

36th ANNUAL REPORT

2016-17

SUDHA APPARELS LIMITED

SUDHA APPARELS LIMITED

BOARD OF DIRECTORS

Mangat Ram Garg - Whole-time Director
R.K. Banthia
Savita Jindal
Vibhore Kaushik

AUDIT COMMITTEE

R.K. Banthia *Chairman*
Mangat Ram Garg
Vibhore Kaushik

COMPANY SECRETARY

Rajesh Gupta

CFO

Arup Kumar Mitra

AUDITORS

Khandelwal Prajapati and Co.
Chartered Accountants
Kolkata

BANKERS

ICICI Bank Limited
HDFC Bank Limited

REGISTERED OFFICE

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignment Limited
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi – 110055

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SUDHA APPARELS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 36th Annual Report along with Audited Financial Statements of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS

The highlights of the financial results are as under:

	Rs.	
	Year ended 31.03.2017	Year ended 31.03.2016
Total Income	114,28,95,228	34,38,28,714
Profit before exceptional and Extra- Ordinary items and tax	15,67,72,215	16,16,33,994
Less:		
Provision for diminution in value of investments	(13,36,34,151)	14,51,65,460
Provision for Non- Performing Assets	61,714	75,67,069
Profit/(loss) before tax	29,03,44,652	89,01,465
Provision for Taxation - Current	4,15,00,000	4,60,00,000
Profit/(loss) after Tax	24,88,44,652	(3,70,98,535)
Balance brought forward from previous year	166,20,24,054	169,91,22,589
Profit available for appropriation	191,08,68,706	166,20,24,054
APPROPRIATIONS		
-Transfer to Statutory Reserve	4,97,69,341	-
-Balance carried to Balance Sheet	186,10,99,365	166,20,24,054
	191,08,68,706	166,20,24,054

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.

RESULTS OF OPERATIONS

The total income of the Company during the year was Rs. 11428.95 lakhs as against Rs. 3438.29 lakhs in the previous year. The profit before tax during the year was Rs. 2903.45 lakhs as against Rs. 89.01 lakhs in the previous year. The profit after tax was Rs. 2488.45 lakhs as against loss of Rs. 370.99 lakhs in the previous year.

SUBSIDIARY COMPANIES

Your Company has one subsidiary namely Crishpark Vincom Limited and one associate namely Kushagra Infrastructure Private Limited. There has been no material change in the nature of business of subsidiary companies.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary and associate companies is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiary are available on the website of the Company www.sudhaapparels.com

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, the Audited Consolidated Financial Statements along with Auditors' Report form part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Mangat Ram Garg, Whole-time Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Further Shri Mangat Ram Garg was reappointed as Whole-time Director for a period of three years w.e.f. 1st July, 2017.

During the year Shri Rajesh Beriwal was appointed as Director of the Company on 12th January, 2017, who resigned on 10th February, 2017. Shri Sandeep Shah resigned on 12th January, 2017 as an Independent Director and Shri Vibhore Kaushik was appointed as Independent Director on 30th January, 2017. The Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company.

Necessary resolutions seeking approval of the members for the re-appointment of Shri Mangat Ram Garg and appointment of Shri Vibhore Kaushik as Director/Independent Director are included in the Notice convening the Annual General Meeting.

Brief resume of Directors who are proposed to be appointed/re-appointed is furnished in the Explanatory Statement to the Notice of Annual General Meeting.

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Shri Mangat Ram Garg, Whole-time Director, Shri Rajesh Gupta, Company Secretary and Shri Arup Mitra as Chief Financial Officer.

BOARD MEETINGS

During the year, 7 (Seven) Board meetings were held. The details of which are given in the Corporate Governance Report, which forms part of this report.

BOARD EVALUATION

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

The performance of the Board was evaluated by the Board, after seeking inputs from all the Directors on the basis of criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as contribution of the Individual Director to the Board and Committee meetings.

Also in a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole was evaluated. The Company has no designated Chairman.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the corporate governance report, which forms part of the Directors' Report.

RISK MANAGEMENT

Adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces. The Company's business operations are exposed to financial risks including Liquidity Risk etc.

The Board of the Company has approved the Risk management Policy of the Company and authorized the Audit Committee to implement and monitor the risk management plan for the Company and also identify and mitigate the various element of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

As per the provisions of Section 134(5)(e) of the Companies Act, 2013 the Company has in place adequate internal financial controls with reference to financial statements. Audit Committee periodically reviews the adequacy of internal financial controls.

During the year, such controls were tested and no reportable material weaknesses were observed.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2017, the applicable accounting standards had been followed and there are no material departures;
- (ii) that the accounting policies selected and applied are consistent and the judgments 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - (iv) that the Annual Accounts for the year ended 31st March, 2017 have been prepared on a going concern basis;
 - (v) that the internal financial controls laid down by the Board and being followed by the Company are adequate and were operating effectively and
 - (vi) that the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

As required under Section 92(3) of the Companies Act, 2013, the extract of the Annual Return in prescribed form MGT-9 is annexed with this Report.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Shri R.K. Banthia, Chairman, Shri Mangat Ram Garg and Shri Vibhore Kaushik as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VIGIL MECHANISM

The Company has adopted a Whistle blower policy and established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The said policy has been disclosed on the Company's website under the web link <http://www.sudhaapparels.com/SudhaWhistleBlowerPolicy.pdf>

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities, which has been approved by the Board. The CSR Policy may be accessed on the website of the Company <http://www.sudhaapparels.com/CSR%20Policy%20-Sudha.pdf>. In accordance with the provisions of Section 135 of the Companies Act, during the year ended 31st March, 2017, Company was not required to spend any amount.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Provisions of Section 186 are not applicable to any acquisition made by a non-banking financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities (i.e. investment and lending activities). The Company has not given any guarantee or provided any security.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/transactions entered into by the Company with the related parties during the year were in the ordinary course of business and on an arm's length basis.

All related party transactions are periodically placed before the Audit Committee for review and approval.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are appended in Form AOC-2 as Annexure to this Report.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report along with Auditors' Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said committee.

AUDITORS

M/s. Khandelwal Prajapati & Co., Chartered Accountants were appointed as Statutory Auditors at the last Annual General Meeting to hold office till the conclusion of the ensuing Annual General Meeting. Pursuant to provisions of the Companies Act, 2013 they are not eligible for re-appointment.

M/s. Bidasaria & Associates, Chartered Accountants, have agreed to be appointed as Statutory Auditors of the Company. They have further confirmed that the said appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment.

The Audit Committee and Board of Directors has recommended the appointment of M/s. Bidasaria & Associates, Chartered Accountants as Statutory Auditors of the Company, to hold office from the conclusion of the 36th Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company subject to ratification by the members at every Annual General Meeting.

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT

The Board has appointed M/s Hemant Singh and Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year ended 31st March, 2017. The Secretarial Audit Report for the year ended 31st March, 2017 is annexed herewith as an annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

FIXED DEPOSITS

The Company has not accepted any deposits from Public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

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

In view of the business activities of the Company, the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees, as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. However, in pursuance of Section 136(1) of the Act, this report is being sent to the shareholders of the Company excluding the said information. The said information is available for inspection by the members of the Company at the registered office of the Company during working hours up to the date of the Annual General Meeting. Any member interested in obtaining such information may write to the Company Secretary at the corporate office of the Company.

MATERIAL CHANGES & COMMITMENTS

No material changes and commitments, effecting the financial position of the Company have occurred after the end of the financial year ended 31st March, 2017 and till the date of this report.

ACKNOWLEDGEMENT

The Board expresses its grateful appreciation of the assistance and co-operation received from Central and State Governments, Banks and Shareholders.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees and associates at all levels.

For and on behalf of the Board

Place: Gurgaon
Dated: 10th August, 2017

Savita Jindal **Mangat Ram Garg**
Director Whole Time Director

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy which is posted on the Company's website www.sudhaapparels.com. The Company proposes to adopt projects or programmes under one or more of the activities as prescribed under Schedule VII of the Companies Act, 2013, as recommended from time to time.

- 2. The Composition of the CSR Committee.** The Company has a CSR Committee of Directors comprising of Shri Mangat Ram Garg, Chairman of the Committee and Shri R.K. Banthia and Shri Sandeep Shah as its other members.

- 3. Average net profit of the Company for last three financial years - Rs.(-) 324.40 Lakhs**

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – NIL**

- 5. Details of CSR spent during the financial year**

(a) Total amount to be spent for the financial year – NIL

(b) Amount unspent, if any – N.A.

(c) Manner in which the amount spent during the financial year is detailed below.

- 6. Reasons for not spending two percent of the average net profit of the last three financial years or any part thereof on CSR.**

N.A.

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Savita Jindal Director	Mangat Ram Garg Chairman CSR Committee
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SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SUDHA APPARELS LIMITED
2/5, Sarat Bose Road, Sukh Sagar,
Flat No. 8A, Kolkata-700020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUDHA APPARELS LIMITED (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SUDHA APPARELS LIMITED ("the Company")** for the financial year ended on **31st March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable to the Company during the Audit Period)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the Audit Period)**; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**;
- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reporting's done by the Company.

We have also examined compliance with the Standards/ Regulations of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, as per our audit of records of the Company and as per the explanations and clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

We further report that

As informed by the Company and as per inspection of records, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were carried out through unanimous votes, no dissenting views of any Director was recorded in the minutes maintained by the Company.

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

We further report that during the audit period there has not been any such activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Hemant Singh & Associates
Company Secretaries**

Date: 10th August, 2017

Place: New Delhi

**(Hemant Kumar Singh)
(Partner)
FCS 6033
C.P. No. 6370**

SUDHA APPARELS LIMITED

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associates Companies/ Joint Ventures

Part "A" Subsidiaries:

Sr. No.	Particulars	Name of Subsidiaries: CRISHPARK VINCOM LIMITED
1.	Reporting period for the subsidiary concerned	31.03.2017
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Indian Rupee
3.	Share Capital	1,30,02,000
4.	Reserves and Surplus	(8,95,11,793)
5.	Total Assets	93,77,61,085
6.	Total Liabilities	93,77,61,085
7.	Investments	90,86,98,593
8.	Turnover	42,35,909
9.	Profit before taxation	14,96,52,272
10.	Provision for taxation	0
11.	Profit after taxation	14,96,52,272
12.	Proposed Dividend	Nil
13.	% of shareholding	51.67

Notes:

- Names of the subsidiaries which are yet to commence operations – Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part "B" Associates and Joint Ventures

Sr. No.	Particulars	Name of Associate KUSHAGRA INFRASTRUCTURE PRIVATE LIMITED
1.	Latest audited Balance Sheet Date	31.03.2017
2.	Shares of Associate/Joint Ventures held by the Company on the year end	50%
	- No. of Equity Shares	11,95,000
	-Amount of Investment in Associates/Joint Venture	3,60,59,450
	- Extent of Holding (%)	50.00
3.	Description of how there is significant influence	Shareholding exceeding 20% of paid-up share capital
4.	Reason why the associate/joint venture is not consolidated	Associate has been consolidated
5.	Net-worth attributable to Shareholding as per latest audited Balance Sheet	2,12,20,038
6.	Profit/(loss) for the year	
	i. Considered in consolidation	(7,65,460)
	ii. Not Considered in consolidation	Nil

- Names of the associates or joint ventures which are yet to commence operations – Nil
- Names of associates or joint ventures which have been liquidated or sold during the year – Nil

SUDHA APPARELS LIMITED

Form No. MGT-9

Extract of Annual ReturnAs on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L17299WB1981PLC033331
ii)	Registration Date	3 rd February, 1981
iii)	Name of the Company	SUDHA APPARELS LIMITED
iv)	Category/Sub-Category of the Company	Public
v)	Address of the Registered Office and contact details	2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 West Bengal
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Alankit Assignment Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi – 110055 Phone: 011-23541234, 42541234 Fax: 011- 42541967 e-mail: rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Commercial Loan and Investment	65923	87.83
2	Leasing of self-owned non-residential building	70104	12.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	NAME AND ADDRESS OF THE COMPANY*	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Crishpark Vincom Limited	U51109WB1994PLC065299	Subsidiary	51.67%	2(87)(ii)
2	Kushagra Infrastructure Private Limited	U29120WB2005PTC102950	Associate	50.00%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2016)				No. of Shares held at the end of the year (As on 31 st March, 2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
PEOMOTERS									
(1) Indian									
a) Indian/HUF	426835	-	426835	58.71	426835	-	426835	58.71	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	107416	-	107416	14.78	107416	-	107416	14.78	0.00
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub - Total	534251	-	534251	73.49	534251	-	534251	73.49	0.00
(2) Foreign									
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub - Total	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A) = (A)(1)+(A)(2)	534251	-	534251	73.49	534251	-	534251	73.49	0.00
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-	-
h) Foreign Ventures	-	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-	-
Non-Institutions										
a) Bodies Corporates - Indian	25600	119161	144761	19.91	25600	119161	144761	19.91	0.00	
b) Individuals shareholders holding nominal share capital upto Rs. 1 lakh	-	48000	48000	6.60	-	48000	48000	6.60	0.00	
Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	25600	167161	192761	26.51	25600	167161	192761	26.51	0.00	
Total Public shareholding	25600	167161	192761	26.51	25600	167161	192761	26.51	0.00	
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	559851	167161	727012	100.00	559851	167161	727012	100.00		

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2016)			Shareholding at the end of the year (As on 31 st March, 2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D.P. Jindal	69900	9.61	0.00	69900	9.61	0.00	0.00
2	D.P. Jindal (HUF)	35150	4.83	0.00	35150	4.83	0.00	0.00
3	Saket Jindal	70000	9.63	0.00	70000	9.63	0.00	0.00
4	Savita Jindal	106662	14.67	0.00	106662	14.67	0.00	0.00
5	Raghav Jindal	145123	19.96	0.00	145123	19.96	0.00	0.00
6	Jindal Global Finance and Investment Ltd.	107416	14.77	0.00	107416	14.77	0.00	0.00
	Total	534251	73.49	0.00	534251	73.49	0.00	0.00

(iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding at the beginning of the year (As on 1 st April, 2016)		Date	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year (As on 31 st March, 2017)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
NO CHANGE DURING THE YEAR								

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year (As on 1 st April, 2016)		Increase/Decrease during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2017)	
		No. of shares	% of total shares of the company	No. of shares	Reason	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year						
1	Pushpanjali Investrade Pvt. Ltd.	70,000	9.63	0	Nil	70,000	9.63
2	GVN Fuels Limited	36,000	4.95	0	Nil	36,000	4.95
3	Flakt Dealcomm Ltd.	35,761	4.92	0	Nil	35,761	4.92
4	Gautam Fin-Invest Pvt. Ltd.	3,000	0.41	0	Nil	3,000	0.41
5	Dharambir Singh	850	0.12	0	Nil	850	0.12
6	Shiv Kumar Sharma	850	0.12	0	Nil	850	0.12
7	B.P. Roy	800	0.11	0	Nil	800	0.11
8	Satya Prakash Goyal	800	0.11	0	Nil	800	0.11
9	Pawan Kumar Verma	800	0.11	0	Nil	800	0.11
10	Ajay Joshi	800	0.11	0	Nil	800	0.11

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year 01.04.2016		Increase/Decrease during the year		Cumulative Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	Reason	No. of shares	% of total shares of the company
1	Smt. Savita Jindal –Director	106662	14.67	0	Nil	106662	14.67
2	Shri R.K. Banthia – Director	0	0.00	0	Nil	0	0.00
3	Shri Sandeep Shah* – Director	0	0.00	0	Nil	0	0.00
4	Shri Vibhore Kaushik** – Director	0	0.00	0	Nil	0	0.00
5	Shri Mangat Ram Garg -Director	0	0.00	0	Nil	0	0.00
6	Shri Arup Kumar Mitra - CFO(KMP)	0	0.00	0	Nil	0	0.00
7	Shri Rajesh Gupta – CS (KMP)	0	0.00	0	Nil	0	0.00

* ceased as Director on 12.01.2017

** Appointed as Director w.e.f. 30.01.2017

VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (1st April, 2016)				
i) Principal Amount	0	23,51,21,654	0	23,51,21,654
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	23,51,21,654	0	23,51,21,654
Change in Indebtedness during the financial year				

+ Addition	0	42,39,21,754	0	42,39,21,754
+ Reduction	0	0	0	0
Net Change	0	42,39,21,754	0	42,39,21,754

Indebtedness at the end of the financial year (31st March, 2017)				
i) Principal Amount	0	65,90,43,408	0	65,90,43,408
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	65,90,43,408	0	65,90,43,408

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

Sl. no.	Particulars of Remuneration	Mr. Mangat Ram Garg, WTD (Rs.)	Total Amount (Rs.)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,60,148	10,60,148
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	10,60,148	10,60,148

B. Remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Shri R.K. Banthia	Shri Sandeep Shah	Shri Vibhore Kaushik	Shri Rajesh Beriwal	Smt. Savita Jindal	
	3. Independent Directors						
	· Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	· Commission	-	-	-	-	-	-
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
	4. Other Non-Executive Directors						
	· Fee for attending board committee meetings	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the	-	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Amount in Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	Key Managerial Personnel		
			CEO	Mr. Rajesh Gupta, CS	Mr. Arup Kumar Mitra, CFO
1.		CEO	Mr. Rajesh Gupta, CS	Mr. Arup Kumar Mitra, CFO	Total
	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,		8,52,851	2,51,634	11,04,485
	(b) Value of perquisites u/s		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others, please specify		-	-	-
	Total	N.A.	8,52,851	2,51,634	11,04,485

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ compounding Fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
Penalty					
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

-----NIL-----

SUDHA APPARELS LIMITED

CORPORATE GOVERNANCE REPORT

Sound Corporate Governance is essential to enhance the shareholders' trust and value. Your Company conducts its affairs with the highest levels of integrity, with proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders' interests are on utmost priority while protecting the interest of other stakeholders, customers, suppliers and its employees and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The Company is in compliance with the requirements as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

1. BOARD OF DIRECTORS

Composition

The Company's policy is to have appropriate mix of Executive and Non-Executive/ Independent Directors including one women Director on the Board. The Company has one Executive Director who is also a promoter of the Company. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all companies in which they are Directors. The Directors have made necessary disclosures regarding their Committee positions.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Functioning and Procedure

During the year ended 31st March, 2017, the Board of Directors met (7) seven times on 18th April, 2016, 30th May, 2016, 10th August, 2016, 11th November, 2016, 12th January, 2017, 30th January, 2017 and 10th February, 2017. The Board periodically reviews the compliance report of all laws applicable to the Company. The names and categories of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting and also the number of Directorships held by them in other companies as on 31st March, 2017 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Directorships	Committee Member-ships	Committee Chairman-ships
Smt. Savita Jindal	Non-Executive	106,662	6	No	1	-	-
Shri M.R. Garg	Executive	-	7	Yes	4	-	-
Shri R.K. Banthia	Independent	-	7	Yes	4	-	-
Shri Sandeep* Shah	Independent	-	4	No	3	-	-
Shri Vibhore Keushik**	Independent	-	1	No	2	1	-

* ceased as Director on 12.01.2017

** Appointed as Director w.e.f. 30.01.2017

Note:

1. Only Audit and Stakeholder's Relationship Committees are considered
2. Excludes directorship in Foreign Companies.
3. No Directors is relative with other Directors.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel, inter alia, to discuss:

- the performance of Non Independent Directors and Board of Directors as a whole.
- the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

During the year under review, the Independent Directors met on 10th February, 2017. All Independent Directors were present at the meeting.

Familiarisation Programme

The Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee meetings on business and performance updates of the Company. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors

The details of familiarization programmes for Independent Directors are posted on the Company's website and can be accessed at <http://www.sudhaapparels.com/programme.pdf>

2. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the audit functions and monitors the quality of internal and statutory audit.

The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of financial statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of statutory auditors, internal auditors and cost auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board With particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with laws; inspection of records and audit reports and reports of statutory auditors; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

COMPOSITION

The Audit Committee of the Company as on 31st March, 2017, comprised of three Directors consisting of one Executive Director and two Independent Non-executive Directors. All members of the Committee possess knowledge of Corporate finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-Executive Director. The Company Secretary acts as the Secretary to the Audit Committee.

Minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meeting.

During the year under review 4 Audit Committee meetings were held on 30th May, 2016, 14th August, 2016, 11th November, 2016 and 10th February, 2017. The composition, names of the members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

Members	Category	No. of meetings attended
Shri R.K. Banthia	Chairman	4
Shri M.R. Garg	Member	4
Shri Sandeep Shah*	Member	3
Shri Vibhore Kaushik**	Member	1

* ceased as Member on 12.01.2017

** Appointed as Member w.e.f. 30.01.2017

INTERNAL AUDIT

The Company has appointed Internal Auditors to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors periodically.

3. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted Nomination and Remuneration Committee (NRC) and the terms of reference of the NRC are as per guidelines set out in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

The Nomination and Remuneration Committee as on 31st March, 2017, comprised of three Non-Executive Directors. The Chairman of the Committee is an Independent Non-Executive Director. During the year under review meetings of the Nomination and Remuneration Committee were held on 12th January, 2017 and 30th January, 2017.

Name of the Members	Designation	No. of Meetings attended
Shri R.K. Banthia	Chairman	2
Shri Sandeep Shah*	Member	-
Shri Vibhore Kaushik**	Member	-
Smt. Savita Jindal	Member	2

* ceased as Member on 12.01.2017

** Appointed as Member w.e.f. 30.01.2017

Nomination and Remuneration Policy

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. This Remuneration Policy applies to Directors, senior management including its Key Managerial Personnel (KMP) and other employees at regular interval.

The Committee shall advise the process to carry out evaluation of performance of every Director, KMP and Senior Management Personnel and other employees at regular interval.

As per the Policy followed by the Company, the Non-Executive Directors are paid remuneration in the form of sitting fees for attending Board and Committee meetings as fixed by the Board of Directors from time to time subject to statutory provisions. Presently sitting fee is Rs. 2,500 per Board meeting and Audit Committee meeting. However, the Directors have waived their entitlement to receive sitting fees.

Remuneration of Whole Time Director reflects the overall remuneration philosophy and guiding principles of the Company. When considering the appointment and remuneration of Whole Time Director, due consideration is given to pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013 inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration package of Whole Time Director is designed subject to the limits laid down under the Companies Act, 2013 to remunerate him fairly and responsibly. The Whole Time Director's remuneration comprises of salary, perquisites and retirement benefits as per Rules of the Company.

The Whole Time Director is entitled to customary non-monetary benefits such as accommodation, leave travel, communication facilities, etc.

Appointment of KMPs and Senior Management and cessation of their services are subject to the approval of the NRC and the Board of Directors. Remuneration of KMP and other senior personnel is decided by the Whole-time Director broadly based on the Remuneration Policy.

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation/reward payments are applicable to this category of personnel as in the case of those in the management cadre.

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

Directors' Remuneration

Remuneration paid to the Directors during the financial year ended 31st March, 2017 are as under:

(a) The Details of remuneration paid to Whole-time Director:

(Amount in Rs.)

Name	Salary	Perquisites and other benefits	Total
Shri Mangat Ram Garg	10,60,148	Nil	10,60,148

(b) The Non- Executive Directors are entitled to be paid by way of sitting fees for meetings of the Board of Directors and Audit Committee. During the year ended 31st March, 2017 no remuneration was paid to Non-Executive Directors in view of them having waived their entitlement to receive the sitting fee.

Apart from being entitled to Directors' remuneration by way of sitting fee for attending meetings of the Board and Audit Committee, none of the Non- Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31st March, 2017.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Directors have constituted the Corporate Social Responsibility Committee in reference to the requirements of Section 135 of the Companies Act, 2013.

The constitution of the Corporate Social Responsibility Committee is as under:-

Members	Designation
Shri Mangat Ram Garg	Chairman
Shri R.K. Banthia	Member
Shri Sandeep Shah*	Member
Shri Vibhore Kaushik**	Member

* ceased as Member on 12.01.2017

** Appointed as Member w.e.f. 30.01.2017

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

During the year under review, the said Committee met on 30th May, 2016. All members of the Committee were present at the meeting.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders' Relationship Committee under the Chairmanship of a Non-Executive Director of the Company. The Committee meets periodically, 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 constitution of the Stakeholders Relationship Committee as on 31st March, 2017 was as under:-

Name of the Members	Designation
Smt. Savita Jindal	Chairperson
Shri Mangat Ram Garg	Member

Compliance Officer

The Board has designated Company Secretary as Compliance Officer of the Company.

Details of Shareholders' Complaints received and replied to the satisfaction of Shareholders

Number of Shareholders complaints received during the period 01.04.2016 to 31.03.2017	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	Nil
Number of pending complaints as on 31.03.2017 which were solved later on.	:	Nil

DESIGNATED EMAIL ID FOR INVESTORS

The Company has designated the following e-mail ID exclusively for redressal of investor grievance i.e. secretarial@sudhaapparels.com

SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary Company.

The Company monitors performance of subsidiary companies by the following means:-

- Financial statements of subsidiary companies are reviewed by the Audit Committee.
- Minutes of Board meetings of subsidiary companies are placed before the Board meetings of the Company regularly.

The Company has adopted a Policy in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company under the web link [http://www.sudhaapparels.com/Material Subsidiary.pdf](http://www.sudhaapparels.com/Material%20Subsidiary.pdf)

6. GENERAL BODY MEETINGS

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

Financial year	Date	Location of the Meeting	Time
2013-14	29.09.2014	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	10.30AM.
2014-15	30.09.2015	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	11.30AM.
2015-16	30.09.2016	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	11.30AM.

- (ii) Special resolutions passed in the previous three Annual General Meetings:
- a) In the AGM held on 29th September, 2014 : No Special resolution was passed:
 - b) In the AGM held on 30th September, 2015 : Approval of related party transactions
with Sigma Infrastructure Private Limited
 - c) In the AGM held on 30th September, 2016 : No Special resolution was passed:
- (iii) No special resolution is proposed to be conducted through postal ballot.

7. MEANS OF COMMUNICATION

The Company's financial results are communicated to CSE Limited with whom the Company has listing arrangement, as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in The Echo of India and Arthik Lipi. The Financial Results are also available on the Company's website <http://www.sudhaapparels.com>.

8. GENERAL SHAREHOLDERS INFORMATION

(a) **Annual General Meeting:**

Date and Time: 28th September, 2017 at 11:30 A.M.

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

(b) **Financial Year:** 1st April, 2016 to 31st March, 2017

(c) **Dividend Payment Date:** N.A.

(d) **Listing on stock Exchange**

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2017-18 has been duly paid.

(e) **Stock Code**

Scrip ID: SUDHA APPARELS

Scrip Code: 10029405

NSDL/ CDSL – ISIN INE207F01012

(f) **Market Price Data**

There was no trading of shares on CSE during the period from 1st April, 2016 to 31st March, 2017.

(g) **Performance in comparison to broad-based indices such as BSE sensx, CRISIL Index etc.**

Not Applicable as the Company is listed on Calcutta Stock Exchange only.

(h) **In case securities are suspended from trading, the directors shall explain the reason thereof:**

In spite of submission of all information to CSE Limited, and enquiring from them the reasons for suspension of trading in its securities the Company has not received any reply in the matter.

(i) **Registrar and Transfer Agent**

Alankit Assignment Limited
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi – 110055
Phone: 011-23541234, 42541234
Fax: 011- 42541967, e-mail: rta@alankit.com

(j) **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.

(k) **Distribution of shareholding as on 31st March, 2017**

No. of Equity Shares held	No. of Share-holders	% of share-holders	No. of Shares held	% of Shareholding
Upto 5000	62	84.93	51000	7.02
5001 to 50000	5	6.85	106911	14.70
50001 to 100000	3	4.11	209900	28.87
100001 and Above	3	4.11	359201	49.41
Total	73	100.00	727012	100.00

Shareholding Pattern as on 31st March, 2017:

Category	No. of Shares held	% of Shareholding
Promoters	534251	73.49
Private Bodies Corporate	144761	19.91
Indian Public	48000	6.60
Grand Total	727012	100.00

(l) **Dematerialization of shares**

77.01% of total paid-up equity shares of the Company were in dematerialized form as on 31st March, 2017.

(m) **Outstanding GDRs/ADRs/Warrants or any Convertible Bonds, conversion date and likely impact on equity:**

There is no outstanding GDRs/ADRs or convertible Bonds etc.

(n) **Commodity price risk or foreign exchange risk and hedging activities**

There is no commodity, exchange risk and hedging activities during the year.

(o) **Plant Locations: N.A.**

(p) **Address for correspondence:**

Shareholders' correspondence should be addressed to the Registrar and Transfer Agent at the following address:

Alankit Assignment Limited
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi – 110055
Phone: 011-23541234, 42541234
Fax: 011- 42541967, e-mail: rta@alankit.com

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

9. OTHER DISCLOSURES

a) Related Party Transactions

There have been related party transactions as reflected in the notes to the accounts but they are not in conflict with the interest of the Company. All transactions have been approved by the Audit Committee and all transactions entered into by the Company with the related parties during the financial year were on the arm's length basis.

The Board has approved a policy on materiality of Related Party Transactions which has been uploaded on the website of the Company at the following link <http://sudhaapparels.com/SudhaRPTPolicy.pdf>.

b) Details on Non Compliance

There were no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI, or any other statutory authorities on any matter related to the capital markets during the last 3 years.

c) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link <http://sudhaapparels.com/SudhaWhistleBlowerPolicy.pdf>.

d) Detail of compliance with mandatory requirements and Adoption of Non-mandatory requirements

The Company has complied with all the mandatory requirements of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has also complied with following non-mandatory requirements of Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A. Shareholder Rights

Financial positions of the company are posted on the website of the Company.

B. Modified opinion(s) in audit report

The Financial Statements of the Company are unqualified..

C. Reporting of Internal auditor

Internal Audit Reports are directly reported to audit committee.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The Code has also been posted on the Company's website <http://www.sudhaapparels.com>.

The Code has been circulated to all members of the Board and senior management personnel and the compliance with the Code of Conduct and Ethics is affirmed by them annually.

A declaration signed by the Whole-time Director of the Company is given below:

This is to certify that, all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the financial year ended 31st March 2017.

Date: 10th August, 2017

Mangat Ram Garg
Whole Time Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Sudha Apparels Limited

We have examined the compliance of conditions of Corporate Governance by **SUDHA APPARELS LIMITED** for the year ended 31st March, 2017, as stipulated in Regulation 17 to 27 clause (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 for the period from 1st April, 2016 to 31st March, 2017.

Management's responsibility

The Company's management takes full responsibility of the compliance of the conditions of corporate governance as stipulated in the regulations mentioned above.

Auditors' responsibility

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.

We conducted our engagement in accordance with the 'Guidance Note on Audit Reports and Certificate for 'Special purposes' issued by the Institute of Chartered Accountants of India. Our responsibility is to certify based on the work done.

Conclusion

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 specified in Regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of Listing Regulations, as applicable.

We further 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.

Restrictions on use

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purposes.

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

(V.N. KHANDELWAL)
Partner
Membership No. 052862

PLACE: KOLKATA
DATED: 10.08.2017

SUDHA APPARELS LIMITED

Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31st March, 2017

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.

ECONOMIC ENVIRONMENT OVERVIEW

India continues to hold on to its position of the fastest growing major economy in the world. The point to be noted here is that India has achieved this despite the disruption caused by the demonetization drive that was initiated by the government in November, 2016 to curb black money. For 2016-17, India's GDP growth rate was 7.1 per cent supported by strong consumption growth and Government spending. For 2017-18, the Economic Survey has predicted that India's GDP growth rate will be within a range of 6.75-7.5 per cent. During the year under review, the Government of India has performed well on a number of fronts. There was considerable progress made in building consensus for the Goods & Services Tax (GST) and has been rolled out from 1st July, 2017. Passing of the Insolvency & Bankruptcy Code (IBC), 2016 was another major achievement. These steps will certainly contribute towards improving the ease of doing business in India and will support entrepreneurship.

NBFCs have always played an important role in promoting financial inclusion in India. They have been complementing and supplementing the banking sector in reaching out credit to the un-banked segments of the society. The biggest contribution of NBFCs is their ability to cater to the needs of the Micro, Small & Medium Enterprises (MSMEs) which form the cradle of entrepreneurship and innovation in India.

BUSINESS OUTLOOK

India's GDP growth is expected to surpass the 7% mark in 2018, after being temporarily impacted by the government's demonetisation initiative in the initial months of 2017. Demonetisation is likely to leave a positive impact on the economy through greater tax compliance, increased digitalisation and investments in capital formation. The projected fiscal deficit for 2017-18 is 3.2% of the GDP. The fiscal deficit target is achievable, given the expected drive in tax collection after the implementation of GST; and also greater tax compliance after demonetisation. Going ahead, the government's policy measures to boost the economy, corporate earnings and global liquidity are likely to remain the key market drivers.

OPPORTUNITIES AND 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 sector 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 and leasing of immovable properties.

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. 11428.95 lakhs as against Rs. 3438.29 lakhs in the previous year. The profit before tax during the year was Rs. 2903.45 lakhs as against Rs. 89.01 lakhs in the previous year. The profit after tax was Rs. 2488.45 lakhs as against loss of Rs. 370.99 lakhs 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 standalone financial statements of M/s. **SUDHA APPARELS LIMITED** which comprise of the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 judgment, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's Directors, 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 on the financial statements..

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KHANDELWAL PRAJAPATI & CO.

Chartered Accountants

8, Ganesh Chandra Avenue

5th Floor, Room No. 33

Kolkata – 700 013

Phone – 2236 – 4634

2234 – 5110

E-mail – kpcaco@gmail.com



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements, read with Significant Accounting Policies 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, of the State of Affairs of the Company as at 31st March, 2017 and its Profit and 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, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **Annexure-A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (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.
 - c. The Balance Sheet and the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act, and
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" ;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us ;
 - i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements – refer Notes on Account – 15 to the standalone financial statements.
 - ii) The Company has made provision amounting to Rs. 41,25,51,288/- as at 31st March, 2017 as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.
 - iii) There has been no amount required to be transferred to the investor Education and Protection fund by the Company during the year ended 31st March, 2017.
 - iv) The Company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 18(i) to the financial statements.

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants,

Firm Registration No. 313154E


(V.N.KHANDELWAL)

PLACE : KOLKATA

DATED : 30 MAY 2017



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KHANDELWAL PRAJAPATI & CO.
Chartered Accountants

8, Ganesh Chandra Avenue
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Phone – 2236 – 4634
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E-mail – kpcaco@gmail.com

Re. : M/S. SUDHA APPARELS LIMITED (31.03.2017)

Annexure-A referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2017,

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Fixed Assets have been physically verified by the Management at reasonable intervals during the year and no material discrepancies have been noticed on such verification.
c) According to the information & explanations given to us and on the basis of our examination of the records of the Company, the company holds valid title deeds in respect of its immovable property.
- ii) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed during such verification. The Company has NIL inventory as at the close of accounting year.
- iii) a) The company has granted unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act, 2013 and in our opinion, the terms and conditions of the grant of such loans are not prejudicial to the interest of the Company.
b) The repayment of the principal amount and payment of interest are generally regular as per stipulation except in the case of loan given to its Associate with outstanding balance of Rs. 71,09,870/-
c) In our opinion and according to the explanation given to us, the company is taking reasonable steps for recovery of the principal and interest which are overdue for more than 90 days.
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. As informed to us, the company has not given any guarantee and has not provided any security.
- v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 and 74 of the Act and the rules framed there under to the extent notified.
- vi) In our opinion and according to the information and explanation given to us, the company's activities do not require maintenance of any cost records.
- vii) a) According to the information and explanations provided to us and as per the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including income tax, service tax and other statutory dues, as applicable to it with the appropriate authorities.

There are no such outstanding dues at 31st March, 2017 for a period of more than six months from the date they became payable.

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- b) 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 31st March, 2017 are as follows :

<u>Nature of Dues</u>	<u>F.Y. to Which the matter pertains</u>	<u>Forum Where Disputes Pending</u>	<u>Amount as per Demand Order (Rs. in Lacs)</u>
Income Tax Under Income Tax Act, 1961	2008 - 09	Commissioner of Income Tax (Appeals)	4.53
	2009 - 10	Commissioner of Income Tax (Appeals)	0.08
	2011 - 12	Commissioner of Income Tax (Appeals)	231.43
	2012 - 13	Commissioner of Income Tax (Appeals)	3.80
			<u>239.84</u>

- c) Besides above, 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. 38,17,716/- 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 the tenants, the final adjudication of which is pending before the Apex Court. The Company however, holds written commitment from the tenants for collection of entire liability arising upon the company on this account.
- viii) The Company has not taken any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable..
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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KHANDELWAL PRAJAPATI & CO.

Chartered Accountants



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:: 3 ::

- x) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid /provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V of the Act.
- xii) In our opinion, and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly Paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) In our opinion & on the basis of records & documents examined by us the company is required to be registered u/s 45-IA of the Reserve Bank of India Act,1934 and the company has obtained such registration.

PLACE : KOLKATA

DATED : 30 MAY 2017

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants.

Firm Registration No. 313154E

(V. N. KHANDELWAL)

Partner

Membership No. - 052862





Re. : M/S. SUDHA APPARELS LIMITED (31.03.2017)

Annexure B to the Auditors Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of M/S. SUDHA APPARELS LIMITED ("the Company") as of March, 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls.

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (: the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of





financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting.

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March, 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE : KOLKATA

DATED : 30 MAY 2017

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants.

Firm Registration No. 313154E



(V. N. KHANDELWAL)

Partner

Membership No. - 052862

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	NOTES	As At	As At
		31.03.2017	31.03.2016
		Rupees	Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	7,270,120	7,270,120
Reserves and Surplus	3	2,527,305,660	2,278,461,008
		<u>2,534,575,780</u>	<u>2,285,731,128</u>
Non-Current Liabilities			
Other Long Term Liabilities	4		
Others - Security Deposit	4.1	57,802,563	57,802,563
Long-Term Provisions	4.2	1,362,572	1,245,762
		<u>59,165,135</u>	<u>59,048,325</u>
Current Liabilities - Unsecured			
Short-Term Borrowings	5		
	5.1	659,043,408	235,121,654
Other Current Liabilities	5.2	6,881,514	3,463,145
Short-Term Provisions	5.3	423,805,834	556,765,761
Total Current Liabilities		<u>1,089,730,756</u>	<u>795,350,560</u>
Total Equity & Liabilities		<u>3,683,471,671</u>	<u>3,140,130,013</u>
ASSETS			
Non-Current Assets			
i. Fixed Assets			
-Tangible Fixed assets	6	805,440,344	829,451,589
ii. Non-Current Investments	7	1,328,568,752	1,197,046,158
iii. Long Term Loans & Advances	8	69,930,260	111,215,065
		<u>2,203,939,356</u>	<u>2,137,712,812</u>
Current Assets			
Inventories	9		
	9.1	137,500,000	-
Trade Receivable	9.2	48,069,109	43,584,104
Cash and Cash Equivalents	9.3	1,785,849	1,781,806
Short-Term Loans and Advances	9.4	1,275,342,522	953,496,491
Other Current Assets	9.5	16,834,835	3,554,800
		<u>1,479,532,315</u>	<u>1,002,417,201</u>
Total Assets		<u>3,683,471,671</u>	<u>3,140,130,013</u>

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

V.N. Khandelwal
Partner
Membership No. 52862

Place : Kolkata
Dated : 30-05-2017



Savita Jindal

For & on Behalf of the Board

M.R. Garg

M.R. Garg
Whole-time Director
DIN - 00449709

Rajesh Gupta
Company Secretary

Savita Jindal
Director
DIN - 00449740

Arup Kumar Mitra
CFO

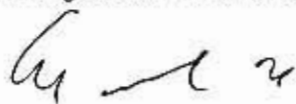
**STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	NOTES	Year ended 31.03.2017 Rupees	Year ended 31.03.2016 Rupees
<u>INCOME</u>			
Revenue from Operations	10	1,003,846,742	211,606,901
Other Income	10	139,048,486	132,221,813
		<u>1,142,895,228</u>	<u>343,828,714</u>
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	11	1,030,500,000	112,300,000
Decrease/(Increase) in Stock in Trade	11	(137,500,000)	29,649,988
Employees Benefit Expenses	11	3,496,720	3,454,953
Finance Cost	11	49,828,507	9,086,821
Depreciation / Amortization	6	24,036,345	25,073,615
Other Expenses	11	15,148,931	2,320,748
Contingent Provision against Standard Assets	5	612,510	308,595
		<u>986,123,013</u>	<u>182,194,720</u>
Profit / (Loss) before exceptional ,extraordinary items and tax		156,772,215	161,633,994
Exceptional Items			
Provision for Diminution in value of investment		(133,634,151)	145,165,460
Provision for Non Performing Assets		61,714	7,567,069
Profit / (Loss) after exceptional and extraordinary items and before tax		<u>290,344,652</u>	<u>8,901,465</u>
Tax Expense - Current Tax		41,500,000	46,000,000
Profit / (Loss) from Continuing Operation		<u>248,844,652</u>	<u>(37,098,535)</u>
Earning Per Share (Basic/ Diluted)		342.28	(51.03)

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



V.N. Khandelwal
Partner
Membership No. 52862

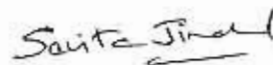


Place : Kolkata
Dated : 30-05-2017

For & on Behalf of the Board



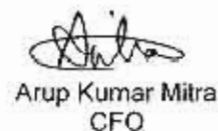
M.R. Garg
Whole-time Director
DIN - 00449709



Savita Jindal
Director
DIN - 00449740



Rajesh Gupta
Company Secretary



Arup Kumar Mitra
CFO

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2017**

	Year Ended 31.03.2017 Rs.	Year Ended 31.03.2016 Rs.
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	158,772,215	161,633,994
Adjusted for:		
Depreciation	24,036,345	25,073,615
Contingent Provision for Standard Assets	612,510	308,595
(Profit)/ Loss on Sale of Investments	(3,047,332)	-
Operating Profit before Working Capital Changes	178,373,738	187,016,204
Adjusted for:		
Trade & Other Receivables	(291,309,848)	(158,891,532)
Inventories	(137,500,000)	29,649,988
Trade Payables & Others	3,535,179	3,089,587
Cash Generated from operations	(246,900,931)	60,864,247
Direct taxes Paid	(48,516,418)	(54,686,904)
Cash Flow before extraordinary items	(295,417,349)	6,177,343
Extraordinary item	-	-
Net Cash From Operating Activities	(295,417,349)	6,177,343
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(25,100)	(4,554,722)
Purchase of Investments	(405,248,500)	(39,965,000)
Sale of Investments	276,773,238	-
Net Cash from Investing Activities	(128,500,362)	(44,519,722)
C. Cash Flow from Financing Activities		
Proceeds / (Reduction) of Short Term Borrowings	423,921,754	39,328,963
Net Cash from Financing Activities	423,921,754	39,328,963
Net increase in Cash & Cash Equivalents (A+B+C)	4,043	986,584
Opening Balances of Cash and Cash Equivalents	1,781,805	795,222
Closing Balances of Cash and Cash Equivalents	1,785,849	1,781,806
Change in Cash and Cash Equivalents	4,043	986,584

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 : 30-05-2017

For & on behalf of the Board



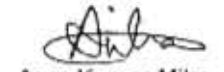
M.R. Garg
Whole-time Director
DIN - 00449709



Savita Jindal
Director
DIN - 00449740



Rajesh Gupta
Company Secretary



Arup Kumar Mitra
CFO

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

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

a. 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, 2013 and in compliance with the applicable accounting standards. 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 Schedule-III of the Companies Act, 2013.

b. 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.

c. 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.

d. 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 up to 31.03.2014, Depreciation is calculated at the rates prescribed under schedule XIV to the Companies Act, 1956. From 1.04.2014 depreciation is calculated by allocating the depreciable amount of each assets of its estimated useful life. Depreciation amount of asset is the cost of assets / W.D.V.as on 1.04.2014 less its residual value. Useful life on an asset is taking as prescribed under Schedule II of the Companies Act, 2013.



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.

g. 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.

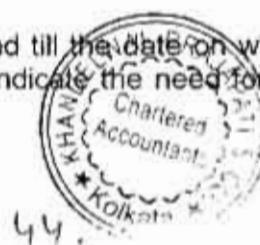
Deferred Tax Assets are recognised and carried forward to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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.

According to Management estimation the recoverable amount of the fixed assets is not less than its carrying amount as on the Balance Sheet date, hence no impairment provision is required this year.

l. 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

m. 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.



Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
 [as required in terms of paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015]
 (Rupees)

Particulars			
(1)	Liabilities side:		
	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	659,043,408	-
	(e) Commercial Paper	-	-
	(h) Other Loans (specify nature) * Please see note 1 below	-	-
	Assets side:		
		Amount Outstanding	
(2)	1. Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured	-	
	(b) Unsecured	1,317,096,622	
(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	-	



Sudha Apparels Limited

(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	711,681,439	
	(b) Preference	-	
	ii. Debentures and Bonds	-	
	iii. Units of mutual funds	-	
	iv. Government Securities	-	
	v. Others (please specify)	-	
	2. Unquoted:		
	i. Shares: (a) Equity	56,638,813	
	(b) Preference	155,000,000	
	ii. Debentures and Bonds	405,248,500	
	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		



Sudha Apparels Limited

Category	Market Value / Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries(Pref. Shares only)	775,000	00
(b) Companies in the same group	10,142,118	98,415
(c) Other related parties	10,994,000	10,994,000
2. Other than related parties	1,994,872,797	904,925,049
Total	2,016,783,915	916,017,464

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

(7)	Other Information Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	7,109,870
	(b) Other then related parties	12,237,288
	Net Non-Performing Assets	
	(a) Related parties	0.00
	(b) Other then related parties	11,013,559
	(iii) Assets acquired in satisfaction of debts	-



NOTES - 2 : SHARE CAPITAL

	As At 31.03.2017 Rupees	As At 31.03.2016 Rupees
Authorised		
1,000,000 Equity shares of Rs. 10 each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed and Paid up		
Equity Capital		
727,012 Equity Shares of Rs.10 each fully paid up	7,270,120	7,270,120
	<u>7,270,120</u>	<u>7,270,120</u>

- 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 31.03.2017		As at 31.03.2016	
	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 of 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 31.03.2017		As at 31.03.2016	
	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



Notes forming part of the Financial Statements

NOTES - 3 : RESERVE & SURPLUS	As At	As At
	31.03.2017	31.03.2016
Particulars	Rupees	Rupees
3.1 Capital Reserve		
As per last Balance Sheet	51,581,498	51,581,498
3.2 Other Reserves		
a) General Reserve		
As per last Balance Sheet	82,746,597	82,746,597
Add : Addition during the year	-	-
	82,746,597	82,746,597
b) Statutory Reserve		
As per last Balance Sheet	482,108,859	482,108,859
Add : Addition during the year	49,769,341	-
	531,878,200	482,108,859
3.3 Surplus in Statement of Profit & Loss A/c		
As per last Balance sheet	1,662,024,054	1,699,122,589
Profit/(Loss) during the Year	248,844,652	(37,098,535)
Less - Transfer to Statutory Reserve	49,769,341	-
	199,075,311	(37,098,535)
Less - Transfer to General Reserve	-	-
Current Year Surplus/(Deficit)	199,075,311	(37,098,535)
Closing Surplus/(Deficit)	1,861,099,365	1,662,024,054
Total	2,527,305,660	2,278,461,008

NOTES - 4 : NON - CURRENT LIABILITIES

4.1 Other Long Term Liabilities		
Others- Security Deposit	57,802,563	57,802,563
4.2 Long- Term Provisions		
For Employees Benefits	1,362,572	1,245,762
	59,165,135	59,048,325

NOTES - 5 : CURRENT LIABILITIES

5.1 Short-Term Borrowings (Unsecured)		
Loans From Related Parties, Repayable on Demand	659,043,408	235,121,654
5.2 Other Current Liabilities		
Liabilities for Expenses	1,896,345	2,545,938
Liabilities for Statutory Dues	4,985,169	917,207
5.3 Short Term Provisions		
5.3A Contingent Provision for Standarded Assets		
Opening Balance	2,308,437	1,999,842
Addition during the year	612,510	308,595
	2,920,947	2,308,437

The above provision is made @ 0 . 25% of Standard Assets on the reporting date as per RBI guidelines applicable to NBFC.

5.3B Provision for Diminution in value of Investment		
Opening Balance	546,185,439	401,019,979
Addition during the year	(133,634,151)	145,165,460
	412,551,288	546,185,439
5.3C Provision for Non Performing Assets		
Opening Balance	8,271,885	704,816
Addition / (Adjusted) during the year	61,714	7,567,069
	8,333,599	8,271,885
	423,805,834	556,765,761
Total Current Liabilities	1,098,064,355	803,622,445



SUDHA APPARELS LIMITED

NOTE : 5 FIXED ASSETS

TANGIBLE ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2016	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2017	UPTO 31.03.2016	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
Land - Gurgaon	31,768,200	-	-	31,768,200	-	-	-	-	31,768,200	31,768,200
Land - Hissar	95,590,913	-	-	95,590,913	-	-	-	-	95,590,913	95,590,913
Land - Kolkata	214,396,852	-	-	214,396,852	-	-	-	-	214,396,852	214,396,852
Building - Gurgaon	56,904,410	-	-	56,904,410	24,537,391	1,566,564	-	26,103,955	30,800,455	32,367,019
Building - Rented Mall	592,145,673	-	-	592,145,673	143,799,842	22,013,780	-	165,813,622	426,332,051	448,345,831
Building - Kolkata	6,305,558	-	-	6,305,558	1,528,258	234,565	-	1,762,823	4,542,735	4,777,300
Lift	3,363,486	-	-	3,363,486	3,195,312	-	-	3,195,312	168,174	168,174
Office Equipments	59,924	-	-	59,924	56,932	-	-	56,932	2,992	2,992
Computer	44,185	25,100	-	69,285	11,896	31,463	-	43,358	25,927	32,290
Solar Power Panel	2,018,050	-	-	2,018,050	18,333	189,973	-	208,306	1,809,744	1,998,717
Furniture & Fixtures	46,016	-	-	46,016	43,715	-	-	43,715	2,301	2,301
Total	1,002,643,267	25,100	-	1,002,668,367	173,191,678	24,036,345	-	197,228,023	805,440,344	829,451,589
Previous Year	998,088,545	4,554,722	-	1,002,643,267	148,118,063	25,073,615	-	173,191,678	829,451,589	



Notes forming part of the Financial Statements

	As At 31.03.2017		As At 31.03.2016	
	Numbers	Rupees	Numbers	Rupees
NOTES - 7 : NON - CURRENT INVESTMENTS				
(Fully paid up unless otherwise specified)				
NON - TRADE				
i) Quoted				
Equity Shares				
Rs. 5 each of Jindal Drilling & Industries Limited	4,411,000	397,243,674	5,335,000	439,202,514
Rs. 10 each of Haryana Capfin Limited	1,014,322	43,479,630	1,014,322	43,479,630
Rs. 10 each of Parsvnath Developers Limited	1,000	48,827	1,000	48,827
Rs. 10 each of Videocon Industries Limited	100	17,441	100	17,441
Rs. 10 each of Electrosteel Steels Limited	-	-	9,164,842	57,821,656
Rs. 10 each of GOL Offshore Limited	1,500	622,765	1,500	622,765
Rs. 1 each of Uttam Value Steel Limited	299,720 ***	308,977	59,944	965,552
Rs. 1 each of Llyod Steel Industries Limited	40,761 ****	656,575	-	-
Rs. 10 each of Monnet Ispat & Energy Limited	453,483	254,955,446	618,483	347,721,746
Rs. 5 each of Welspun Corporation Limited	-	-	2,800	164,364
Rs. 2 each of Aban Offshore Limited	100	47,233	100	47,233
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2,000	470,786	2,000	470,786
Rs. 10 each of Selan Exploration Tecnology Limited	1,100	435,456	1,100	435,456
Rs. 1 each of Jindal Steel & Power Limited	18,466	9,873,849	18,466	9,873,849
Rs. 10 each of SVOGL Oil Gas And Energy Limited	1,500	604,728	1,500	604,728
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. 2 each of Jindal Saw Limited	6,000 **	697,931	6,000	758,939
Rs. 2 each of JITF Infralogistics Limited	482 **	61,008	-	-
Rs. 1 each of NMDC Limited	5,000	1,177,641	5,000	1,177,641
Rs. 10 each of Oil India Limited	1,166 *	444,150	875	444,373
Rs. 1 each of Vedanta Limited	300	82,081	300	82,081
Rs. 10 each of Welspun Enterprises Limited	-	-	1,680	231,503
ii) Un - Quoted				
a) Equity Shares				
Rs. 10 each of Crishpark Vincom Limited	-	-	81,600	818,020
Rs. 10 each of Dytop Commoddeal Limited	85,700	861,240	85,700	861,240
Rs. 10 each of Jindal Global Finance & Investment Limil	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 Limited	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. Limited	100,000	1,000,000	100,000	1,000,000
Rs. 10 each of Jindal Explodril Limited	9,500	95,000	9,500	95,000
Rs. 10 each of Neptune Builtech Pvt. Limited	9,810	98,405	9,810	98,405
Rs. 10 each of Sigma Infrastructure Pvt. Limited	9,800	98,415	9,800	98,415
Rs. 10 each of Kushagra Infrastructure Pvt. Limited	1,195,000	36,059,450	1,195,000	36,059,450
b) Preference Shares				
Rs. 10 each of Global Jindal Fininvest Limited	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Crishpark Vincom Limited	775,000	120,000,000	775,000	120,000,000
Rs. 10 each of Jindal Global Finance & Investment Limil	200,000	10,000,000	200,000	10,000,000
c) Bonds- Tax Free				
Indian Railway Finance Corporation Limited	-	-	25,000	25,055,000
Power Finance Corporation Limited	-	-	50	54,910,000
Bank of India SR-I Perpetual	50	50,950,000	-	-
IDBI Bank Limited SR-II 10.75 BD Perpetual	45	45,027,000	-	-
IDBI Bank Limited SR-I 11.09 BD Perpetual	105	107,971,500	-	-
IDBI Bank Limited SR-II 10.95 BD Perpetual	200	201,300,000	-	-
		1,328,568,752		1,197,046,158
Aggregate Value of Unquoted Investments		211,638,813		212,456,833
Aggregate Value of Quoted Investments		711,681,439		904,624,325
Market Value of Quoted Investments		1,191,257,856		790,176,668

* Bonus shares issued in the ratio of 1:3

** 482 fully paid up Equity Shares of JITF Infralogistics Limited against merger with Jindal Saw Limited in the ratio of 50 shares against 622 shares of Jindal Saw Limited.

*** Face value of shares of Uttam Value Steel Limited sub divided in Rs.1 each from Rs.5.

**** 40761 fully paid Equity shares of Llyod Steel Industries Limited against merger of Uttam Value Steels Limited in the ratio of 68 shares against 100 shares of Uttam Value Steels. Limited

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, started from date of allotment. These shares carry preferential right of cumulative dividend @ 12% per annum from date of allotment.



Notes forming part of the Financial Statements

	As At 31.03.2017 Rupees	As At 31.03.2016 Rupees
<u>NOTE - 8 : LONG TERM LOANS & ADVANCES</u>		
(Unsecured, Considered good)		
8.1 Capital Advances	69,341,190	110,625,995
8.2 Security Deposit	589,070	589,070
	<u>69,930,260</u>	<u>111,215,065</u>
<u>NOTES - 9 : CURRENT ASSETS</u>		
9.1 <u>INVENTORIES</u>		
Stock in Trade - Mutual Fund Units	137,500,000	-
	<u>137,500,000</u>	-
9.2 <u>TRADE RECEIVABLES</u>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	48,069,109	43,584,104
	<u>48,069,109</u>	<u>43,584,104</u>
9.3 <u>CASH AND CASH EQUIVALENTS</u>		
Cash on hand	3,731	17,771
Balances with Banks		
- In Current Accounts	1,782,118	1,764,035
	<u>1,785,849</u>	<u>1,781,806</u>
9.4 <u>SHORT TERM LOANS AND ADVANCES (Unsecured)</u>		
Loans to Bodies Corporates		
(Considered, Good)		
Other then related parties	1,099,037,644	812,748,845
(Considered, Doubtful)		
Related Parties	7,109,870	7,048,156
Others	12,237,288	12,237,288
Other Short-Term Advances	129,370,630	100,891,530
Advance Income Tax	27,587,090	20,570,672
(Net of Provision Rs. 302,289,161/-, Previous Year Rs. 259,789,161/-)		
	<u>1,275,342,522</u>	<u>953,496,491</u>
9.5 <u>OTHER CURRENT ASSETS</u>		
Prepaid Expenses	98,387	233,626
Interest Receivable	16,736,448	3,313,674
Dividend Receivable	-	7,500
	<u>16,834,835</u>	<u>3,554,800</u>
Total Current Assets	<u>1,479,532,315</u>	<u>1,002,417,201</u>

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



SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements		Year ended 31.03.2017 Rupees	Year ended 31.03.2016 Rupees
NOTES - 10 : INCOME			
10.1 REVENUE FROM OPERATIONS			
Sale of Mutual Fund Units		911,467,314	143,276,728
Dividend - on Non current Investment		5,369,222	14,420,275
Interest (TDS Rs. 7,032,414/-, Previous Year Rs. 5,338,869/-)		82,477,874	53,909,898
Profit on sale of Tax Free Bonds		1,485,000	-
Profit on sale of Shares - Net		3,047,332	-
Total Revenue from operations		<u>1,003,846,742</u>	<u>211,606,901</u>
10.2 OTHER OPERATING INCOME			
Rent (TDS Rs. 13,557,676/-, Previous Year Rs.12,901,356/-)		135,708,744	129,145,572
Other Income			
Profit on Transfer of rights in Land property - Net		3,339,742	3,035,131
Liabilities Written Back		-	41,110
Total other Income		<u>139,048,486</u>	<u>132,221,813</u>
Total Income		<u>1,142,895,228</u>	<u>343,828,714</u>
NOTE - 11 : EXPENSES			
11.1 Purchases of Stock in Trade			
Item - Mutual Fund Units		1,030,500,000	112,300,000
11.2 Decrease/(Increase) in Stock in Trade			
Item - Mutual Fund Units			
Opening Stock		-	29,649,988
Less - Closing Stock		137,500,000	-
Decrease/(Increase) in Stock in Trade		<u>(137,500,000)</u>	<u>29,649,988</u>
11.3 EMPLOYEES' BENEFIT EXPENSES			
Salaries & Other Allowances		3,427,671	3,410,400
Staff Welfare Expenses		69,049	44,553
		<u>3,496,720</u>	<u>3,454,953</u>
11.4 INTEREST & FINANCE COSTS			
Interest on Unsecured Short Term Loan		49,707,504	9,030,961
Bank Charges		121,003	55,860
		<u>49,828,507</u>	<u>9,086,821</u>
11.5 OTHER EXPENSES			
D.P. Charges		55,724	3,075
Rent		195,000	195,000
Rates & Taxes		2,035,422	6,050
Postage & Telephone		56,001	68,390
Printing & Stationery		2,344	7,748
Fee & Subscription		37,025	33,490
Travelling & Conveyance		422,102	420,789
Repair & Maintenance- Others		1,014,144	71,559
Legal & Professional Charges		646,635	95,022
Insurance		186,090	176,002
CSR Expenses		-	1,000,000
Internal Audit Fee		10,000	10,000
Donation Paid		10,000,000	-
Advertisement & Publicity		15,238	28,767
Auditors' Remuneration :			
- Audit Fee		86,250	85,875
- Tax Audit Fee		6,900	6,840
- Certification / others services		65,158	46,740
Miscellaneous Expenses		314,898	65,401
Total		<u>15,148,931</u>	<u>2,320,748</u>



Notes forming part of the Financial Statements

	Year ended 31.03.2017 Rupees	Year ended 31.03.2016 Rupees
NOTE : 12 - Earning Per Share		
Net Profit/(Loss) after Tax	248,844,652	(37,098,535)
Total Number of Equity Shares	727,012	727,012
Earning Per Equity - Share Basic & Diluted	342.28	(51.03)
NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)		
For Depreciation of Fixed Assets	29,108,811	21,194,190
For Expenses Allowable on Payment	442,086	404,187
For Unabsorbed Capital Losses	23,639,269	23,328,920
Total Deferred Tax Asset/(Liability) on Balance Sheet Date	53,190,166	44,927,297
Less Opening Balance	44,927,297	27,915,806
Deferred Tax Income/(Expense) for the year	8,262,869	17,011,491

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**a) Name of Key Managerial Person**

Mr. M.R. Garg - Wholtime Director
Mr. Arup Kumar Mitra - CFO
Mr. Rajesh Gupta - Company Secretary

(b) Enterprise where control exists

Subsidiary
Crishpark Vincom Limited (51.67%)

c) Other Related Parties with whom Transactions have taken place during the Year

Associate Company
Kushagra Infrastructure Pvt. Limited

Other Related Concern/Party
Sigma Infrastructure Pvt. Limited
Smt. Savita Jindal (Director)

Transactions with Related Party during the year

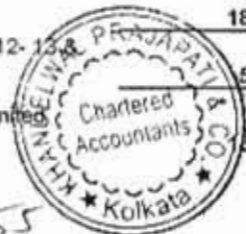
Loan to subsidiary (closing balance)	312,639,008	108,979,373
Loan to Associate Company (closing balance)	7,109,870	7,048,156
Loan to Other Related Concern (closing balance)	13,727,715	13,727,715
Payment for Other Services to Related Party Associate Party (Smt. Savita Jindal)	70,655	70,655
Rent Paid to Related Parties Associate Party (Smt. Savita Jindal)	195,000	195,000
Managerial Remuneration - Mr. M.R. Garg - Wholtime Director	1,060,148	967,488
Balance Payable by the Company to Related Party Associate Party (Smt. Savita Jindal)	30,641	14,486
Interest income from Subsidiary, Associate & Other related party	14,718,471	17,333,989

NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR**15.1 Income Tax Demand under Appeal**

A.Y. 2009-2010 F.Y. 2008-2009	453,410	453,410
A.Y. 2010-2011 F.Y. 2009-2010	7,480	7,480
A.Y. 2011-2012 F.Y. 2010-2011	-	34,016,030
A.Y. 2012-2013 F.Y. 2011-2012	23,142,590	23,142,590
A.Y. 2013-2014 F.Y. 2012-2013	380,280	380,280
	23,983,760	57,999,790
Less - Tax Deposited	18,834,116	18,834,116
Net Unpaid Amount (A.Y- 2009-10, 2010-11, 2011-12, 2012-13 & 2013-14)	5,149,644	39,165,674

15.2 In respect of Bank Guarantee issued by Indusind Bank Limited (previously by Kotak Mahindra Bank Limited)in favour of New Town Electric Supply Company Limited

	13,684,350	13,684,350
--	------------	------------



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.

NOTE:- 16 NOTES ON CAPITAL ADVANCE

Capital Advances of Rs.69,341,190/- (Previous Year Rs. 110,625,995/-) under Note no. - 8 represent advances made to various parties (Local/Agriculturist) for purchases of various plots of land at different locations in the state of Maharashtra on behalf of the Company for investment purpose. Although the company holds original title deeds in respect of all such land purchased by these parties & taken possession of the land properties, the final conveyance in favour of company is pending due to restrictions imposed by the local authorities. Suitable appropriations of such capital advances are made upon settlement of accounts with these parties upon disposal of the land.

NOTE:- 17 SEGMENT REPORTING

The Company has identified two reportable primary Business Segment on the basis of risk & return involved, which are financing & Investment and Renting of Property.

Segment Revenue, Results & other information

Particulars	Finance & Investment	Renting of Property	Others	Total
Income from operations	1,003,846,742	-	3,339,742	1,007,186,484
	(66,580,672)	(-)	(3,076,241)	(69,656,913)
Other operating Income	-	135,708,744	-	135,708,744
	(-)	(129,145,572)	(-)	(129,145,572)
Segment Results	1,003,846,742	135,708,744	3,339,742	1,142,895,228
	(66,580,672)	(129,145,572)	(3,076,241)	(198,802,485)
Finance cost	49,828,507	-	-	49,828,507
	(9,086,821)	(-)	(-)	(9,086,821)
Other expenditure	912,479,597	23,814,909	-	936,294,506
	(6,114,524)	(25,043,387)	(-)	(31,157,911)
Profit / (Loss) before Tax	41,538,638	111,893,835	3,339,742	156,772,215
	(54,455,568)	(104,102,185)	(3,076,241)	(161,633,994)
Segment Assets	2,927,394,095	756,077,576	-	3,683,471,671
	(2,361,167,733)	(775,407,480)	(-)	(3,136,575,213)
Segment Liability	1,091,093,328	57,802,563	-	1,148,895,891
	(796,596,322)	(57,802,563)	(-)	(858,939,211)
Capital employed	1,836,300,767	698,275,013	-	2,534,575,780
	(1,564,571,411)	(717,604,917)	(-)	(2,282,176,328)



NOTE - 18 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 Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding Companies) Prudential Norms (Reserve bank) Directions, 2015 secretly attached

NOTE - 19 MANAGERIAL REMUNERATION PAID DURING THE YEAR

Details of Managerial Remuneration

Salaries & Allowances 1,060,148 967,488

NOTE - 20 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1000 x 50	100 x 80 50 x 1 10 x 1 1 x 7	58,067.00
(+) Permitted receipts		2000 x 30 100 x 100 500 x 10	75,000.00
(-) Permitted payments			52,125.00
(-) Deposited in Bank	1000 x 50		50,000.00
Closing cash in hand as on 30.12.2016		2000 x 10 500 x 4 100 x 89 10 x 3 1 x 8	30,942.00

NOTE - 21

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

The Accompanying Notes form 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 : 30-05-2017



For & on Behalf of the Board

M.R. Garg
M.R. Garg
Whole-time Director
DIN - 00449709

Rajesh Gupta
Rajesh Gupta
Company Secretary

Savita Jindal
Savita Jindal
Director
DIN - 00449740

Arup Kumar Mitra
Arup Kumar Mitra
CFO



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

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **M/s. SUDHA APPARELS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding company and its subsidiary together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.(hereinafter referred to as " the consolidated financial statement")

Management's Responsibility for the consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act,2013('hereinafter referred to as "the Act") give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company included in the group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



Cont.....2



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5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statement that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

EMPHASIS OF MATTER :

7. The subsidiary company has not provided for dividend of Rs. 10,20,000/- payable this year on 12% cumulative preference shares of the value of Rs. 85,00,000/- issued by it of which 91.18% is held by the Holding Company.

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated states of affairs of the group and its associate as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

OTHER MATTER

- i) The financial statements / financial information of the Associate (Kushagra Infrastructure Pvt. Ltd.) are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Associate and our report in terms of sub-section (3) and (1) of section 143 of the Act, in so far as it relates to the said Associate are based solely on such unaudited financial statements.
- ii) Based on the unaudited financial statements of the Associate company provided to us by the management, we state that the Group's share of Loss of the Associate up to 31st March, 2017 is Rs. 11,15,903/-

Report on other Legal and Regulatory Requirements.

As required by Section 143(3) of the Act, we report, to the extent applicable, that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.



Cont.....3

KHANDELWAL PRAJAPATI & CO.
Chartered Accountants



:: 3 ::

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

- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company none of the directors of the Holding company is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure – A".

We do not comment on the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Associate as the financial statements/information of Associate are unaudited and no report on internal financial control is available.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- The consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the group and its associates in accordance with the generally accepted accounting practice – (Refer Note -15 to the consolidated financial statements).
 - Provision amounting to Rs. 576045839/- as on 31st March, 2017 has been made in the consolidated financial statements, as required under the applicable laws or accounting standards, for material foreseeable losses, on long term contracts including derivative contracts.
 - There has been no amount required to be transferred to the investor Education and Protection fund by the holding Company and its subsidiary company as on 31st March, 2017.

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

(V N KHANDELWAL)

Partner

Membership No. - 052862

PLACE : KOLKATA

DATED : 30 MAY 2017



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	NOTES	As At 31.03.2017 Rupees	As At 31.03.2016 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	7,270,120	7,270,120
Minority Interest		(26,105,142)	(77,166,497)
Reserves and Surplus	3	<u>2,355,785,106</u>	<u>2,007,914,267</u>
		<u>2,336,950,084</u>	<u>1,938,017,890</u>
Non-Current Liabilities			
Other Long Term Liabilities	4		
Others - Security Deposit	4.1	57,802,563	57,802,563
Long- Term Provisions	4.2	<u>1,362,572</u>	<u>1,245,762</u>
		<u>59,165,135</u>	<u>59,048,325</u>
Current Liabilities - Unsecured			
Short -Term Borrowings	5.1	1,092,271,317	826,556,621
Other Current Liabilities	5.2	111,790,924	8,094,507
Short-Term Provisions	5.3	587,300,385	915,704,945
Total Current Liabilities		<u>1,791,362,626</u>	<u>1,750,356,073</u>
Total Equity & Liabilities		<u>4,187,477,845</u>	<u>3,747,422,288</u>
ASSETS			
Non- Current Assets			
i. Fixed Assets			
-Tangible Fixed assets	6	823,401,081	848,520,004
ii. Non-Current Investments	7	2,116,151,442	1,984,193,578
iii. Long Term Loans & Advances	8	<u>70,010,140</u>	<u>11,294,945</u>
		<u>3,009,562,663</u>	<u>2,844,008,527</u>
Current Assets			
Inventories	9.1	137,500,000	-
Trade Receivable	9.2	48,706,962	43,584,104
Cash and Cash Equivalents	9.3	2,350,915	2,074,456
Short-Term Loans and Advances	9.4	972,522,470	854,376,183
Other Current Assets	9.5	16,834,835	3,379,018
		<u>1,177,915,182</u>	<u>903,413,761</u>
Total Assets		<u>4,187,477,845</u>	<u>3,747,422,288</u>

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

V.N. Khandelwal
Partner
Membership No. 52862

Place : Kolkata
Dated : 30-05-2017



For & on Behalf of the Board

M.R. Garg
M.R. Garg
Whole-time Director
DIN - 00449709

Rajesh Gupta
Rajesh Gupta
Company Secretary

Savita Jindal
Savita Jindal
Director
DIN - 00449740

Arup Kumar Mitra
Arup Kumar Mitra
CFO

**CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	NOTES	As At 31.03.2017 Rupees	Year ended 31.03.2016 Rupees
<u>INCOME</u>			
Revenue from Operations	10	995,512,834	208,647,788
Other Income	10	139,696,486	129,793,572
		<u>1,135,209,320</u>	<u>338,441,360</u>
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	11	1,030,500,000	112,300,000
Decrease/(Increase) in Stock in Trade	11	(137,500,000)	29,649,988
Employees Benefit Expenses	11	3,496,720	3,454,953
Finance Cost	11	86,631,775	42,273,798
Depreciation / Amortization	6	25,144,023	26,303,468
Other Expenses	11	15,344,438	2,496,937
Contingent Provision against Standard Assets	5	612,510	308,595
		<u>1,024,229,466</u>	<u>216,787,739</u>
Profit / (Loss) before exceptional ,extraordinary items and tax		110,979,854	121,653,621
Exceptional Items			
Provision for Diminution in value of investment/(Written Back)		(329,078,784)	330,320,239
Minority Interest		51,061,355	(76,816,114)
Share of Loss in Associated Enterprises		382,730	358,643
Provision for Non Performing Assets		61,714	7,567,069
Profit / (Loss) after exceptional and extraordinary items and before		<u>388,552,839</u>	<u>(139,776,216)</u>
Tax Expense - Current Tax		41,500,000	46,000,000
Profit / (Loss) from Continuing Operation		<u>347,052,839</u>	<u>(185,776,216)</u>
Earning Per Share (Basic/ Diluted)		477.37	(255.53)

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

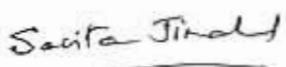
V.N. Khandelwal
Partner
Membership No. 52862

Place : Kolkata
Dated : 30-05-2017

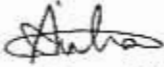


For & on Behalf of the Board


M.R. Garg
Whole-time Director
DIN - 00449709


Savita Jindal
Director
DIN - 00449740


Rajesh Gupta
Company Secretary


Arup Kumar Mitra
CFO

SUDHA APPARELS LIMITED

CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2017

	Year Ended 31.03.2017 Rs.	Year Ended 31.03.2016 Rs.
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	110,979,854	121,653,621
Adjusted for:		
Depreciation	25,144,023	26,303,468
Contingent Provision for Standard Assets	612,510	308,595
(Profit)/ Loss on Sale of Investments	<u>(3,047,332)</u>	<u>-</u>
Operating Profit before Working Capital Changes	133,689,055	148,265,684
Adjusted for:		
Trade & Other Receivables	(88,288,066)	(158,891,532)
Inventories	(137,500,000)	29,649,988
Trade Payables & Others	<u>3,813,227</u>	<u>4,984,144</u>
Cash Generated from operations	(88,285,784)	24,008,284
Direct taxes Paid	<u>(48,652,091)</u>	<u>(54,751,704)</u>
Cash Flow before extraordinary items	(136,937,875)	(30,743,420)
Extraordinary item	-	-
Net Cash From Operating Activities	<u>(136,937,875)</u>	<u>(30,743,420)</u>
	A	
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(25,100)	(4,554,722)
Purchase of Investments	(405,248,500)	(39,965,000)
Sale of Investments	276,773,238	-
Net Cash from Investing Activities	<u>(128,500,362)</u>	<u>(44,519,722)</u>
	B	
C. Cash Flow from Financing Activities		
Proceeds / (Reduction) of Short Term Borrowings	265,714,696	76,258,980
Net Cash from Financing Activities	<u>265,714,696</u>	<u>76,258,980</u>
	C	
Net increase in Cash & Cash Equivalents (A+B+C)	276,459	995,838
Opening Balances of Cash and Cash Equivalents	2,074,456	1,078,618
Closing Balances of Cash and Cash Equivalents	2,350,915	2,074,456
Change in Cash and Cash Equivalents	276,459	995,838

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 : 30-05-2017

For & on behalf of the Board

 
M.R. Garg Savita Jindal
Whole-time Director Director
DIN - 00449709 DIN - 00449740

 
Rajesh Gupta Arup Kumar Mitra
Company Secretary CFO

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

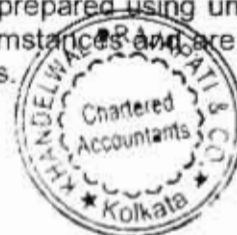
A. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the companies act . 2013.

B. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to SUDHA APPARELS LIMITED ("the company") and its subsidiary company and associate. The consolidated financial statements have been prepared on the following basis.

- a) The financial statements of the company and its subsidiary company are combined on a line by line basis by adding together the book values of like items of assets , liabilities, income and expenses , after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard(AS) 21-"consolidated financial Statement".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) The difference between the proceeds disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated profit and loss statement being the profit or loss on disposal of investment in subsidiary.
- d) Minority interest's share of net profit of consolidated subsidiary is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- e) Minority interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- f) Investment in Associate companies has been accounted under the equity method as per Accounting standard (As) 23-"Accounting for investment in associates in consolidated financial statements".
- g) The company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its consolidated profit and loss statement, to the extent such change is attributable to the associates 'profit and loss statement and through its reserves for the balance based on available information.
- h) The difference between the cost of investment in the associates and its share of net assets at the time of acquisition of shares in the associates is identified in the financial statement as Goodwill or capital Reserve as the case may be.
- i) As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.



- C. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investment".
- D. Other significant accounting policies
These are set out under "significant Accounting policies" as given in the company's separate standalone financial statement.



CONSOLIDATED NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR
THE YEAR ENDED 31 ST MARCH, 2017

NOTES - 2 : SHARE CAPITAL

	As At 31.03.2017 Rupees	As At 31.03.2016 Rupees
Authorised		
1,000,000 Equity shares of Rs. 10 each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed and Paid up		
Equity Capital		
727,012 Equity Shares of Rs.10 each fully paid up	7,270,120	7,270,120
	<u>7,270,120</u>	<u>7,270,120</u>

- 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 31.03.2017		As at 31.03.2016	
	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 of 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 31.03.2017		As at 31.03.2016	
	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



Notes forming part of the Financial Statements

NOTES - 3 : RESERVE & SURPLUS	As At	As At
	31.03.2017	31.03.2016
Particulars	Rupees	Rupees
3.1 Capital Reserve		
As per last Balance Sheet	51,581,498	51,581,498
On Account of Consolidation	21,866,135	21,866,135
3.2 Other Reserves		
a) General Reserve		
As per last Balance Sheet	82,746,597	82,746,597
Add : Addition during the year	-	-
	82,746,597	82,746,597
b) Statutory Reserve		
As per last Balance Sheet	482,108,859	482,108,859
Add : Addition during the year	49,769,341	-
	531,878,200	482,108,859
3.3 Surplus in Statement of Profit & Loss A/c		
As per last Balance sheet	1,370,429,178	1,555,387,394
Profit/(Loss) during the Year	347,052,839	(185,776,216)
	347,052,839	(185,776,216)
Less - Transfer to Statutory Reserve	49,769,341	-
	297,283,498	(185,776,216)
Less - Transfer to General Reserve	-	-
Current Year Surplus/(Deficit)	297,283,498	(185,776,216)
Closing Surplus/(Deficit)	1,667,712,676	1,369,611,178
Total	2,355,785,106	2,007,914,267
NOTES - 4 : NON - CURRENT LIABILITIES		
4.1 Other Long Term Liabilities		
Others- Security Deposit	57,802,563	57,802,563
4.2 Long- Term Provisions		
For Employees Benefits	1,362,572	1,245,762
	59,165,135	59,048,325
NOTES - 5 : CURRENT LIABILITIES		
5.1 Short-Term Borrowings (Unsecured)		
Loans From Related Parties, Repayable on Demand	1,092,271,317	826,556,621
5.2 Other Current Liabilities		
Liabilities for Expenses	1,930,372	2,574,700
Liabilities for Statutory Dues	4,985,169	917,207
Liabilities for Other Finance	104,875,383	4,602,600
	111,790,924	8,094,507
5.3 Short Term Provisions		
5.3A Contingent Provision for Standarded Assets		
Opening Balance	2,308,437	1,999,842
Addition during the year	612,510	308,595
	2,920,947	2,308,437
The above provision is made @ 0 . 25% of Standard Assets on the reporting date as per RBI guidelines applicable to NBFC.		
5.3B Provision for Diminution in value of Investment		
Opening Balance	905,124,623	574,804,384
Addition during the year	(329,078,784)	330,320,239
	576,045,839	905,124,623
5.3C Provision for Non Performing Assets		
Opening Balance	8,271,885	704,816
Addition / (Adjusted) during the year	61,714	7,567,069
	8,333,599	8,271,885
	587,300,385	915,704,945
Total Current Liabilities	1,791,362,626	1,750,356,073



SUDHA APPARELS LIMITED

NOTE : 5. FIXED ASSETS.

TANGIBLE ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2016	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2017	UPTO 31.03.2016	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
Land - Gurgaon	39,682,800	-	-	39,682,800	-	-	-	-	39,682,800	39,682,800
Land - Hissar	95,590,913	-	-	95,590,913	-	-	-	-	95,590,913	95,590,913
Land - Kolkata	214,396,852	-	-	214,396,852	-	-	-	-	214,396,852	214,396,852
Building - Gurgaon	71,496,838	-	-	71,496,838	27,976,004	2,674,242	-	30,650,246	40,846,592	43,520,834
Building - Rented Mall	592,145,673	-	-	592,145,673	143,799,842	22,013,780	-	165,813,622	426,332,051	448,345,831
Building - Kolkata	6,305,558	-	-	6,305,558	1,528,258	234,565	-	1,762,823	4,542,735	4,777,300
Lift	3,363,486	-	-	3,363,486	3,195,312	-	-	3,195,312	168,174	168,174
Office Equipments	59,924	-	-	59,924	56,932	-	-	56,932	2,992	2,992
Computer	44,185	25,100	-	69,285	11,895	31,463	-	43,358	25,927	32,290
Solar Power Panel	2,018,050	-	-	2,018,050	18,333	189,973	-	208,306	1,809,744	1,999,717
Furniture & Fixtures	46,016	-	-	46,016	43,715	-	-	43,715	2,301	2,301
Total	1,025,150,295	25,100	-	1,025,175,395	176,630,291	25,144,023	-	201,774,314	823,401,081	848,520,004
Previous Year	1,020,595,573	4,554,722	-	1,025,150,295	150,326,823	26,303,468	-	176,630,291	848,520,004	



Notes forming part of the Financial Statements

	As At 31.03.2017		As At 31.03.2016	
	Numbers	Rupees	Numbers	Rupees
NOTES - 7 : NON - CURRENT INVESTMENTS				
(Fully paid up unless otherwise specified)				
NON - TRADE				
In Associated Enterprises				
Cost of Acquisition of 1195000 Equity Shares of Rs. 10 each of Kushagra Infrastructure Pvt. Ltd.				
		36,059,450		36,059,450
Add / (Less): Group Share of Profit or (Loss)		(1,115,903)		(733,153)
		<u>34,943,547</u>		
i) Quoted Equity Shares				
Rs. 5 each of Jindal Drilling & Industries Limited	8,609,350	1,263,180,895	13,732,200	1,305,139,735
Rs. 10 each of Haryana Capfin Limited	1,016,059	43,606,316	1,016,059	43,606,316
Rs. 10 each of Parsvnath Developers Limited	1,000	48,827	1,000	48,827
Rs. 10 each of Videcon Industries Limited	100	17,441	100	17,441
Rs. 10 each of Electrosteel Steels Limited	-	-	9,164,842	57,821,656
Rs. 10 each of GOL Offshore Limited	1,500	622,765	1,500	622,765
Rs. 1 each of Uttam Value Steel Limited	299,720	308,977	59,944	965,552
Rs. 1 each of Llyod Steel Industries Limited	40,761	656,575	-	-
Rs. 10 each of Monnet Ispat & Energy Limited	453,483	254,955,446	618,483	347,721,746
Rs. 5 each of Welspun Corporation Limited	-	-	2,800	164,364
Rs. 2 each of Aban Offshore Limited	100	47,233	100	47,233
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2,000	470,786	2,000	470,786
Rs. 10 each of Selan Exploration Tecnology Limited	1,100	435,456	1,100	435,456
Rs. 1 each of Jindal Steel & Power Limited	18,466	9,873,849	18,466	9,873,849
Rs. 10 each of SVOGL Oil Gas And Energy Limited	1,500	604,728	1,500	604,728
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. 2 each of Jindal Saw Limited	6,000	697,931	6,000	758,939
Rs. 2 each of JITF Infralogistics Limited	482	61,008	-	-
Rs. 1 each of NMDC Limited	5,000	1,177,641	5,000	1,177,641
Rs. 10 each of Oil India Limited	1,166	444,150	875	444,373
Rs. 1 each of Vedanta Limited	300	82,081	300	82,081
Rs. 10 each of Welspun Enterprises Limited	-	-	1,680	231,503
Rs. 5 each of ISMT Limited	10	464	10	464
Rs. 10 each of JSW Steel Limited	10	1,111	1	1,111
ii) Un - Quoted				
a) Equity Shares				
Rs. 10 each of Crishpark Vincom Limited	-	-	-	-
Rs. 10 each of Dytop Commodeal Limited	85,700	861,240	85,700	861,240
Rs. 10 each of Jindal Global Finance & Investment Limit	700,100	2,748,505	700,100	2,748,505
Rs. 10 each of Jindal Pipes Limited	5,301,740	44,447,909	5,301,740	44,447,909
Rs. 10 each of Sparlerk Dealcomm Limited	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. Limited	200,000	2,000,000	200,000	2,000,000
Rs. 10 each of Jindal Explodril Limited	19,000	190,000	19,000	190,000
Rs. 10 each of Neptune Builtech Pvt. Limited	9,810	98,405	9,810	98,405
Rs. 10 each of Sigma Infrastructure Pvt. Limited	9,800	98,415	9,800	98,415
Rs. 10 each of Jaguar International Limited	198,000	1,251,000	198,000	1,251,000
Rs. 10 each of JCO Gas Pipe Limited	990,000	9,900,000	990,000	9,900,000
b) Preference Shares				
Rs. 10 each of Global Jindal Fininvest Limited	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Jindal Global Finance & Investment Limit	200,000	10,000,000	200,000	10,000,000
c) Bonds- Tax Free				
Indian Railway Finance Corporation Limited	-	-	25,000	25,055,000
Power Finance Corporation Limited	-	-	50	54,910,000
Bank of India SR-I Perpetual	50	50,950,000	-	-
IDBI Bank Limited SR-II 10.75 BD Perpetual	45	45,027,000	-	-
IDBI Bank Limited SR-I 11.09 BD Perpetual	105	107,971,500	-	-
IDBI Bank Limited SR-II 10.95 BD Perpetual	200	201,300,000	-	-
		<u>2,116,151,442</u>		<u>1,984,193,578</u>
Aggregate Value of Unquoted Investments		98,212,474		214,236,924
Aggregate Value of Quoted Investments		1,577,745,346		1,770,689,807
Market Value of Quoted Investments		1,191,257,856		1,804,590,525

* Bonus shares issued in the ratio of 1:3

** 482 fully paid up Equity Shares of JITF Infralogistics Limited against merger with Jindal Saw Limited in the ratio of 50 shares against 622 shares of Jindal Saw Limited.

*** Face value of shares of Uttam Value Steel Limited sub divided in Rs.1 each from Rs.5.

**** 40761 fully paid Equity shares of Llyod Steel Industries Limited against merger of Uttam Value Steels Limited in the ratio of 40761 shares against 100 shares of Uttam Value Steels. Limited

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



Notes forming part of the Financial Statements

	As At 31.03.2017 Rupees	As At 31.03.2016 Rupees
NOTE - 8 : LONG TERM LOANS & ADVANCES		
(Unsecured, Considered good)		
8.1 Capital Advances	69,341,190	10,625,995
8.2 Security Deposit	668,950	668,950
	<u>70,010,140</u>	<u>11,294,945</u>
NOTES - 9 : CURRENT ASSETS		
9.1 INVENTORIES		
Stock in Trade - Mutual Fund Units	137,500,000	-
	<u>137,500,000</u>	<u>-</u>
9.2 TRADE RECEIVABLES		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	48,706,962	43,584,104
	<u>48,706,962</u>	<u>43,584,104</u>
9.3 CASH AND CASH EQUIVALENTS		
Cash on hand	37,625	30,414
Balances with Banks		
- In Current Accounts	2,313,290	2,044,042
	<u>2,350,915</u>	<u>2,074,456</u>
9.4 SHORT TERM LOANS AND ADVANCES (Unsecured)		
Loans to Bodies Corporates		
(Considered, Good)		
Other then related parties	786,398,636	703,769,472
(Considered, Doubtful)		
Related Parties	7,109,870	7,048,156
Others	12,237,288	12,237,288
Other Short-Term Advances	129,370,630	101,067,312
Advance Income Tax	37,406,046	30,253,955
(Net of Provision Rs.302,289,161/-, Previous Year Rs. 259,789,161/-)		
	<u>972,522,470</u>	<u>854,376,183</u>
9.5 OTHER CURRENT ASSETS		
Prepaid Expenses	98,387	65,344
Interest Receivable	16,736,448	828,839
Dividend Receivable	-	2,484,835
	<u>16,834,835</u>	<u>3,379,018</u>
Total Current Assets	<u>1,177,915,182</u>	<u>903,413,761</u>

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



SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

	As At 31.03.2017 Rupees	Year ended 31.03.2016 Rupees
NOTES - 10 : INCOME		
10.1 REVENUE FROM OPERATIONS		
Sale of Mutual Fund Units	911,487,314	143,276,728
Dividend - on Non current Investment	8,248,405	21,199,461
Interest (TDS Rs. 7,032,414/-, Previous Year Rs. 5,338,869/-)	70,556,057	41,095,358
Profit on sale of Tax Free Bonds	1,485,000	-
Brokerage	708,726	-
Profit on sale of Shares - Net	3,047,332	-
Total Revenue from operations	996,612,834	205,571,547
10.2 OTHER OPERATING INCOME		
Rent (TDS Rs. 13,557,676/-, Previous Year Rs. 12,901,356/-)	136,356,744	129,793,572
Other Income		
Profit on Transfer of rights in Land property - Net	3,339,742	3,035,131
Liabilities Written Back	-	41,110
Total other Income	139,696,486	132,869,813
Total Income	1,135,209,320	338,441,360
NOTE - 11 : EXPENSES		
11.1 Purchases of Stock in Trade		
Item - Mutual Fund Units	1,030,500,000	112,300,000
11.2 Decrease/(Increase) in Stock in Trade		
Item - Mutual Fund Units		
Opening Stock	-	29,649,988
Less - Closing Stock	137,500,000	-
Decrease/(Increase) in Stock in Trade	(137,500,000)	29,649,988
11.3 EMPLOYEES' BENEFIT EXPENSES		
Salaries & Other Allowances	3,427,671	3,410,400
Staff Welfare Expenses	69,049	44,553
	3,496,720	3,454,953
11.4 INTEREST & FINANCE COSTS		
Interest on Unsecured Short Term Loan	86,510,772	42,217,938
Bank Charges	121,003	55,860
	86,631,775	42,273,798
11.5 OTHER EXPENSES		
D.P. Charges	57,307	5,068
Rent	196,380	196,374
Rates & Taxes	2,043,909	18,638
Postage & Telephone	56,001	68,390
Printing & Stationery	6,755	9,229
Fee & Subscription	43,625	36,490
Travelling & Conveyance	422,637	420,789
Repair & Maintenance- Others	1,116,744	159,459
Legal & Professional Charges	674,660	130,478
Insurance	186,090	176,002
CSR Expenses	-	1,000,000
Internal Audit Fee	10,000	10,000
Donation Paid	10,000,000	-
Advertisement & Publicity	15,238	28,787
Auditors' Remuneration :		
- Audit Fee	115,000	114,500
- Tax Audit Fee	6,900	6,840
- Certification / others services	76,603	46,740
Miscellaneous Expenses	316,584	69,173
Total	15,344,438	2,496,937



Notes forming part of the Financial Statements

Year ended
31.03.2017
RupeesYear ended
31.03.2016
Rupees**NOTE : 12 - Earning Per Share**

Net Profit/(Loss) after Tax	347,052,839	(185,776,216)
Total Number of Equity Shares	727,012	727,012
Earning Per Equity - Share Basic & Diluted	477.37	(255.53)

NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)

For Depreciation of Fixed Assets	29,129,316	21,322,755
For Expenses Allowable on Payment	442,086	404,187
For Unabsorbed Capital Losses	23,862,014	23,579,167
For Unabsorbed Business Loss	14,942,550	3,915,665
Total Deferred Tax Asset/(Liability) on Balance Sheet Date	68,375,966	49,221,774
Less Opening Balance	49,221,774	32,210,283
Deferred Tax Income/(Expense) for the year	19,154,192	17,011,491

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**a) Name of Key Managerial Person**

Mr. M.R. Garg - Wholetime Director
Mr. Arup Kumar Mitra - CFO
Mr. Rajesh Gupta - Company Secretary

(b) Enterprise where control exists

Subsidiary
Crishpark Vincom Limited (51.67%)

c) Other Related Parties with whom Transactions have taken place during the Year

Associate Company
Kushagra Infrastructure Pvt. Limited

Other Related Concern/Party
Sigma Infrastructure Pvt. Limited
Smt. Savita Jindal (Director)

Transactions with Related Party during the year

Loan to subsidiary (closing balance)	312,639,008	108,979,373
Loan to Associate Company (closing balance)	7,109,870	-
Loan to Other Related Concern (closing balance)	13,727,715	7,048,156
Payment for Other Services to Related Party		
Associate Party (Smt. Savita)	70,655	70,655
Rent Paid to Related Parties		
Associate Party (Smt. Savita)	195,000	195,000
Managerial Remuneration - Mr. M.R. Garg - Wholetime Director	1,060,148	967,488
Balance Payable by the Company to Related Party		
Associate Party (Smt. Savita)	30,641	14,486
Interest income from Subsidiary, Associate & Other related p.	14,718,471	17,333,989

NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR**15.1 Income tax Demand under Appeal**

a) Holding Company	A.Y. 2009-10	453,410	453,410
	A.Y. 2010-11	7,480	7,480
	A.Y. 2011-12	-	34,016,030
	A.Y. 2012-13	23,142,590	23,142,590
	A.Y. 2013-14	380,280	380,280
		23,983,760	57,999,790
Less - Tax Deposited		18,834,116	18,834,116
Net Unpaid Amount (A.Y. 2009-10, 2010-11, 2012- 13 & 2013-		5,149,644	39,165,674
b) Subsidiary Company	A.Y. - 2013-14	416,800	416,800

15.2 In respect of Bank Guarantee issued by Indusind Bank Ltd (previous Kotak Mahindra Bank Ltd) in favour of New Town

	13,684,350	13,684,350
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15.3 In the case of Subsidiary, in respect of unpaid dividend of Rs. 40,80,000/- payable till 31.03.2017 on 12% Cumulative Preference Shares of the value of Rs. 85,00,000/- issued by the company of which Rs. 10,20,000/- has become due this year. The holding company holds 91.18% of each preference shares.



Notes forming part of the Financial Statements

NOTE - 16 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 Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding Companies) Prudential Norms (Reserve bank) Directions, 2015 separately attached as Annexure - 1.

NOTE - 17 MANAGERIAL REMUNERATION PAID DURING THE YEAR

Details of Managerial Remuneration

Salaries & Allowances 1,060,148 967,488

NOTE - 18 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1000 x 50	100 x 80 50 x 1 10 x 1 1 x 7	58,067.00
(+) Permitted receipts		2000 x 30 100 x 100 500 x 10	75,000.00
(-) Permitted payments			52,125.00
(-) Deposited in Bank	1000 x 50		50,000.00
Closing cash in hand as on 30.12.2016		2000 x 10 500 x 4 100 x 89 10 x 3 1 x 8	30,942.00

NOTE - 19

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

The Accompanying Notes form 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 : 30-05-2017



For & on Behalf of the Board

M.R. Garg
Whole-time Director
DIN - 00449709

Rajesh Gupta
Company Secretary

Savita Jindal
Director
DIN - 00449740

Arup Kumar Mitra
CFO

SUDHA APPARELS LIMITED

CIN: L17299WB1981PLC033331

Registered Office: 2/5 Sarat Bose Road, Sukh Sagar,

Flat No.8A, 8th Floor, Kolkata-700 020, Phone: 033-30522053

Website: <http://www.sudhaapparels.com> ; Email: secretarial@sudhaapparels.com

NOTICE

Notice is hereby given that 36th Annual General Meeting of Sudha Apparels Limited will be held on Thursday the 28th September, 2017 at 11.30 A.M. at the Registered Office of the Company at 2/5 Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020, to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the (a) Audited Financial Statements for the year ended 31st March, 2017 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements for the year ended 31st March, 2017 together with the Reports of Auditors thereon and in this regard to pass the following resolution as ordinary resolution(s):

(a) "RESOLED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted."

(b) "RESOLED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Reports of Auditors thereon be and are hereby considered and adopted."

2. To appoint a Director in place of Shri Mangat Ram Garg, who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"RESOLED THAT Shri Mangat Ram Garg (DIN 00449709), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director of the Company and such appointment would not have any effect on the continuity of his tenure as Whole-Time Director of the Company."

3. To appoint Auditors of the Company and to fix their remuneration and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), M/s. Bidasaria & Associates, Chartered Accountants (Firm Registration No. 315101E), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company, subject to ratification of their appointment at every Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, or any statutory modifications(s) or re-enactment thereof, approval of the members of the Company be and is

hereby accorded to the appointment and payment of remuneration to Shri Mangat Ram Garg (DIN 00449709) as Whole time Director of the Company for a period of 3 (Three years) with effect from 1st July, 2017 on the terms and conditions set out herein with liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration, subject to the same not exceeding the limits specified in schedule V to the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri Mangat Ram Garg.

SALARY

Rs. 47,930/- per month with such increase as may be decided by the Board of Directors, from time to time.

PERQUISITES

I. The Whole Time Director shall be entitled to perquisites & benefits like furnished/non furnished accommodation or house rent allowance in lieu thereof, leave travel concession for self & family, car with driver for business use, facility of telephone installed at his residence, medical and personal accident insurance, education allowance, other allowances, bonus/ ex-gratia etc. as per rules of the Company. The value of perquisites shall be evaluated as per Income Tax Rules wherever applicable.

II. The Whole Time Director shall be entitled to Company's contribution to Provident Fund, Gratuity, encashment of earned leave at the end of the tenure, as per the rules of the Company, and these shall not be included in the computation of perquisites.

MINIMUM REMUNERATION

In the event of loss or inadequacy of profits, the remuneration including the perquisites as mentioned above shall be paid in accordance with Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time.

OTHER TERMS

I. The Whole Time Director shall not be paid any sitting fees for attending the meeting(s) of the Board of Directors or Committees thereof.

II. The Whole Time Director shall be entitled to reimbursement of entertainment, travelling and all other expenses incurred in the course of the Company's business.

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

"RESOLVED THAT pursuant to the provisions of section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as may be amended from time to time, Shri Vibhore Kaushik (DIN: 01834866), be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years commencing from 30th January, 2017."

6. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company for related party transaction(s) with Pushpanjali Investrade Private Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice."

7. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company for related party transaction(s) with Gautam Fin-Invest Private Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice."

8. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company for related party transaction(s) with Sigma Infrastructure Private Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice."

9. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company for related party transaction(s) with Crishpark Vincom Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice."

By Order of the Board

Place: Gurgaon
Dated: 10th August, 2017

RAJESH GUPTA
Company Secretary

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 instrument of Proxy, in order to be effective must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies/ bodies corporate must be supported by an appropriate resolution/authority as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person and shareholder.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
3. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting and also the Attendance Slip duly filled in for attending the meeting.
4. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at its Registered Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.
5. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.

Name of the Director	Shri Mangat Ram Garg	Shri Vibhore Kaushik
Age	60 Years	34 Years
Qualification	B.Com., CA	Graduate
Experience	Extensive experience in the field of Corporate finance, Taxation & Administration	Prominent businessman having wide business experience
Date of appointment as Director of the company	01.07.2014	30.01.2017
Relation-ship between Directors inter-se	None	None
Name of listed entities in which person also holds Directorship	Nil	Stable Trading Company Ltd.
Membership of Committee of the Board of listed entities	Nil	Nil
Shareholding of non-executive Directors	N.A.	Nil

6. In case of joint holders attending the meeting, only such joint holder who is higher in order of names recorded in the Register of Members will be entitled to vote.
7. Relevant documents referred to in the accompanying notice are open by the members for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on any working day upto the date of the Annual General Meeting and also at the meeting.
8. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
9. **Voting through electronic means:**
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management And Administration) Rules, 2014 as amended, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide 'remote e-voting' facility through National Securities Depository Limited (NSDL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 36th Annual General Meeting (AGM) of the Company.

The facility for voting, through ballot / polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting may attend the meeting, but shall not be entitled to cast their vote again at the AGM.

The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on cut-off date i.e. 21st September, 2017.

Mr. Sandeep Agarwal, Chartered Accountant (Membership No. 065643) has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall submit his report, to the Chairman of the meeting, within 48 hours from the conclusion of Annual General Meeting. The result declared along with the Scrutinizer's Report shall be placed on the website of the Company www.sudhaapparels.com and shall simultaneously be communicated to the Stock Exchange.

The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file
- (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-Voting Event Number) of "Sudha Apparels Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashmico@icai.org with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s)] :

- (i) Initial password is provided as below/at the bottom of the attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
-------------------------------------	---------	--------------

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) of 'A' above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- II. You can also update your mobile number and e-mail id in the user profile details of the follo which may be used for sending future communication(s).
- III. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2017.
- IV. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Transfer Agent (RTA) of the Company.
- V. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- VI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- VII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <http://www.sudhaapparels.com> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited, Kolkata.

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

Item no. 4

The Board of Directors of the Company has re-appointed Shri Mangat Ram Garg, as Whole-time Director of the Company for a period of 3 (Three) years from 1st July, 2017 on the terms and conditions including remuneration as contained in the resolution.

Pursuant to the provisions of the Companies Act, 2013 read with Schedule V of the said Act, the approval of members is required to be obtained for payment of remuneration to Shri Mangat Ram Garg as Whole time Director.

Except Shri Mangat Ram Garg and his relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Board recommends the resolution for your approval.

Item no. 5

The Board of Directors of the Company at its meeting held on 30th January, 2017 has appointed Shri Vibhore Kaushik as Independent Director of the Company for a period of five years, subject to the approval of the members in general meeting.

The Company has received notice, in writing, from a member, along with deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Shri Vibhore Kaushik as Independent Director of the Company. He is not disqualified, in terms of Section 164 of the Act and has given his consent to act as Director of the Company. The Company has also received declaration from him that he meets with the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of his letter of appointment as Independent Director, setting out the terms and conditions is available for inspection by the Members at the registered office of the Company on all working days between 10.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are thereof other than Shri Vibhore Kaushik and his relatives are concerned or interested in the resolution for his appointment.

The Board recommends the resolutions as set out in item No.5 of the Notice for your approval.

Item No. 6:

During the year ended 31st March, 2017, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Pushpanjali Investrade Private Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, placed before it.

The particulars of transaction are as under-

- (a) Name of the Related Party- Pushpanjali Investrade Private Limited.
- (b) Name of the Director or Key Managerial personnel, who is related, if any-
Mr. Mangat Ram Garg, Whole Time Director
- (c) Nature of relationship- A private company in which Director or his relative is a member or Director

- (d) Nature of transaction, material terms, monetary value and particulars of transaction- Material terms and Particulars of the transactions:

During the year ended 31st March, 2017, the Company has provided loans amounting to Rs. 1560.00 lakhs to Pushpanjali Investrade Private Limited for general corporate purposes.

- (e) Any other information relevant for the members to make a decision on the transaction- None

Your Directors commend the resolution for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise in the said resolution except Shri Mangat Ram Garg, who is member in Pushpanjali Investrade Private Limited.

Item No. 7:

During the year ended 31st March, 2017, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Gautam Fin-Invest Private Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, placed before it.

The particulars of transaction are as under-

- (a) Name of the Related Party- Gautam Fin-invest Private Limited.
- (b) Name of the Director or Key Managerial personnel, who is related, if any- Mr. Mangat Ram Garg, Whole Time Director
- (c) Nature of relationship- A private company in which Director or his relative is a member or Director
- (d) Nature of transaction, material terms, monetary value and particulars of transaction- Material terms and Particulars of the transactions:

During the year ended 31st March, 2017, the Company has provided loans amounting to Rs. 2450.86 lakhs to Gautam Fin-Invest Private Limited for general corporate purposes.

- (e) Any other information relevant for the members to make a decision on the transaction- None

Your Directors commend the resolution for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise in the said resolution except Shri Mangat Ram Garg, who is member in Gautam Fin-Invest Private Limited.

Item No. 8:

During the year ended 31st March, 2017, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Sigma Infrastructure Private Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, placed before it.

The particulars of transaction are as under-

- (a) Name of the Related Party- Sigma Infrastructure Private Limited.

- (b) Name of the Director or Key Managerial personnel, who is related, if any-
Mr. Mangat Ram Garg, Whole Time Director
- (c) Nature of relationship- A private company in which Director or his relative is a member or Director
- (d) Nature of transaction, material terms, monetary value and particulars of transaction- Material terms and Particulars of the transactions:

During the year ended 31st March, 2017, the Company has provided loans amounting to Rs. 397.78 lakhs to Sigma Infrastructure Private Limited for general corporate purposes.

- (e) Any other information relevant for the members to make a decision on the transaction- None

Your Directors commend the resolution for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise in the said resolution except Shri Mangat Ram Garg, who is member in Sigma Infrastructure Private Limited.

Item No. 9:

During the year ended 31st March, 2017, the Company has entered into material related party transactions, as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Crishpark Vincom Limited and in compliance thereof, shareholders' approval is being sought herein. The Audit Committee has approved Related Party Transactions, which were in the ordinary course of business and at arm's length basis, placed before it.

The particulars of transaction are as under-

- (a) Name of the Related Party- Crishpark Vincom Limited.
- (b) Name of the Director or Key Managerial personnel, who is related, if any-
Mr. Mangat Ram Garg, Whole Time Director is a Director in Crishpark Vincom Limited
- (c) Nature of relationship- Crishpark Vincom Limited is a Subsidiary of the Company.
- (d) Nature of transaction, material terms, monetary value and particulars of transaction- Material terms and Particulars of the transactions:

During the year ended 31st March, 2017, the Company has provided loans amounting to Rs. 3362.09 lakhs to Crishpark Vincom Limited Limited for general corporate purposes.

- (e) Any other information relevant for the members to make a decision on the transaction- None

Your Directors commend the resolution for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise in the said resolution except Shri Mangat Ram Garg, who is Director in Crishpark Vincom Limited.

By order of the Board

Rajesh Gupta
Company Secretary

Place : Gurgaon
Dated : 10th August, 2017

SUDHA APPARELS LIMITED

CIN: L17299WB1981PLC033331

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

Website: <http://www.sudhaapparels.com> ; Email: secretarial@sudhaapparels.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

Name of the member(s):

.....

Registered address

.....

E-mail ID:

.....

Folio No. / DP ID and Client ID:

.....

I/We, being the member(s) of shares of Sudha Apparels Limited, hereby appoint

1) Name:

Address:

Signature.....or failing him/her

2) Name:

Address:

Signature.....or failing him/her

3) Name:

Address:

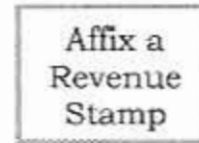
Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General meeting of the Company, to be held on Thursday, 28th September, 2017 at 11.30 a.m. at 2/5 Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. To receive, consider and adopt (a) the Audited Financial Statement for the financial year ended 31st March, 2017 together with the Reports of Directors and Auditors thereon; and (b) the Audited Consolidated financial statement for the year ended 31st March, 2017 together with the Reports of Auditors thereon;		
2. To re-appoint Shri Mangat Ram Garg as Director who retires by rotation		
3. To appoint Auditors and fixing their remuneration		
4. To re-appoint Shri Mangat Ram Garg as Whole-Time Director		
5. To appoint Shri Vibhore Kaushik as Independent Director for a period of 5 years.		
6. To approve related party transactions with Pushpanjali Investrade Private Limited		
7. To approve related party transactions with Gautam Fin-Invest Private Limited		
8. To approve related party transactions with Sigma Infrastructure Private Limited		
9. To approve related party transactions with Crisppark Vincom Limited		

*Applicable for investors holding shares in electronic form.

Signed this Day of 2017



Signature of shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

*Please put a (√) in the appropriate column against the resolution indicator in the box. Alternatively, you may mention the no. of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) In case the member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the proxy form.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated

SUDHA APPARELS LIMITED

CIN: L17299WB1981PLC033331

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

Website: <http://www.sudhaapparels.com>. ; Email: secretarial@sudhaapparels.com

Attendance slip for the 36th Annual General Meeting

Folio No

DP Id*

Client Id*

I hereby record my presence at the 36th Annual General Meeting of the Company on Thursday, 28th September, 2017 at 11.30 A.M. held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020.

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.



Map not to scale