided to us and as per the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues like income tax, and other statutory dues applicable to it with the appropriate authority.
- ii) As explained to us and the records of the company examined by us, the details of disputed dues not paid towards income tax as on 31<sup>st</sup> March, 2013 are as follows

Nature of Dues	F.Y to which the matter pertains	Forum where disputes pending	Amount as per demand order (Rs. In lacs)	
			C.Y	P.Y
Income Tax under Income Tax Act, 1961	2008 - 09 (A.Y- 2009-10)	Commissioner of Income Tax (Appeals)	4.53	4.53
	2009-10 (A.Y- 2010-11)	Commissioner of Income Tax (Appeals)	0.08	-

However, without qualifying our opinion, we draw attention to note no. 15.3 of Notes on Financial Statement regarding contingent liability of the company, not provided for on account of Service Tax payable of Rs. 3,81,716/- pertaining to period from October 2010 to September 2011 (excluding interest applicable, if any) on rental income which has neither been received from the tenants nor deposited with the prescribed authority on account of legal dispute raised by these tenants, the final adjudication of which is pending before the Apex Court. The Company however, hold written commitment from these tenants for collection of entire liability arising upon the company on this account.

- x) The Company does not have any accumulated loss as at 31<sup>st</sup> March, 2013 and the Company has not incurred cash losses in the current year and immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institution, bank or debenture holders.

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30 MAY 2013



**KHANDELWAL PRAJAPATI & CO.**  
*Chartered Accountants*



8, Ganesh Chandra Avenue  
5<sup>th</sup> Floor, Room No. 33  
Kolkata - 700 013  
Phone - 2236 - 4634  
2234 - 5110  
E-mail - kpcaco@gmail.com

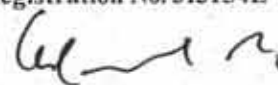
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of Shares, debentures and other securities.
- xiii) The provision for any special statute as specified under paragraph 4(xiii) of the order are not applicable to the company.
- xiv) In respect of transactions in securities & other investments, in our opinion and according to information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities and other investments have been held by the company in its own name.
- xv) According to information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xvi) Based on information and explanations given to us, the Company has not taken any term loan.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- xviii) According to the information and explanations given to us, during the period covered by our audit, the company has not made preferential allotment of equity shares to parties and companies covered in register maintained u/s. 301 of the Co. Act, 1956.
- xix) The Company has not issued any debentures.
- xx) The Company has not raised any money by public issues during the period
- xxi) According to the information and explanations given to us and during the course of our examination of books of accounts and records of the company, no fraud on or by the company has been noticed or reported during the course of our audit.

PLACE : KOLKATA

DATED : 30 MAY 2013

For KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants.  
Firm Registration No. 313154E



  
(V. N. KHANDELWAL)  
Partner  
Membership No. - 52862

## BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	NOTES	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
<b>EQUITY AND LIABILITIES</b>			
<u>Shareholders' Funds</u>			
Share Capital	2	7,270,120	7,270,120
Reserves and Surplus	3	2,475,252,921	2,445,527,357
		2,482,523,041	2,452,797,477
<u>Non-Current Liabilities</u>	4		
Long Term Borrowings	4.1	57,802,563	57,802,563
Long-Term Provisions	4.2	742,916	716,620
		58,545,479	58,519,183
<u>Current Liabilities - Unsecured</u>	5		
Short-Term Borrowings	5.1	49,006,353	702,397,510
Other Current Liabilities	5.2	5,906,053	9,143,835
Short-Term Provisions	5.3	9,510,968	2,609,421
Total Current Liabilities		64,423,374	714,150,766
<b>Total Equity &amp; Liabilities</b>		<b>2,605,491,894</b>	<b>3,225,467,426</b>
<b>ASSETS</b>			
<u>Non-Current Assets</u>			
<b>i. Fixed Assets - Tangible Assets</b>	6		
- Fixed assets		896,337,721	930,125,367
- Capital Work in Progress		3,945,804	-
<b>ii. Non-Current Investments</b>	7	903,702,499	794,416,454
<b>iii. Long Term Loans &amp; Advances</b>	8	205,717,257	323,778,557
		2,009,703,281	2,048,320,378
<u>Current Assets</u>	9		
Inventories	9.1	212,244,611	103,700,000
Trade Receivable	9.2	34,978,953	20,738,182
Cash and Cash Equivalents	9.3	16,340,156	6,588,749
Short-Term Loans and Advances	9.4	332,224,893	1,046,120,117
		595,788,613	1,177,147,048
<b>Total Assets</b>		<b>2,605,491,894</b>	<b>3,225,467,426</b>

Summary of Significant Accounting Policies followed by the company is given in Notes -1

The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

For KHADELWAL PRAJAPATI & CO.  
Chartered Accountants  
Firm Registration No. 313154E

*V.N. Khandelwal*

V.N. Khandelwal  
Partner  
Membership No. 52862

Place : Kolkata  
Dated : 30-05-2013



For & on Behalf of the Board

*R.K. Banthia*  
Director

Mr. R.K. Banthia

**STATEMENT OF PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	NOTES	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
<b><u>INCOME</u></b>			
Revenue from Operations	10	548,322,800	573,707,366
Other Income	10	122,000,497	125,545,764
		<u>670,323,297</u>	<u>699,253,130</u>
<b><u>EXPENDITURE</u></b>			
Purchase of Stock in Trade	11	600,000,000	482,000,000
Decrease/(Increase) in Stock in Trade	11	(108,544,611)	6,300,000
Employees Benefit Expenses	11	691,050	2,763,540
Finance Cost	11	57,381,611	88,022,080
Depreciation / Amortization	6	29,897,052	31,492,350
Other Expenses	11	1,100,458	1,620,821
Contingent Provision against Standard Assets	5	(1,492,686)	(155,005)
		<u>579,032,874</u>	<u>612,043,786</u>
Profit / (Loss) before exceptional ,extraordinary items and tax		91,290,423	87,209,344
Exceptional Items		-	5,045,553
Depreciation Written Back		-	-
Provision for Diminution in value of investment		26,370,626	-
Provision for Non Performing Assets		8,394,233	-
Profit / (Loss) after exceptional and extraordinary items and before		<u>56,525,564</u>	<u>92,254,897</u>
Tax Expense - Current Tax		26,800,000	32,000,000
Profit / (Loss) from Continuing Operation		<u>29,725,564</u>	<u>60,254,897</u>

Earning Per Share (Basic/ Diluted)

40.89

82.88

Summary of Significant Accounting Policies followed by the company is given in Notes -1

The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants  
Firm Registration No. 313154E

For & on Behalf of the Board

V.N. Khandelwal  
Partner  
Membership No. 52862

Director

Director

Place : Kolkata  
Dated : 30-05-2013





CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE YEAR ENDED 31ST MARCH 2013

		Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
<b>A. Cash Flow from Operating Activities</b>			
Net Profit before tax and extraordinary items		91,290,423	87,209,344
Adjusted for:			
Depreciation		29,897,052	31,492,350
Contingent Provision for Standard Assets		(1,492,686)	(155,005)
(Profit)/ Loss on Sale of Fixed Assets		(2,458,013)	-
(Profit)/ Loss on Sale of Investments		(1,004,020)	27,219,919
Operating Profit before Working Capital Changes		116,232,756	145,766,608
Adjusted for:			
Trade & Other Receivables		821,926,919	(171,418,421)
Inventories		(108,544,611)	6,300,000
Trade Payables & Others		(3,211,486)	5,486,817
Cash Generated from operations		826,403,578	(13,864,996)
Direct taxes Paid		(31,011,166)	(26,201,349)
Cash Flow before extraordinary items		795,392,412	(40,066,345)
Extraordinary item		-	-
Net Cash From Operating Activities	A	795,392,412	(40,066,345)
<b>B. Cash Flow from Investing Activities</b>			
Purchase of Fixed Assets		(3,945,804)	(295,724)
Sale of Fixed Assets		6,348,607	-
Purchase of Investments		(142,720,907)	(301,188,476)
Sale of Investments		8,068,256	574,311,359
Net Cash from Investing Activities	B	(132,249,848)	272,827,159
<b>C. Cash Flow from Financing Activities</b>			
Proceeds / (Reduction) of Short Term Borrowings		(653,391,157)	(235,153,990)
Net Cash from Financing Activities	C	(653,391,157)	(235,153,990)
Net Increase in Cash & Cash Equivalents (A+B+C)		9,751,407	(2,393,176)
Opening Balances of Cash and Cash Equivalents		6,588,749	8,981,925
Closing Balances of Cash and Cash Equivalents		16,340,156	6,588,749
Change in Cash and Cash Equivalents		9,751,407	(2,393,176)

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants  
Firm Registration No. 313154EV.N. Khandelwal  
Partner  
Membership No. 52862Place : Kolkata  
Dated : 30-05-2013

For &amp; on behalf of the Board

Director

Director

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

NOTE – 1: SUMMARY OF ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

**Basis of Preparation and Accounting**

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of the section 211 of the said Act. The accounting policies, except otherwise stated, have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle of 12 months and other criteria set-out in Revised Schedule-VI of the Companies Act, 1956.

**a. Use of Estimates**

The presentations of financial statements is in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized.

**b. Revenue Recognition**

Revenue is recognized on accrual basis in accordance with Accounting Standard (AS-9) "Revenue recognition".

Interest Income is accrued on time proportion basis and recognised only if in the opinion of Management realisation is certain. Profit and loss on sale of investment is recognised on contract date. Dividend income is recognised when right to receive dividend is established.

**c. Fixed Assets & Depreciation**

Fixed Assets are stated at cost of acquisition, construction less accumulated depreciation. The cost comprises of purchase price and any other directly attributable cost of bringing the assets to working condition for its intended use. Depreciation on assets have been provided on pro-rata basis, for the period of use, on written down value method at the rates prescribed under schedule XIV to the Companies Act, 1956, as amended till date.

**e. Investments**

Long Term Investments are classified into Non current investments and others are classified as current investment current. Long-term investments are valued at their acquisition cost. Current investments are stated at lower of cost and fair market value. The provision for any diminution in the value of Non current investments is made only if such a decline is other than temporary in the opinion of the management.

**f. Inventories**

Inventories are valued at lower of cost or net realisable value.



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**Employees Benefits**

All employee benefits like salary, bonus, ex-gratia & others accruing & payable within the reporting accounting period are classified as Short Period and recognised on accrual basis.

Retirement benefits for Leave Encashment & Gratuity to employees are insignificant and un-funded Long-Term Term Liability classified as Non-Current. Gratuity payable to an employee is equal to 15 days salary for every completed year of service calculated as per Payment of Gratuity Act, 1972. Leave encashment liability is calculated for the period fixed by Company policy for which daily salary is arrived by dividing the salary last drawn. The liability for retirement benefits are restated on Balance Sheet date and difference with the opening balance is charged in the Profit & Loss Accounts.

**h. Taxes on Income**

**Current Tax:**

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961 & tax advices, wherever considered necessary.

**Deferred Tax:**

Deferred Tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognised and carried forward to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**i. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised only when there is reliable estimate of present obligation as a result of past events. Contingent Liabilities are disclosed by way of Notes on accounts. Contingent Provision against Standard Assets is accounted as per RBI directive on standard assets. Contingent Assets are neither accounted nor disclosed in the financial statements due to uncertainty of their realisation.

**j. Event occurring after the Balance Sheet Date**

Event occurring after the Balance Sheet Date and till the date on which the Financial Statement are approved, which are material in nature and indicate the need for adjustments in the financial statement are considered.

**k. Impairment of Assets**

At each Balance Sheet Date, the Company assesses whether there is any indication that an assets has impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds recoverable amount.



30 MAY 2013

**i. Borrowing Costs**

Borrowing cost attributable to acquisition of qualifying assets till date of acquisition is capitalised as part of cost of such assets. All other borrowing costs are classified as revenue expense

**iii. Earning Per Share**

Basic earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of Potential equity shares outstanding during the year arrived at giving effect to all dilutive options.

**n. Research and Developments**

Revenue Expenditure on Research & Development is charged in the Statement of Profit & Loss of the year in which it is incurred. Capital Expenditure on Research & Development is capitalised with the cost of asset for which it is incurred.



30 MAY 2013

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR  
ENDED 31 ST MARCH, 2013

**NOTES - 2 : SHARE CAPITAL**

	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
<b>Authorised</b>		
1,000,000 Equity shares of Rs. 10 each	10,000,000	10,000,000
	10,000,000	10,000,000

**Issued, Subscribed and Paid up**

<b>Equity Capital</b>		
727,012 Equity Shares of Rs.10 each fully paid up	7,270,120	7,270,120
	7,270,120	7,270,120

- a) Of the above Shares 527,012 Equity Shares were allotted as fully paid up pursuant to scheme of amalgamation without payment being received in cash
- b) Reconciliation of Shares Outstanding at the beginning and end of the year

**SHARE CAPITAL**

**Equity Shares of Rs. 10 each fully paid up**

Particulars	As at 31.03.2013		As at 31.03.2012	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	727,012	7,270,120	727,012	7,270,120
Add - Addition during the Year	-	-	-	-
Less - Reduction during the Year	-	-	-	-
At the end of the Year	727,012	7,270,120	727,012	7,270,120

- c) Equity shares holders have right to receive dividend proposed by the Board of Directors, subject to approval by shareholders at the General Meeting.
- d) Equity shareholders have no right to repayment of capital except, distribution of surplus assets on liquidation.
- e) List of persons holding more than 5% equity shares of Rs 10/- each of the company:

Name of Share-Holders	As At 31.03.2013		As At 31.03.2012	
	Nos	%	Nos	%
1. Jindal Global Finance & Investment Ltd .	107,416	14.77	107,416	14.77
2. Flakt Dealcom Ltd.	35,761	4.92	35,761	4.92
3. Pushpanjali Investrade Pvt Ltd.	70,000	9.63	70,000	9.63
4 Dharam Pal Jindal	69,900	9.61	69,900	9.61
5. Savita Jindal	106,662	14.67	106,662	14.67
6. Saket Jindal	70,000	9.63	70,000	9.63
7. Raghav Jindal	145,123	19.96	145,123	19.96
Total	604,862	83.20	604,862	83.20



30 MAY 2013

## Notes forming part of the Financial Statements

## NOTES - 3 : RESERVE &amp; SURPLUS

	As At 31.03.13 Rupees	As At 31.03.12 Rupees
<b>Particulars</b>		
<b>3.1 Capital Reserve</b>		
As per last Balance Sheet	51,581,498	51,581,498
<b>3.2 Other Reserves</b>		
<b>a) General Reserve</b>		
As per last Balance Sheet	79,746,597	75,746,597
Add : Addition during the year	1,500,000	4,000,000
	81,246,597	79,746,597
<b>b) Statutory Reserve</b>		
As per last Balance Sheet	469,229,859	457,178,859
Add : Addition during the year	5,946,000	12,051,000
	475,175,859	469,229,859
<b>3.3 Surplus in Statement of Profit &amp; Loss A/c</b>		
As per last Balance sheet	1,844,969,403	1,800,765,506
<b>Profit during the Year</b>	29,725,564	60,254,897
Less - Transfer to Statutory Reserve	5,946,000	12,051,000
	23,779,564	48,203,897
Less - Transfer to General Reserve	1,500,000	4,000,000
Current Year Surplus	22,279,564	44,203,897
<b>Closing Surplus/(Deficit)</b>	1,867,248,967	1,844,969,403
<b>Total</b>	2,475,252,921	2,445,527,357

## NOTES - 4 : NON - CURRENT LIABILITIES

<b>4.1 Long- Term Borrowings - Unsecured</b>		
Security Deposit	57,802,563	57,802,563
<b>4.2 Long- Term Provisions</b>		
For Employees Benefits	742,916	716,620
	58,545,479	58,519,183

## NOTES - 5 : CURRENT LIABILITIES

<b>5.1 Short-Term Borrowings ( Unsecured )</b>	49,006,353	702,397,510
From Bodies Corporate Repayable on Demand		
<b>5.2 Other Current Liabilities</b>		
Liabilities for Expenses	161,079	217,758
Liabilities for Statutory Dues	5,744,974	8,926,077
<b>5.3 Short Term Provisions</b>		
<b>5.3A Contingent Provision for Standard Assets</b>		
Opening Balance	2,609,421	2,764,426
Addition / (Adjusted) during the year	(1,492,686)	(155,005)
	1,116,735	2,609,421
The above provision is made @ 0 . 25% of Standard Assets on the reporting date as per RBI Notification No- DNBS.222/CGM(US) -2011 dated 17th January,2011.		
<b>5.3B Provision for Non Performing Assets</b>		
Addition / (Adjusted) during the year	8,394,233	-
	8,394,233	-
<b>Total Current Liabilities</b>	64,423,374	714,150,766



30 MAY 2013

**SUDHA APPARELS LIMITED**

**NOTE : 6 FIXED ASSETS**

TANGIBLE ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2012	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2013	UPTO 31.03.2012	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2013
							AS AT 31.03.2013	AS AT 31.03.2012
Land - Gurgaon	31,768,200	-	-	31,768,200	-	-	-	31,768,200
Land - Hissar	88,352,900	-	6,348,607	82,004,293	-	-	2,458,013	88,352,900
Land - Kolkata	214,396,852	-	-	214,396,852	-	-	-	214,396,852
Building - Gurgaon	56,904,410	-	-	56,904,410	17,299,718	1,980,235	-	39,604,692
Building - Rented Mail	592,145,673	-	-	592,145,673	42,736,090	27,470,479	-	549,409,583
Building - Kolkata	6,305,558	-	-	6,305,558	451,384	292,709	-	5,854,174
Lift	3,363,486	-	-	3,363,486	2,659,561	140,785	-	703,925
Office Equipments	59,924	-	-	59,924	30,240	11,874	-	29,684
Furniture & Fixtures	46,016	-	-	46,016	40,659	970	-	5,357
<b>Total</b>	<b>993,343,019</b>	<b>-</b>	<b>6,348,607</b>	<b>986,994,412</b>	<b>63,217,652</b>	<b>29,897,052</b>	<b>2,158,013</b>	<b>896,337,721</b>
Previous Year	993,047,295	295,724	-	993,343,019	36,770,855	31,492,350	(5,045,553)	930,125,367

**CAPITAL WORK IN PROGRESS**

DESCRIPTION	AS AT 31.03.2013		
	OPENING	ADDITIONS	SALES/ ADJUSTMENTS
WIP - Land	-	3,945,804	-
<b>Total</b>	<b>-</b>	<b>3,945,804</b>	<b>3,945,804</b>



30 MAY 2013



Notes forming part of the Financial Statements

**NOTES - 7 : NON - CURRENT INVESTMENT**

(All paid up unless otherwise specified)

**NON - TRADE****Quoted****Equity Shares**

	As At 31.03.2013		As At 31.03.2012	
	Numbers	Rupees	Numbers	Rupees
Rs. 5 each of Jindal Drilling & Industries L	4,935,000	362,802,514	4,435,000	222,802,514
Rs. 10 each of Haryana Capfin Limited	980,741	43,026,563	980,741	43,026,563
Rs. 10 each of JSW Steel Limited	8,000	5,317,908	8,000	5,317,908
Rs. 10 each of Great Eastern Shipping Co	-	-	3,800	943,220
Rs. 2 each of JSL Stainless Limited	-	-	100	3,405
Rs. 5 each of Parsvnath Developers Limit	1,000	48,827	1,000	48,827
Rs. 10 each of Videocon Industries Limite	100	17,441	100	17,441
Rs. 10 each of Electrosteel Steels Limited	6,651,613	46,782,516	2,961,700	26,561,609
Rs. 10 each of Jayaswal Neco Industries	-	-	77,345	747,145
Rs. 10 each of Great Offshore Limited	1,500	622,765	1,500	622,765
Rs. 10 each of PSL Limited	100	7,012	100	7,012
Rs. 2 each of Satyam Computers Service	-	-	10	579
Rs. 10 each of Ispat Industries Limited	65,800	1,477,251	65,800	1,477,251
Rs. 10 each of Lloyd Steel Industries Limi	59,944	965,552	59,944	965,552
Rs. 10 each of Monnet Ispat Limited	607,483	347,113,008	607,483	347,113,008
Rs. 5 each of Welspun Corporation Limite	2,800	395,867	2,800	395,867
Rs. 2 each of Aban Offshore Limited	100	47,233	6,290	2,970,337
Rs. 10 each of Hindustan Oil Exploration	2,000	470,786	2,000	470,786
Rs. 10 each of Selan Exploration Tecnolo	1,100	435,456	1,100	435,456
Rs. 1 each of Jindal Steel & Power Limite	17,466	9,564,590	17,466	9,564,590
Rs. 10 each of Shiv-vani Oil & Gas Explor	1,500	604,728	1,500	604,728
Rs. 10 each of Bajaj Auto Limited	-	-	125	167,335
Rs. 10 each of Cairn India Limited	-	-	1,200	355,632
Rs. 10 each of Denia Bank	-	-	13,000	1,038,316
Rs. 10 each of Hexa Tradex Limited	2,600	95,156	2,600	95,156
Rs. 10 each of IDBI Bank Limited	3,000	358,085	3,000	358,085
Rs. 10 each of Jindal Saw Limited	6,000	758,939	13,000	1,644,439
Rs. 10 each of NMDC Limited	5,000	1,177,641	5,000	1,177,641
Rs. 10 each of Oil India Limited	875	444,373	350	444,373
Rs. 10 each of Sesa Goa Limited	300	82,081	300	82,081

**Un - Quoted****a) Equity Shares**

Rs. 10 each of Crishpark Vincom Limited	81,600	818,020	81,600	818,020
Rs. 10 each of Dytop Commodore Limited	85,700	861,240	85,700	861,240
Rs. 10 each of Jindal Global Finance & In	700,100	2,748,505	700,100	2,748,505
Rs. 10 each of Jindal Pipes Limited	3,741,740	14,060,798	3,741,740	14,060,798
Rs. 10 each of Sparlerk Dealcomm Limite	81,000	812,000	81,000	812,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	805,000	80,000	805,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Ltr	100,000	1,000,000	100,000	1,000,000
Rs. 10 each of JCO Gas Pipe Limited	-	-	1,750,000	17,500,000
Rs. 10 each of Jindal Explodrill Limited	9,500	95,000	9,500	95,000
Rs. 10 each of Neptune Bulitech Pvt. Ltr	9,810	98,405	9,810	98,405
Rs. 10 each of Sigma Infrastructure Pvt. L	9,800	98,415	9,800	98,415
Rs. 10 each of Kushagra Infrastructure Ph	1,195,000	36,059,450	1,195,000	36,059,450

**b) Preference Shares**

Rs. 10 each of Global Jindal Fininvest Lin	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Crishpark Vincom Limited	75,000	15,000,000	75,000	15,000,000
Rs. 10 each of Jindal Global Finance & In	200,000	10,000,000	200,000	10,000,000

930,073,125	794,416,454
-------------	-------------

Less - Provision for Diminution in value of Investment

26,370,626	-
903,702,499	794,416,454

Aggregate Value of Unquoted Investments

107,456,833	124,956,833
-------------	-------------

Aggregate Value of Quoted Investments

822,616,292	669,459,621
-------------	-------------

Market Value of Quoted Investments

1,186,266,710	1,717,127,191
---------------	---------------

**Notes :**

All investment in shares of Private Limited Companies are subject to restrictions on transfer of shares as contained in the Articles of Association of respective company.

All investment in Preference Shares are optionally convertible as per terms of issue and redeemable after 3 years but before 7 years from date of allotment. These shares carry preferential right of cumulative dividend @ 12% per annum from date of allotment.



30 MAY 2013



## Notes forming part of the Financial Statements

	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
<b>NOTE - 8 : LONG TERM LOANS &amp; ADVANCES</b> (Unsecured, Considered good)		
8.1 Capital Advances	205,128,187	323,189,487
8.2 Security Deposit	589,070	589,070
	<u>205,717,257</u>	<u>323,778,557</u>
<b>NOTES - 9 : CURRENT ASSETS</b>		
<b>9.1 INVENTORIES</b>		
Stock in Trade	212,244,611	103,700,000
	<u>212,244,611</u>	<u>103,700,000</u>
<b>9.2 TRADE RECEIVABLES</b> (Unsecured, Considered good)		
Outstanding for a period exceeding six months		
Other Receivable	34,978,953	20,738,182
	<u>34,978,953</u>	<u>20,738,182</u>
<b>9.3 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	79,438	51,787
Balances with Banks		
- In Current Accounts	16,260,718	6,536,962
	<u>16,340,156</u>	<u>6,588,749</u>
<b>9.4 SHORT TERM LOANS AND ADVANCES</b> (Unsecured, Considered Good)		
Loans to Bodies Corporates	325,508,037	1,043,768,461
Other Short-Term Advances	1,186,955	1,032,921
Advance Income Tax (Net of Provision Rs. 135,489,161/-, Previous Year Rs 105,503,811/-)	5,529,901	1,318,735
<b>Total Short-Term Loans &amp; Advances</b>	<u>332,224,893</u>	<u>1,046,120,117</u>
<b>Total Current Assets</b>	<u>595,788,613</u>	<u>1,177,147,048</u>

In the opinion of Board and to the best of their knowledge and belief, the value on realisation of above current assets in ordinary course of business would not be less than the amount at which they are stated.



30 MAY 2013

**SUDHA APPARELS LIMITED**

Notes forming part of the Financial Statements

Year ended  
31.03.2013  
Rupees

Year ended  
31.03.2012  
Rupees

**NOTES - 10 : INCOME**

**10.1 REVENUE FROM OPERATIONS**

Sale of Mutual Fund Units	502,096,720	491,893,779
Quantitative Details given separately		
Dividend Income - on Non current Investment	4,089,455	13,911,149
Interest Income (TDS Rs.5,271,824, Previous Year Rs.9,475,959/-)	41,132,605	95,109,057
Net Profit / (Loss) on Sale of Non-Current Investments	1,004,020	(27,219,919)
Profit on Intra Day Sales	-	13,300
Total Revenue from operations	<u>548,322,800</u>	<u>573,707,366</u>

**10.2 OTHER INCOME**

Rent (TDS Rs.11,968,952/-, Previous Year Rs.11,430,520/-)	119,140,776	112,916,035
Profit from Agriculture activity (Net)	394,394	1,200,000
Gain on Transfer of Agricultural Land	2,458,013	11,426,529
Liabilities Written Off	7,314	3,200
Total other Income	<u>122,000,497</u>	<u>125,545,764</u>
Total Income	<u>670,323,297</u>	<u>699,253,130</u>

**NOTE - 11 : EXPENSES**

**11.1 Purchases of Stock in Trade**

Item - Mutual Fund Units	600,000,000	482,000,000
--------------------------	-------------	-------------

**11.2 Decrease/(Increase) in Stock in Trade**

Item - Mutual Fund Units		
Opening Stock	103,700,000	110,000,000
Less - Closing Stock	212,244,611	103,700,000
Decrease/(Increase) in Stock in Trade	<u>(108,544,611)</u>	<u>6,300,000</u>

**11.3 EMPLOYEES' BENEFIT EXPENSES**

Salaries & Other Allowances	668,224	2,752,225
Staff Welfare Expenses	22,826	11,315
	<u>691,050</u>	<u>2,763,540</u>

**11.4 INTEREST & FINANCE COSTS**

Interest on Unsecured Short Term Loan	57,379,794	87,986,419
Bank Charges	1,817	35,661
	<u>57,381,611</u>	<u>88,022,080</u>

**11.5 OTHER EXPENSES**

D.P. Charges	4,310	687,012
Rent	195,000	195,000
Rates & Taxes	18,000	2,500
Postage & Telephone	23,895	10,585
Printing & Stationery	4,669	4,708
Fee & Subscription	13,797	14,582
Travelling & Conveyance	27,017	41,388
Repair & Maintenance- Others	303,073	66,473
Legal & Professional Charges	151,485	119,386
Insurance	207,749	147,142
Internal Audit Fee	5,000	5,000
Advertisement & Publicity	62,400	238,580
Auditors' Remuneration :		
- Audit Fee	39,326	39,326
- Tax Audit Fee	6,742	6,618
- Certification / others services	9,548	11,582
Miscellaneous Expenses	28,447	30,939
Total	<u>1,100,458</u>	<u>1,620,821</u>



30 MAY 2013

**SUDHA APPARELS LIMITED**

**Notes forming part of the Financial Statements**

Year ended  
31.03.2013  
Rupees

Year ended  
31.03.2012  
Rupees

**NOTE : 12 - Earning Per Share**

Net Profit after Tax	29,725,564	60,254,897
Total Number of Weighted Equity Shares	727,012	727,012
Earning Per Equity Share of Rs 10/- each	40.89	82.88

**NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)**

For WDV of Fixed Assets	4,429,574	(2,599,868)
For Expenses Allowable on Payment	241,039	232,507
Unabsorbed Capital Losses	23,245,193	26,939,572
Deferred Tax Asset/(Liability) on Balance Sheet Date	27,915,806	24,572,212
Less Opening Balance	24,572,212	3,255,847
Deferred Tax Income/(Expense) for the year	3,343,594	21,316,365

In view of uncertainty of realisation ; the above Deferred Tax Assets/Income has not been recognised in the Financial Statements.

**NOTE : 14 - RELATED PARTY DISCLOSURE**

**Related Parties with whom Transactions have taken place during the Year**

Name of Key Managerial Person : Mrs. Savita Jindal

Associated Company : Nil

**Transactions with Related Party during the year**

<b>Payment for Other Services to Related Party</b>		
Key Management Personnel	59,093	50,275
<b>Rent Paid to Related Parties</b>		
Key Management Personnel	195,000	195,000
<b>Remuneration Paid to Related Parties</b>		
Key Management Personnel	Nil	2,100,000
<b>Balance Payable by the Company to Related Party</b>		
Key Management Personnel	13,692	11,273

**NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR**

<b>15.1 Estimated Value of Contracts remaining to be executed on Capital Account (Net of Advances ) not Provided for</b>		
Gross Value of Contract	100,000,000	480,000,000
Less Advance Paid	75,000,000	170,000,000
Net Amount	25,000,000	310,000,000
<b>15.2 Disputed Income Tax Demand</b>		
A.Y. 2009-2010	453,410	453,410
A.Y. 2010-2011	7,480	-
Net Unpaid Amount (A.Y- 2009-10 & 2010-11)	460,890	453,410

**15.3 Service Tax Liability**

The Company has not provided for its Service Tax liability on "Renting of Immovable Property" to some tenants for the period from October, 2010 to September, 2011 amounting to Rs. 76,35,432/- which has been disputed by these tenants through their association before Hon'ble Supreme Court, of which 50% of the arrear dues amounting to Rs. 38,17,716/- has been directly deposited by these tenants with the Service Tax Authority under the direction from the Apex Court and for the balance 50% of Service Tax dues, the final adjudication of the Apex Court is awaited. The Company, however, holds written commitment from such tenants for reimbursement of all liabilities arising due to non-payment of Service Tax by the Company.



30 MAY 2013

Notes forming part of the Financial Statements

Year ended

31.03.2013

Rupees

Year ended

31.03.2012

Rupees

**NOTE: - 16 SEGMENT REPORTING**

The company is primarily engaged in Investment in shares and securities and financing which are not separate reportable segments as per Accounting Standard - 17 of The Institute of Chartered Accountants of India. Hence there is no separate segment-wise Report to be furnished.

**NOTE - 17 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY**

The company is registered with Reserve Bank of India as Non Banking Finance Company Vide Registration No - 0.5.02275 dtd 16.05.1998 and has been complying with prudential Norms prescribed by RBI.

Additional particulars as required in terms of paragraph 13 of Non-Deposit Accepting or Holding Companies Prudential Norms (Reserve bank) Directions, 2007 separately attached as Annexure - 1.

**NOTE - 18 MANAGERIAL REMUNERATION PAID DURING THE YEAR****Details of Managerial Remuneration**

Salaries &amp; Allowances

Nil

2,100,000

Previous years figures have been regrouped / rearranged where ever necessary.

The Accompanying Notes forming an integral part of the Financial Statements.

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants

Firm Registration No. 313154E

V.N. Khandelwal

Partner

Membership No. 52862

Place : Kolkata

Dated : 30-05-2013

For & on Behalf of the Board

Director

Director





**Schedule to the Balance Sheet of a non-deposit taking non-banking financial company**  
 [as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding)  
 Companies Prudential Norms (Reserve Bank) Directions, 2007]

(Rupees)

Particulars			
(1)	<b>Liabilities side:</b>		
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	49,006,353	-
	(e) Commercial Paper	-	-
	(h) Other Loans (specify nature) * Please see note 1 below	-	-
	<b>Assets side:</b>		
		Amount Outstanding	
(2)	1. Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured	-	
	(b) Unsecured	543,408,819	
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry Debtors :		
	(a) Financial Lease	-	
	(b) Operating Lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been re-possessed		
	(b) Loans other than (a) above		



30 MAY 2013

(4)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	i. Shares: (a) Equity (b) Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity (b) Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	Long Term Investments:	
	1. Quoted:	
	i. Shares: (a) Equity (b) Preference	822,616,292
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity (b) Preference	57,456,833 50,000,000
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below	
	Category	Amount of net of provisions
		Secured      Unsecured      Total
	1. Related Parties**	
	(a) Subsidiaries	-      -      -
	(b) Companies in the same group	-      -      -
	(c) Other related parties	-      -      -
	2. Other than related parties	-      -      -
	Total	-      -      -
(6)	Investors group-wise classifications of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below	



30 MAY 2013

# Sudha Apparels Limited

Category	Market Value / Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	1,911,404,468	930,073,125
Total	1,911,404,468	930,073,125

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7)	Other Information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	83,942,331
	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	75,548,098
	(iii) Assets acquired in satisfaction of debts	-



30 MAY 2013

Disclosure pursuant to Reserve Bank of India Notification DNBS (PD).CC No.  
125/03.05.002/2008-2009 dated August 1, 2008 (Guidelines for NBFC-ND-SI as regards  
capital adequacy, liquidity and disclosure norms)

AS ON 31.03.2013

### CRAR

Items		Current Year	Previous Year
i)	CRAR (%)	95.66	72.80
ii)	CRAR – Tier I Capital (%)	95.62	72.72
iii)	CRAR – Tier II Capital (%)	0.04	0.08

### Exposures

#### Exposure to Real Estate Sector

Category		Current Year	Previous Year
a)	Direct Exposure	-	-
i)	Residential Mortgages	-	-
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; ( individual housing loans upto Rs. 15 lacs may be shown separately)	-	-
ii)	Commercial Real Estate-	-	-
	Lending secured by mortgages on commercial real estates ( office building, retail space, multipurpose commercial premises, multi-family residential building, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
iii)	Investment in Mortgage Backed Securities (MBS) and other securitized exposures -	-	-
	a. Residential	-	-
	b. Commercial Real Estate	-	-
b)	Indirect Exposure	-	-
	Fund based and non-fund based exposures on National Housing bank(NHB) and Housing Finance Companies (HFCs)	-	-

### Asset Liability Management

#### Maturity pattern of certain items of assets and liabilities

(Rs. in crore)									
	1 day to 30/31 Days (Or 1 Month)	Over one months upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over one upto 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from Banks	-	-	-	-	-	-	-	-	-
Market/other borrowings	-	-	-	4.90	-	5.78	-	-	10.68
<b>Assets</b>									
Advances	-	-	-	32.56	-	20.51	-	-	53.07
Investments	-	-	-	-	-	82.26	-	10.75	93.01



30 MAY 2013



# SUDHA APPARELS LIMITED

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053

## ATTENDANCE SLIP

Folio No .....  
DP Id\* .....  
Client Id\* .....

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Company held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 at 10.30 A.M on Wednesday 25<sup>th</sup> September, 2013.

Name of the attending Member .....  
(in Block Letters)

Name of the Proxy (in Block Letters) .....  
(to be filled in, if the proxy attends instead of the member)

No. of Shares held.....

Members/Proxy's Signature

Note: This attendance slip duly filled in should be handed over at the entrance of the meeting hall.  
\*Applicable for investors holding shares in demat form.

# SUDHA APPARELS LIMITED

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053

## PROXY FORM

Folio No .....  
DP Id\* .....  
Client Id\* .....

I/We, .....being the member(s) of Sudha Apparels Limited  
.....holding shares, hereby appoint .....or failing  
him.....as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf  
at the 32<sup>nd</sup> Annual General meeting of the Company, to be held at 10.30 A.M on Wednesday  
25<sup>th</sup> September, 2013 at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 and  
at any adjournment thereof.

Signed this ..... Day of ..... 2013

Affix a  
Revenue  
Stamp

Signature