

37th ANNUAL REPORT

2017-18

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

Bidasaria & Associates
Chartered Accountants
14th Princep Street,
3rd Floor, Suite # 5
Kolkata-700072

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

CONTENTS

Directors' Report	1
Corporate Governance Report	21
Management Discussion & Analysis	31
Independent Auditors' Report	33
Balance Sheet	41
Profit & Loss Account	42
Cash Flow Statement	43
Significant Accounting Policies & Notes on Financial Statements	44
Consolidated Financial Statements	59
NOTICE	76

SUDHA APPARELS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 37th Annual Report along with Audited Financial Statements of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

The highlights of the financial results are as under:

	Rs.	
	Year ended 31.03.2018	Year ended 31.03.2017
Total Income	80,67,28,706	114,28,95,228
Profit before exceptional and Extra- Ordinary items and tax	3,82,23,420	15,67,72,215
Less:		
Provision for diminution in value of investments	(37,61,26,934)	(13,36,34,151)
Provision for Non- Performing Assets	(83,33,599)	61,714
Profit/(loss) before tax	42,26,83,953	29,03,44,652
Provision for Taxation	5,51,69,823	4,15,00,000
Profit/(loss) after Tax	36,75,14,130	24,88,44,652
Balance brought forward from previous year	186,10,99,365	166,20,24,054
Profit available for appropriation	322,86,13,495	191,08,68,706
APPROPRIATIONS		
-Transfer to Statutory Reserve	7,35,02,826	4,97,69,341
-Balance carried to Balance Sheet	215,51,10,669	186,10,99,365
	322,86,13,495	191,08,68,706

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

Total income of the Company during the year was Rs. 8067.29 lakhs as against Rs. 11428.95 lakhs in the previous year. The profit before tax during the year was Rs. 4226.84 lakhs as against Rs. 2903.45 lakhs in the previous year. The profit after tax was Rs. 3675.14 lakhs as against Rs. 2488.45 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

Smt. Savita Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment..

Brief resume of Director who are proposed to be appointed/re-appointed is furnished in 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 2017-18, 6 (Six) 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, 2018, 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, 2018 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 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 Company's website under the web link <http://www.sudhaapparels.com/CSR%20Policy%20-Sudha.pdf>

The Annual Report on CSR activities in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended as Annexure to this Report.

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

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, M/s Bidasaria & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of 36th Annual General Meeting of the Company held on 30th September, 2017 till the conclusion of 41st Annual General Meeting.

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. As regards non-provision for non-performing assets of Rs. 71,09,870/-, Company is hopeful of recovery of amount, hence no provision has been made.

COST RECORDS

The Company is not required to maintain cost records as specified by the Centre Government under Section 148(1) of the Companies Act 2013.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

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, 2018. The Secretarial Audit Report for the year ended 31st March, 2018 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, 2018 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: 8th August, 2018

Savita Jindal	Mangat Ram Garg
Director	Whole Time Director
DIN: 00449740	DIN: 00449709

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 Vibhor Kaushik as its other members.

- 3. Average net profit of the Company for last three financial years - Rs. 401.48 Lakhs**

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – Rs. 8.03 Lakhs**

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

(a) Total amount to be spent for the financial year – 8.03 Lakhs

(b) Amount unspent, if any – Nil

(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	Mangat Ram Garg
Director	Chairman CSR Committee

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount Outlay (Budget) project or programs wise	Amount spent on the projects or programs subheads : (1) Direct Expenditure (2) Overheads	Cumulative Expenditure upto the reporting period	Amount Spent : Direct or through implementing agency
1	Health care including preventive health care	Health care including preventive health care	Hissar, Haryana	50,00,000	50,00,000	50,00,000	Direct
	Total CSR Spend			50,00,000	50,00,000	50,00,000	

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 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 2018** 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, 2018** 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

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 was 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: 8th August, 2018

Place: New Delhi

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

This Report is to be read with Annexure A, which forms an integral part of this report.

Annexure A

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Hemant Singh & Associates
Company Secretaries
Hemant Kumar Singh
Partner
Membership No. 6033
Certificate of Practice No. 6370

8th August, 2018

Place: New Delhi

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	31.03.2018
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	(1,52,31,317)
5.	Total Assets	95,45,55,653
6.	Total Liabilities	95,45,55,653
7.	Investments	90,86,98,593
8.	Turnover	35,27,198
9.	Profit before taxation	7,42,80,476
10.	Provision for taxation	0
11.	Profit after taxation	7,42,80,476
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	31.03.2018
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	2,12,02,638
6.	Profit/(loss) for the year	
	i. Considered in consolidation	(17,400)
	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

Arup Kumar Mitra
CFO

Rajesh Gupta
Company Secretary

Savita Jindal
Director

Mangat Ram Garg
Whole-time Director

DIN:00449709

DIN: 00449740

SUDHA APPARELS LIMITED

Form No. MGT-9

Extract of Annual ReturnAs on the financial year ended on 31st March, 2018[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, 2017)				No. of Shares held at the end of the year (As on 31 st March, 2018)				% 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) FIs	-	-	-	-	-	-	-	-	-	-
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, 2017)			Shareholding at the end of the year (As on 31 st March, 2018)			% 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, 2017)		Date	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year (As on 31 st March, 2018)	
		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, 2017)		Increase/Decrease during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2018)	
		No. of shares	% of total shares of the company	No. of shares	Reason	No. of shares	% of total shares of the company
1	Pushpanjali Investrade Pvt. Ltd.	70,000	9.63	-	N.A.	70,000	9.63
2	GVN Fuels Limited	36,000	4.95	-	N.A.	36,000	4.95
3	Flakt Dealcomm Ltd.	35,761	4.92	-	N.A.	35,761	4.92
4	Gautam Fin-Invest Pvt. Ltd.	3,000	0.41	-	N.A.	3,000	0.41
5	Dharambir Singh	850	0.12	-	N.A.	850	0.12
6	Shiv Kumar Sharma	850	0.12	-	N.A.	850	0.12
7	B.P. Roy	800	0.11	-	N.A.	800	0.11
8	Satya Prakash Goyal	800	0.11	-	N.A.	800	0.11
9	Pawan Kumar Verma	800	0.11	-	N.A.	800	0.11
10	Ajay Joshi	800	0.11	-	N.A.	800	0.11

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year 01.04.2017		Increase/Decrease during the year		Cumulative Shareholding at the end of the year 31.03.2018	
		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	N.A.	106662	14.67
2	Shri R.K. Banthia – Director	0	0.00	0	N.A.	0	0.00
3	Shri Vibhore Kaushik – Director	0	0.00	0	N.A.	0	0.00
4	Shri Mangat Ram Garg -Director	0	0.00	0	N.A.	0	0.00
5	Shri Arup Kumar Mitra - CFO(KMP)	0	0.00	0	N.A.	0	0.00
6	Shri Rajesh Gupta – CS (KMP)	0	0.00	0	N.A.	0	0.00

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, 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
Change in Indebtedness during the financial year				
· Addition	0	54,31,79,361	0	54,31,79,361
· Reduction	0	0	0	0
Net Change	0	54,31,79,361	0	54,31,79,361

Indebtedness at the end of the financial year (31 st March, 2018)				
i) Principal Amount	0	120,22,22,769	0	120,22,22,769
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	120,22,22,769	0	120,22,22,769

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	12,46,147	12,46,147
	(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)	12,46,147	12,46,147

B. Remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Shri R.K. Banthia	Shri Vibhore Kaushik	Smt. Savita Jindal	Total Amount
	3. Independent Directors · Fee for attending board committee meetings · Commission	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
	4. Other Non-Executive Directors · Fee for attending board committee meetings · Commission				
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)				
	Total Managerial Remuneration (A)+(B)				12,46,147

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

Sl. no.	Particulars of Remuneration		Key Managerial Personnel		
		CEO	Mr. Rajesh Gupta, CS	Mr. Arup Kumar Mitra, CFO	Total
1.	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,		9,42,349	3,54,934	12,97,283
	(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.	9,42,349	3,54,934	12,97,283

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					

For and on behalf of the Board

Place: Gurgaon
Dated: 8th August, 2018

Savita Jindal **Mangat Ram Garg**
Director Whole Time Director
DIN: 00449740 DIN: 00449709

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. 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, 2018, the Board of Directors met (6) six times on 29th April, 2017, 30th May, 2017, 10th August, 2017, 14th November, 2017, 11th January, 2018, and 8th February, 2018. 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, 2018 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held		
			Board Meeting	Last AGM	Director-ships	Committee Memberships	Committee Chairmanships
Smt. Savita Jindal	Non-Executive	106,662	5	No	1	-	-
Shri M.R. Garg	Executive	-	6	Yes	4	-	-
Shri R.K. Banthia	Independent	-	5	Yes	4	-	-
Shri Vibhore Kaushik	Independent	-	5	N.A.	2	1	-

Note:

1. Only Audit and Stakeholder's Relationship Committees are considered
2. Excludes directorship in Foreign Companies.
3. No Directors is related 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 8th February, 2018. 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 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, 2017, 10th August, 2017, 14th November, 2017 and 8th February, 2018. 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 Vibhore Kaushik	Member	4

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 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 30th May, 2017 and 8th February, 2018.

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

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 of the Company.

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 the Companies Act, 2013 inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver company's key business strategies, create a strong performance oriented environment and reward achievement of meaningful targets over the short and long term.

The Nomination and Remuneration Policy of the company has been uploaded and can be accessed on the Company's website at <http://www.sudhaapparels.com/NRC%20Policy%20-Sudha.pdf>.

Directors' Remuneration

Remuneration paid to the Directors during the financial year ended 31st March, 2018 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	12,46,147	Nil	12,46,147

(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, 2018 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, 2018.

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 Vibhore Kaushik	Member

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 10th August, 2017. 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 is 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 01.04.2017 to 31.03.2018	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	Nil
Number of pending complaints as on 31.03.2018 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
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.
2016-17	28.09.2017	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, 2015 : Approval of related party transactions with Sigma Infrastructure Private Limited
- b) In the AGM held on 30th September, 2016 : No Special resolution was passed:
- c) In the AGM held on 28th September, 2017 : 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 Financial Express(English) and Sukabar (Bengali). 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, 2018 at 11:30 A.M.

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

(b) **Financial Year:** 1st April, 2017 to 31st March, 2018

(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 upto 2018-19 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, 2017 to 31st March, 2018.

(g) Performance in comparison to broad-based indices such as BSE sensex, 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, 2018

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, 2018:

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, 2018.

(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 2018.

Date: 8th August, 2018

Mangat Ram Garg
Whole Time Director

AUDITORS' CERTIFICATE

To
The Members of
Sudha Apparels Limited

1. We, Bidasaria & Associates Chartered Accountants, the Statutory Auditors of Sudha Apparels Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations, during the year ended 31st March, 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Bidasaria & Associates
Chartered Accountants
Firm Registration No. 315101E**

(CA. Rajkumar Bidasaria)
Partner
Membership No. 052251

PLACE: Kolkata
DATED: 8th August, 2018

SUDHA APPARELS LIMITED

Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31st March, 2018

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

The Indian economy posted a growth of 6.6% in FY2017-18 compared to 7.1% in FY2016-17 as the first round of effects of demonetisation and the implementation of GST played out. However, a host of other policies, implemented during and before FY2017-18, such as the Insolvency and Bankruptcy Code, reforms in the real estate sector in the form of RERA, allowing of FDI in various industries, fast-tracking of project clearances, various measures for financial inclusion, etc., are expected to drive growth upwards, going forward. While the IMF projects that India's GDP will increase at 7.4% in FY2019 and 7.8% in FY2020, the World Bank expects growth to reach 7.3% in FY2019 and rise further to 7.5% in FY2020.

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

Going forward, economic activity is expected to gather pace in F.Y. 2018-19, benefiting from a conducive domestic and global environment. Following factors will contribute towards it:

- the teething troubles relating to implementation of the GST are receding.
- Credit off take has improved in the recent period and is becoming increasingly broad-based, which portends well for the manufacturing sector and new investment activity.
- large resources mobilization

OPPORTUNITIES & THREATS

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

The economic recovery, coupled with contained inflation has brightened the prospects of business growth. 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 Renting of Property. The segment-wise performance has been disclosed in Note 17 of Financial Statements.

RISKS AND CONCERNS

As an NBFC, your Company is subjected to both external and internal risks. External risks 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 the 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. 8067.29 lakhs as against Rs. 11428.95 lakhs in the previous year. The profit before tax during the year was Rs. 4226.84 lakhs as against Rs. 2903.45 lakhs in the previous year. The profit after tax was Rs. 3675.14 lakhs as against Rs. 2488.45 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, 2018 , 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 and Cash Flow of the Company in accordance with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014 and the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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..

Basis of qualified opinion

The company has not made provision of Rs. 71,09,870/- on Non performing loan made to its Associate. Had the provision been made the profit for the year would have been lower by the said amount of Rs. 71,09,870/-.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for effect of matter described on the Basis of Qualified Opinion paragraph above, 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, 2018 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, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2018, 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. 3,64,24,354/-/- as at 31st March, 2018 as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts. The unprovided provision on Non Performing Asset (Loan) as at 31st March, 2018 amounts to Rs. 71,09,870/-
 - 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, 2018.

Re. : M/S. SUDHA APPARELS LIMITED (31.03.2018)

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, 2018,

- 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 two 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/GST and other statutory dues, as applicable to it with the appropriate authorities.

There are no such outstanding dues at 31st March, 2018 for a period of more than six months from the date they became payable.

- 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
	2012 - 13	Commissioner of Income Tax(Appeals)	3.80

			8.33
			=====

- 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.
- xi) 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.

Re. : M/S. SUDHA APPARELS LIMITED (31.03.2018)

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, 2018 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, 31,2018, 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.

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	NOTES	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	72,70,120	72,70,120
Reserves and Surplus	3	2,89,48,19,790	2,52,73,05,660
		<u>2,90,20,89,910</u>	<u>2,53,45,75,780</u>
Non-Current Liabilities			
Other Long Term Liabilities	4		
Others - Security Deposit	4.1	5,78,02,563	5,78,02,563
Long- Term Provisions	4.2	14,92,613	13,62,572
		<u>5,92,95,176</u>	<u>5,91,65,135</u>
Current Liabilities - Unsecured			
Short -Term Borrowings	5.1	1,20,22,22,769	65,90,43,408
Other Current Liabilities	5.2	99,67,281	68,81,514
Short-Term Provisions	5.3	3,90,86,439	42,38,05,834
Total Current Liabilities		<u>1,25,12,76,489</u>	<u>1,08,97,30,756</u>
Total Equity & Liabilities		<u>4,21,26,61,575</u>	<u>3,68,34,71,671</u>
ASSETS			
Non- Current Assets			
i. Fixed Assets			
-Tangible Fixed assets	6	78,07,66,161	80,54,40,344.
ii. Non-Current Investments	7	1,03,60,19,030	1,32,85,68,752
iii. Long Term Loans & Advances	8	6,55,71,457	6,99,30,260
		<u>1,88,23,56,648</u>	<u>2,20,39,39,356</u>
Current Assets			
Inventories	9.1	-	13,75,00,000
Trade Receivable	9.2	4,72,29,849	4,80,69,109
Cash and Cash Equivalents	9.3	1,13,25,29,692	17,85,849
Short-Term Loans and Advances	9.4	1,13,14,53,064	1,27,53,42,522
Other Current Assets	9.5	1,90,92,322	1,68,34,835
		<u>2,33,03,04,927</u>	<u>1,47,95,32,315</u>
Total Assets		<u>4,21,26,61,575</u>	<u>3,68,34,71,671</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 BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

For & on Behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

Arup Kumar Mitra
CFO

**STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	NOTES	Year ended 31.03.2018 Rupees	Year ended 31.03.2017 Rupees
<u>INCOME</u>			
Revenue from Operations	10	66,01,61,444	1,00,38,46,742
Other Income	10	14,65,67,262	13,90,48,486
		<u>80,67,28,706</u>	<u>1,14,28,95,228</u>
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	11	36,10,00,000	1,03,05,00,000
Decrease/(Increase) in Stock in Trade	11	13,75,00,000	(13,75,00,000)
Employees Benefit Expenses	11	45,06,433	34,96,720
Finance Cost	11	6,68,61,830	4,98,28,507
Depreciation / Amortization	6	2,28,69,073	2,40,36,345
Other Expenses	11	82,54,160	1,51,48,931
Loss on sale of Investment - Net		16,77,72,652	
Contingent Provision against Standard Assets	5	(2,58,862)	6,12,510
		<u>76,85,05,286</u>	<u>98,61,23,013</u>
Profit / (Loss) before exceptional , extraordinary items and tax		3,82,23,420	15,67,72,215
Exceptional Items			
Provision for Diminution in value of investment		(37,61,26,934)	(13,36,34,151)
Provision for Non Performing Assets		(83,33,599)	61,714
Profit / (Loss) after exceptional and extraordinary items and before tax		<u>42,26,83,953</u>	<u>29,03,44,652</u>
<u>Tax Expense</u>			
Income Tax			
- Current Year		5,50,00,000	4,15,00,000
- Adjustment of Earlier Year		1,69,823	-
Total Tax Expense		<u>5,51,69,823</u>	<u>4,15,00,000</u>
Profit / (Loss) from Continuing Operation		<u>36,75,14,130</u>	<u>24,88,44,652</u>
Earning Per Share (Basic/ Diluted)		505.51	342.28

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 BIDASARIA & ASSOCIATES

Chartered Accountants
Firm Registration No. 315101E

For & on Behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

Arup Kumar Mitra
CFO

SUDHA APPARELS LIMITED

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2018**

	Year Ended 31.03.2018 Rs.	Year Ended 31.03.2017 Rs.
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	3,82,23,420	15,67,72,215
Adjusted for:		
Depreciation	2,28,69,073	2,40,36,345
Contingent Provision for Standard Assets	(2,58,862)	6,12,510
(Profit)/ Loss on Sale of Investments	<u>16,77,72,652</u>	<u>(30,47,332)</u>
Operating Profit before Working Capital Changes	22,86,06,283	17,83,73,738
Adjusted for:		
Trade & Other Receivables	14,16,08,025	(29,13,09,848)
Inventories	13,75,00,000	(13,75,00,000)
Trade Payables & Others	<u>32,15,808</u>	<u>35,35,179</u>
Cash Generated from operations	51,09,30,116	(24,69,00,931)
Direct taxes Paid	<u>(4,99,47,814)</u>	<u>(4,85,16,418)</u>
Cash Flow before extraordinary items	46,09,82,302	(29,54,17,349)
Extraordinary item	-	-
Net Cash From Operating Activities	<u>46,09,82,302</u>	<u>(29,54,17,349)</u>
	A	
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(3,24,000)	(25,100)
Sale of Fixed Assets	21,29,110	-
Purchase of Investments	(43,77,69,194)	(40,52,48,500)
Sale of Investments	<u>56,25,46,264</u>	<u>27,67,73,238</u>
Net Cash from Investing Activities	<u>12,65,82,180</u>	<u>(12,85,00,362)</u>
	B	
C. Cash Flow from Financing Activities		
Proceeds / (Reduction) of Short Term Borrowings	54,31,79,361	42,39,21,754
Net Cash from Financing Activities	<u>54,31,79,361</u>	<u>42,39,21,754</u>
	C	
Net increase in Cash & Cash Equivalents (A+B+C)	1,13,07,43,843	4,043
Opening Balances of Cash and Cash Equivalents	17,85,849	17,81,806
Closing Balances of Cash and Cash Equivalents	1,13,25,29,692	17,85,849
Change in Cash and Cash Equivalents	1,13,07,43,843	4,043

As per our report of even date attached

For BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

For & on behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

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 Outstanding	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	1,202,222,769	-
	(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		1,174,070,370
(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	464,214,382	
	(b) Preference	-	
	ii. Debentures and Bonds	-	
	iii. Units of mutual funds	-	
	iv. Government Securities	-	
	v. Others (please specify)	-	
	2. Unquoted:		
	i. Shares: (a) Equity	139,664,648	
	(b) Preference	230,050,000	
	ii. Debentures and Bonds	202,090,000	
	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	
	1. Related Parties**	Secured	Unsecured
	(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	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	1,985,414,761	1,036,019,030
	Total	1,985,414,761	1,036,019,030

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

(7)	Other Information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	-
	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	-
	(iii) Assets acquired in satisfaction of debts	-

NOTES - 2 : SHARE CAPITAL

	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
Authorised		
1,000,000 Equity shares of Rs. 10 each	1,00,00,000	1,00,00,000
	<u>1,00,00,000</u>	<u>1,00,00,000</u>

Issued, Subscribed and Paid up

<u>Equity Capital</u>		
727,012 Equity Shares of Rs.10 each fully paid up	72,70,120	72,70,120
	<u>72,70,120</u>	<u>72,70,120</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

Equity Shares of Rs. 10 each fully paid up

Particulars	As at 31.03.2018		As at 31.03.2017	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	7,27,012	72,70,120	7,27,012	72,70,120
Add - Addition during the Year	-	-	-	-
Less - Reduction during the Year	-	-	-	-
At the end of the Year	7,27,012	72,70,120	7,27,012	72,70,120

- 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 31.03.2018		As at 31.03.2017	
	Nos	%	Nos	%
1. Jindal Global Finance & Investment Ltd .	1,07,416	14.77	1,07,416	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	1,06,662	14.67	1,06,662	14.67
6. Saket Jindal	70,000	9.63	70,000	9.63
7. Raghav Jindal	1,45,123	19.96	1,45,123	19.96

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

NOTES - 3 : RESERVE & SURPLUS

Particulars	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
Capital Reserve		
As per last Balance Sheet	5,15,81,498	5,15,81,498
Other Reserves		
a) General Reserve		
As per last Balance Sheet	8,27,46,597	8,27,46,597
Add : Addition during the year	-	-
	<u>8,27,46,597</u>	<u>8,27,46,597</u>
b) Statutory Reserve		
As per last Balance Sheet	53,18,78,200	48,21,08,859
Add : Addition during the year	7,35,02,826	4,97,69,341
	<u>60,53,81,026</u>	<u>53,18,78,200</u>
Surplus In Statement of Profit & Loss A/c.		
As per last Balance sheet	1,86,10,99,365	1,66,20,24,054
Profit/(Loss) during the Year		
	36,75,14,130	24,88,44,652
Less - Transfer to Statutory Reserve	7,35,02,826	4,97,69,341
	<u>29,40,11,304</u>	<u>19,90,75,311</u>
Less - Transfer to General Reserve	-	-
Current Year Surplus / (Deficit)	<u>29,40,11,304</u>	<u>19,90,75,311</u>
Closing Surplus/(Deficit)	<u>2,15,51,10,669</u>	<u>1,86,10,99,365</u>
Total	<u>2,89,48,19,790</u>	<u>2,52,73,05,660</u>

NOTES - 4 : NON - CURRENT LIABILITIES

Other Long Term Liabilities		
Others- Security Deposit	5,78,02,563	5,78,02,563
Long- Term Provisions		
For Employees Benefits	14,92,613	13,62,572
	<u>5,92,95,176</u>	<u>5,91,65,135</u>

NOTES - 5 : CURRENT LIABILITIES

Short -Term Borrowings (Unsecured)		
Loans From Related Parties, Repayable on Demand	1,20,22,22,769	65,90,43,408
Other Current Liabilities		
Liabilities for Expenses	32,64,095	18,96,345
Liabilities for Statutory Dues	67,03,186	49,85,169
Short Term Provisions		
Contingent Provision for Standard Assets		
Opening Balance	29,20,947	23,08,437
Addition during the year	(2,58,862)	6,12,510
	<u>26,62,085</u>	<u>29,20,947</u>

The above provision is made @ 0.25% of Standard Assets on the reporting date as per RBI guidelines applicable to NBFC.

Provision for Diminution in value of Investment		
Opening Balance	41,25,51,288	54,61,85,439
Addition during the year	(37,61,26,934)	(13,36,34,151)
	<u>3,64,24,354</u>	<u>41,25,51,288</u>
Provision for Non Performing Assets		
Opening Balance	83,33,599	82,71,885
Addition / (Adjusted) during the year	(83,33,599)	61,714
	<u>-</u>	<u>83,33,599</u>
	<u>3,90,86,439</u>	<u>42,38,05,834</u>
Total Current Liabilities	<u>1,25,12,76,489</u>	<u>1,09,80,64,355</u>

SUDHA APPARELS LIMITED

NOTE : 6. FIXED ASSETS.

TANGIBLE ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2017	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2018	UPTO 31.03.2017	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
Land - Gurgaon	3,17,68,200	-	-	3,17,68,200	-	-	-	-	3,17,68,200	3,17,68,200
Land - Hissar	9,55,90,913	-	16,29,110	9,39,61,803	-	-	-	-	9,39,61,803	9,55,90,913
Land - Kolkata	21,43,96,852	-	-	21,43,96,852	-	-	-	-	21,43,96,852	21,43,96,852
Building - Gurgaon	5,69,04,410	-	-	5,69,04,410	2,61,03,955	14,90,742	-	2,75,94,697	2,93,09,713	3,08,00,455
Building - Rented Mall	59,21,45,673	-	-	59,21,45,673	16,58,13,622	2,09,32,904	-	18,67,46,526	40,53,99,147	42,63,32,051
Building - Kolkata	63,05,558	-	-	63,05,558	17,62,823	2,23,048	-	19,85,871	43,19,687	45,42,735
Lift	33,63,486	-	-	33,63,486	31,95,312	-	-	31,95,312	1,68,174	1,68,174
Office Equipments	59,924	-	-	59,924	56,932	-	-	56,932	2,992	2,992
Computer	69,285	-	-	69,285	43,358	15,061	-	58,419	10,866	25,927
Solar Power Panel	20,18,050	-	5,00,000	15,18,050	2,08,306	1,71,926	-	3,80,232	11,37,818	18,09,744
Furniture & Fixtures	46,016	3,24,000	-	3,70,016	43,715	35,392	-	79,107	2,90,909	2,301
Total	1,00,26,68,367	3,24,000	21,29,110	1,00,08,63,257	19,72,28,023	2,28,69,073	-	22,00,97,096	78,07,66,161	80,54,40,344
Previous Year	1,00,26,43,267	25,100	-	1,00,26,68,367	17,31,91,678	2,40,36,345	-	19,72,28,023	80,54,40,344	

Notes forming part of the Financial Statements

NOTES - 7 : NON - CURRENT INVESTMENTS

(Fully paid up unless otherwise specified)

NON - TRADE**i) Quoted****Equity Shares**

	As At 31.03.2018		As At 31.03.2017	
	Numbers	Rupees	Numbers	Rupees
Rs. 5 each of Jindal Drilling & Industries Limited	30,81,000	27,74,63,874	44,11,000	39,72,43,674
Rs. 5 each of Maharashtra Seamless Limited	3,05,000	12,85,53,359	-	-
Rs. 10 each of Haryana Capfin Limited	10,14,322	4,34,79,630	10,14,322	4,34,79,630
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 GOL Offshore Limited	1,500	6,22,765	1,500	6,22,765
Rs. 1 each of Uttam Value Steel Limited	2,99,720	3,08,977	2,99,720	3,08,977
Rs. 1 each of Lyod Steel Industries Limited	40,761	6,56,575	40,761	6,56,575
Rs. 10 each of Monnet Ispat & Energy Limited	-	-	4,53,483	25,49,55,446
Rs. 2 each of Aban Offshore Limited	100	47,233	100	47,233
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2,000	4,70,786	2,000	4,70,786
Rs. 10 each of Selan Exploration Tecnology Limited	1,100	4,35,456	1,100	4,35,456
Rs. 1 each of Jindal Steel & Power Limited	18,466	98,73,849	18,466	98,73,849
Rs. 10 each of SVOGL Oil Gas And Energy Limited	1,500	6,04,728	1,500	6,04,728
Rs. 10 each of Hexa Tradex Limited	2,600	95,156	2,600	95,156
Rs. 10 each of IDBI Bank Limited	3,000	3,58,085	3,000	3,58,085
Rs. 2 each of Jindal Saw Limited	-	-	6,000	6,97,931
Rs. 2 each of JITF Infralogistics Limited	-	-	482	61,008
Rs. 1 each of NMDC Limited	5,000	11,77,641	5,000	11,77,641
Rs. 10 each of Oil India Limited	-	-	1,166	4,44,150
Rs. 1 each of Vedanta Limited	-	-	300	82,081

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

Rs. 10 each of Dytop Commodeal Limited	85,700	8,61,240	85,700	8,61,240
Rs. 10 each of Jindal Global Finance & Investment Limited	7,00,100	27,48,505	7,00,100	27,48,505
Rs. 10 each of Jindal Pipes Limited	37,41,740	1,40,60,798	37,41,740	1,40,60,798
Rs. 10 each of Sparlerk Dealcomm Limited	81,000	8,12,000	81,000	8,12,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	8,05,000	80,000	8,05,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Limited	1,00,000	10,00,000	1,00,000	10,00,000
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	11,95,000	3,60,59,450	11,95,000	3,60,59,450
Rs. 10 each of Darpan Dealcom Limited	1,99,500	19,85,715	-	-
Rs. 10 each of Diamond Dealtrade Limited	81,05,000	8,10,40,120	-	-

b) Preference Shares

Rs. 10 each of Global Jindal Fininvest Limited	2,50,000	2,50,00,000	2,50,000	2,50,00,000
Rs. 10 each of Crishpark Vincom Limited	7,75,000	12,00,00,000	7,75,000	12,00,00,000
Rs. 10 each of Jindal Global Finance & Investment Limited	2,00,000	1,00,00,000	2,00,000	1,00,00,000
Rs. 10 each of Darpan Dealcom Limited	75,05,000	7,50,50,000	-	-

c) Bonds

Bank of India SR-I Perpetual	50	5,09,50,000	50	5,09,50,000
Punjab & Sind Bank Perpetual	150	15,11,40,000	-	-
IDBI Bank Limited SR-II 10.75 BD Perpetual	-	-	45	4,50,27,000
IDBI Bank Limited SR-I 11.09 BD Perpetual	-	-	105	10,79,71,500
IDBI Bank Limited SR-II 10.95 BD Perpetual	-	-	200	20,13,00,000
		1,03,60,19,030		1,32,85,68,752

Aggregate Value of Unquoted Investments

29,46,64,648

21,16,38,813

Aggregate Value of Quoted Investments

46,42,14,382

71,16,81,439

Market Value of Quoted Investments

63,76,74,849

1,19,12,57,856

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.

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

	<u>As At 31.03.2018 Rupees</u>	<u>As At 31.03.2017 Rupees</u>
<u>NOTE - 8 : LONG TERM LOANS & ADVANCES</u>		
(Unsecured, Considered good)		
Capital Advances	6,49,82,387	6,93,41,190
Security Deposit	5,89,070	5,89,070
	<u>6,55,71,457</u>	<u>6,99,30,260</u>
<u>NOTES - 9 : CURRENT ASSETS</u>		
<u>INVENTORIES</u>		
Stock in Trade - Mutual Fund Units	-	13,75,00,000
	-	<u>13,75,00,000</u>
<u>TRADE RECEIVABLES</u>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	4,72,29,849	4,80,69,109
	<u>4,72,29,849</u>	<u>4,80,69,109</u>
<u>CASH AND CASH EQUIVALENTS</u>		
Cash on hand	94,383	3,731
Balances with Banks		
- In Current Accounts	24,35,309	17,82,118
- In Fixed Deposits	1,13,00,00,000	-
	<u>1,13,25,29,692</u>	<u>17,85,849</u>
<u>SHORT TERM LOANS AND ADVANCES (Unsecured)</u>		
Loans to Bodies Corporates		
(Considered, Good)		
Related Parties	37,78,47,327	1,09,90,37,644
Other then related parties	61,48,94,413	-
(Considered, Doubtful)		
Related Parties	71,09,870	71,09,870
Others	-	1,22,37,288
Other Short-Term Advances	10,92,36,373	12,93,70,630
Advance Income Tax (Net of Provision Rs. 356,289,161/-, Previous Year Rs. 301,289,161/-)	2,23,65,081	2,75,87,090
	<u>1,13,14,53,064</u>	<u>1,27,53,42,522</u>
<u>OTHER CURRENT ASSETS</u>		
Prepaid Expenses	76,437	98,387
Interest Receivable	1,90,15,885	1,67,36,448
	<u>1,90,92,322</u>	<u>1,68,34,835</u>
Total Current Assets	<u>2,33,03,04,927</u>	<u>1,47,95,32,315</u>

In the opinion of Board and to the best of their knowledge and belief, the value on realisation of above current assets, except doubtful loan of Rs. 7,109,870 indicated above, 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 31.03.2018 Rupees	Year ended 31.03.2017 Rupees
<u>NOTES - 10 : INCOME</u>		
<u>REVENUE FROM OPERATIONS</u>		
Sale of Mutual Fund Units	50,73,56,621	91,14,67,314
Dividend - on Non current Investment	46,43,738	53,69,222
Interest (TDS Rs. 9,264,580/-, Previous Year Rs. 7,032,414/-)	14,81,61,085	8,24,77,874
Profit on sale of Bonds	-	14,85,000
Profit on sale of Shares - Net	-	30,47,332
Total Revenue from operations	<u>66,01,61,444</u>	<u>1,00,38,46,742</u>
<u>OTHER OPERATING INCOME</u>		
Rent (TDS Rs. 13,604,634/-, Previous Year Rs. 13,557,676/-)	13,61,78,330	13,57,08,744
Other Income		
Profit on Acquisition of Land	1,03,84,815	-
Profit on Transfer of rights in Land property - Net	4,117	33,39,742
Total other Income	<u>14,65,67,262</u>	<u>13,90,48,486</u>
Total Income	<u>80,67,28,706</u>	<u>1,14,28,95,228</u>
<u>NOTE - 11 : EXPENSES</u>		
<u>Purchases of Stock in Trade</u>		
Item - Mutual Fund Units	36,10,00,000	1,03,05,00,000
<u>Decrease/(Increase) in Stock in Trade</u>		
Item - Mutual Fund Units		
Opening Stock	13,75,00,000	-
Less - Closing Stock	-	13,75,00,000
Decrease/(Increase) in Stock in Trade	<u>13,75,00,000</u>	<u>(13,75,00,000)</u>
<u>EMPLOYEES' BENEFIT EXPENSES</u>		
Salaries & Other Allowances	43,36,069	34,27,671
Staff Welfare Expenses	1,70,364	69,049
	<u>45,06,433</u>	<u>34,96,720</u>
<u>INTEREST & FINANCE COSTS</u>		
Interest on Unsecured Short Term Loan	6,66,99,290	4,97,07,504
Bank Charges	1,62,540	1,21,003
	<u>6,68,61,830</u>	<u>4,98,28,507</u>
<u>OTHER EXPENSES</u>		
D.P. Charges	9,939	55,724
Rent	1,95,000	1,95,000
Rates & Taxes	1,52,759	20,35,422
Postage & Telephone	82,802	56,001
Printing & Stationery	12,933	2,344
Fee & Subscription	39,050	37,025
Travelling & Conveyance	3,61,654	4,22,102
Repair & Maintenance- Others	7,25,131	10,14,144
Legal & Professional Charges	5,01,235	6,46,635
Insurance	1,93,393	1,86,090
CSR Expenses	50,00,000	-
Internal Audit Fee	11,800	10,000
Donation Paid	-	1,00,00,000
Advertisement & Publicity	25,687	15,238
Auditors' Remuneration :		
- Audit Fee	88,500	86,250
- Tax Audit Fee	7,080	6,900
- Certification / others services	11,800	65,158
Miscellaneous Expenses	8,35,397	3,14,898
Total	<u>82,54,160</u>	<u>1,51,48,931</u>

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements	Year ended 31.03.2018 Rupees	Year ended 31.03.2017 Rupees
NOTE : 12 - Earning Per Share		
Net Profit /(Loss) after Tax	36,75,14,130	24,88,44,652
Total Number of Equity Shares	7,27,012	7,27,012
Earning Per Equity - Share Basic & Diluted	505.51	342.28
NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)		
For Depreciation of Fixed Assets	3,63,98,928	2,86,12,598
For Expenses Allowable on Payment	4,84,278	4,42,086
For Unabsorbed Capital Losses	2,45,69,034	2,36,39,269
Total Deferred Tax Asset/(Liability) on Balance Sheet Date	<u>6,14,52,240</u>	<u>5,26,93,953</u>
Less - Opening Balance	<u>5,26,93,953</u>	<u>4,49,27,297</u>
Deferred Tax Income/(Expense) for the year	<u>87,58,287</u>	<u>77,66,656</u>

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
Smt. Savita Jindal (Director)

Transactions with Related Party during the year

Loan to subsidiary (closing balance)	37,78,47,327	31,26,39,008
Other Advance to subsidiary	10,00,00,000	10,00,00,000
Loan to Associate Company (closing balance)	71,09,870	71,09,870
Payment to Other Related Party (Smt. Savita Jindal)		
a. Rent Paid	97,500	1,95,000
b. Other Services	99,897	70,655
Managerial Remuneration - Mr. M.R. Garg - Wholetime Director	12,87,597	10,60,148
Balance Payable by the Company to Related Party		
Associate Party (Smt. Savita Jindal)	-	30,641
Interest Income from Subsidiary, Associate & Other related party (No interest is provided on loan to Associated Company for being NPA)	2,66,75,910	1,47,18,471

NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR

Income Tax Demand under Appeal

A.Y. 2009-2010 F.Y. 2008-2009	4,53,410	4,53,410
A.Y. 2013-2014 F.Y. 2012-2013	3,80,280	3,80,280
Total	<u>8,33,690</u>	<u>8,33,690</u>

Notes forming part of the Financial Statements

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	1,36,84,350	1,36,84,350
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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 Honb'le 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.64,982,387/- (Previous Year Rs. 69,341,190/-) under Note no. - 8 represent advances made to various parties (Local/Agriculturilist) 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 infavour of company is pending due to restrictions imposed by the local authorities. Suitable appropriation of such capital advances would be made upon execution of conveyance deeds/settlement of accounts with all these parties upon disposal of the same.

NOTE:- 17 SEGMENT REPORTING

The Company has this year 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	66,01,61,444 (1,00,38,46,742)	- (-)	1,03,88,932 (33,39,742)	67,05,50,376 (1,00,71,86,484)
Other operating Income	- (-)	13,61,78,330 (13,57,08,744)	- (-)	13,61,78,330 (13,57,08,744)
Segment Results	66,01,61,444 (1,00,38,46,742)	13,61,78,330 (13,57,08,744)	1,03,88,932 (33,39,742)	80,67,28,706 (1,14,28,95,228)
Finance cost	6,68,61,830 (4,98,28,507)	- (-)	- (-)	6,68,61,830 (4,98,28,507)
Other expenditure	67,89,96,762 (91,24,79,597)	2,26,46,694 (2,38,14,909)	- (-)	70,16,43,456 (93,62,94,506)
Profit / (Loss) before Tax	(8,56,97,148) (4,15,38,638)	11,35,31,636 (11,18,93,835)	1,03,88,932 (33,39,742)	3,82,23,420 (15,67,72,215)
Segment Assets	3,48,00,69,953 (2,92,73,94,095)	73,25,91,622 (75,60,77,576)	- (-)	4,21,26,61,575 (3,68,34,71,671)
Segment Liability	1,25,27,69,102 (1,09,10,93,328)	5,78,02,563 (5,78,02,563)	- (-)	1,31,05,71,665 (1,14,88,95,891)
Capital employed	2,22,73,00,851 (1,83,63,00,767)	67,47,89,059 (69,82,75,013)	- (-)	2,90,20,89,910 (2,53,45,75,780)

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

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 sepreataly

NOTE - 19

Previous yrears 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 BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

For & on Behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

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, 2018, 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 Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the accounting principles generally accepted in India. 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.

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 Net worth of the subsidiary company on as 31st March, 2018 has gone negative leading to doubtfulness of the going concern assumption of the subsidiary company.

BASIS OF QUALIFIED OPINION

8. The company has not made provision of Rs. 71,09,870/- on Non performing loan made to its Associate. Had the provision been made the profit for the year would have been lower by the said amount of Rs. 71,09,870/-.

QUALIFIED OPINION

9. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements except for the effect of matters described under Emphases of Matter and Basis for qualified opinion paragraph above, 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, 2018, 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, 2018 is Rs. 11,24,603/-

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.
- 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, 2018 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 :
 - i. 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).
 - ii. Provision amounting to Rs. 8,04,62,397/- as on 31st March, 2018 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.
 - iii. 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, 2018.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	NOTES	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	72,70,120	72,70,120
Minority Interest		(7,60,643)	(2,61,05,142)
Reserves and Surplus	3	<u>2,77,22,26,513</u>	<u>2,35,57,85,106</u>
		2,77,87,35,990	2,33,69,50,084
Non-Current Liabilities			
Other Long Term Liabilities	4		
Others - Security Deposit	4.1	5,78,02,563	5,78,02,563
Long-Term Provisions	4.2	<u>14,92,613</u>	<u>13,62,572</u>
		5,92,95,176	5,91,65,135
Current Liabilities - Unsecured			
Short-Term Borrowings	5.1	1,63,23,78,374	1,09,22,71,317
Other Current Liabilities	5.2	1,47,11,276	11,17,90,924
Short-Term Provisions	5.3	8,31,24,482	58,73,00,385
Total Current Liabilities		<u>1,73,02,14,132</u>	<u>1,79,13,62,626</u>
Total Equity & Liabilities		<u>4,56,82,45,298</u>	<u>4,18,74,77,845</u>
ASSETS			
Non-Current Assets			
i. Fixed Assets			
-Tangible Fixed assets	6	79,78,80,821	82,34,01,081
ii. Non-Current Investments	7	1,82,35,93,020	2,11,61,51,442
iii. Long Term Loans & Advances	8	<u>6,56,51,337</u>	<u>7,00,10,140</u>
		2,68,71,25,178	3,00,95,62,663
Current Assets			
Inventories	9.1	-	13,75,00,000
Trade Receivable	9.2	4,72,29,849	4,87,06,962
Cash and Cash Equivalents	9.3	1,13,47,38,023	23,50,915
Short-Term Loans and Advances	9.4	68,00,59,926	97,25,22,470
Other Current Assets	9.5	1,90,92,322	1,68,34,835
		<u>1,88,11,20,120</u>	<u>1,17,79,15,182</u>
Total Assets		<u>4,56,82,45,298</u>	<u>4,18,74,77,845</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 **BIDASARIA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 315101E

For & on Behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

Arup Kumar Mitra
CFO

**CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	NOTES	Year ended 31.03.2018 Rupees	Year ended 31.03.2017 Rupees
INCOME			
Revenue from Operations	10.1	63,63,64,732	99,55,12,834
Other Income	10.2	14,72,15,262	13,96,96,486
		<u>78,35,79,994</u>	<u>1,13,52,09,320</u>
EXPENDITURE			
Purchase of Stock in Trade	11.1	36,10,00,000	1,03,05,00,000
Decrease/(Increase) in Stock in Trade	11.2	13,75,00,000	(13,75,00,000)
Employees Benefit Expenses	11.3	45,06,433	34,96,720
Finance Cost	11.4	8,72,39,700	8,66,31,775
Depreciation / Amortization	6.0	2,38,78,748	2,51,44,023
Other Expenses	11.5	88,93,936	1,53,44,438
Loss on sale of Investment - Net		16,77,72,652	
Contingent Provision against Standard Assets	5	(2,58,862)	6,12,510
		<u>79,05,32,607</u>	<u>1,02,42,29,466</u>
Profit / (Loss) before exceptional ,extraordinary items and tax		(69,52,613)	11,09,79,854
Exceptional Items			
Provision for Diminution in value of investment		(49,55,83,442)	(32,90,78,784)
Minority Interest		2,53,44,498	5,10,61,355
Share of loss in Associated Enterprises		8,700	3,82,730
Provision for Non Performing Assets		(83,33,599)	61,714
Profit / (Loss) after exceptional and extraordinary items and before tax		<u>47,16,11,230</u>	<u>38,85,52,839</u>
Tax Expense			
Income Tax			
- Current Year		5,50,00,000	4,15,00,000
- Adjustment of Earlier Year		1,69,823	-
Total Tax Expense		<u>5,51,69,823</u>	<u>4,15,00,000</u>
Profit / (Loss) from Continuing Operation		<u>41,64,41,407</u>	<u>34,70,52,839</u>
Earning Per Share (Basic/ Diluted)		572.81	477.37

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 BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

Raj Kumar Bidasaria
Partner
Membership No. 052251

Place : Kolkata
Dated : 29-05-2018

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 2018**

	Year Ended 31.03.2018 Rs.	Year Ended 31.03.2017 Rs.
A. <u>Cash Flow from Operating Activities</u>		
Net Profit before tax and extraordinary items	(69,52,612)	11,09,79,854
Adjusted for:		
Depreciation	2,38,78,748	2,51,44,023
Contingent Provision for Standard Assets	(2,58,862)	6,12,510
(Profit)/ Loss on Sale of Investments	<u>16,77,72,652</u>	<u>(30,47,332)</u>
Operating Profit before Working Capital Changes	18,44,39,926	13,36,89,055
Adjusted for:		
Trade & Other Receivables	12,56,40,008	(8,82,88,066)
Inventories	13,75,00,000	(13,75,00,000)
Trade Payables & Others	<u>30,50,393</u>	<u>38,13,227</u>
Cash Generated from operations	45,06,30,327	(8,82,85,784)
Direct taxes Paid	<u>(4,99,77,177)</u>	<u>(4,86,52,091)</u>
Cash Flow before extraordinary items	40,06,53,150	(13,69,37,875)
Extraordinary item	-	-
Net Cash From Operating Activities	A <u>40,06,53,150</u>	<u>(13,69,37,875)</u>
B. <u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	(4,87,598)	(25,100)
Sale of Fixed Assets	21,29,110	-
Purchase of Investments	(43,77,69,194)	(40,52,48,500)
Sale of Investments	56,25,46,264	27,67,73,238
Net Cash from Investing Activities	B <u>12,64,18,582</u>	<u>(12,85,00,362)</u>
C. <u>Cash Flow from Financing Activities</u>		
Proceeds / (Reduction) of Short Term Borrowings	60,53,15,376	26,57,14,696
Net Cash from Financing Activities	C <u>60,53,15,376</u>	<u>26,57,14,696</u>
Net increase in Cash & Cash Equivalents (A+B+C)	1,13,23,87,108	2,76,459
Opening Balances of Cash and Cash Equivalents	23,50,915	20,74,456
Closing Balances of Cash and Cash Equivalents	1,13,47,38,023	23,50,915
Change in Cash and Cash Equivalents	1,13,23,87,108	2,76,459

As per our report of even date attached

For BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

For & on behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

Arup Kumar Mitra
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, 2018

NOTES - 2 : SHARE CAPITAL

	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
Authorised		
1,000,000 Equity shares of Rs. 10 each	1,00,00,000	1,00,00,000
	1,00,00,000	1,00,00,000

Issued, Subscribed and Paid up

Equity Capital		
727,012 Equity Shares of Rs.10 each fully paid up	72,70,120	72,70,120
	72,70,120	72,70,120

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

SHARE CAPITAL

Equity Shares of Rs. 10 each fully paid up

Particulars	As at 31.03.2018		As at 31.03.2017	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	7,27,012	72,70,120	7,27,012	72,70,120
Add - Addition during the Year	-	-	-	-
Less - Reduction during the Year	-	-	-	-
At the end of the Year	7,27,012	72,70,120	7,27,012	72,70,120

- 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 31.03.2018		As at 31.03.2017	
	Nos	%	Nos	%
1. Jindal Global Finance & Investment Ltd .	1,07,416	14.77	1,07,416	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	1,06,662	14.67	1,06,662	14.67
6. Saket Jindal	70,000	9.63	70,000	9.63
7. Raghav Jindal	1,45,123	19.96	1,45,123	19.96

NOTES - 3 : RESERVE & SURPLUS	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
Particulars		
3.1 Capital Reserve		
As per last Balance Sheet	5,15,81,498	5,15,81,498
On Account of Consolidation	2,18,66,135	2,18,66,135
3.2 Other Reserves		
a) General Reserve		
As per last Balance Sheet	8,27,46,597	8,27,46,597
Add : Addition during the year	-	-
	<u>8,27,46,597</u>	<u>8,27,46,597</u>
b) Statutory Reserve		
As per last Balance Sheet	53,18,78,200	48,21,08,859
Add : Addition during the year	7,34,87,932	4,97,69,341
	<u>60,53,66,132</u>	<u>53,18,78,200</u>
3.3 Surplus in Statement of Profit & Loss A/c.		
As per last Balance sheet	1,66,77,12,676	1,37,04,29,178
Profit/(Loss) during the Year	41,64,41,407	34,70,52,839
Less - Transfer to Statutory Reserve	7,34,87,932	4,97,69,341
	<u>34,29,53,475</u>	<u>29,72,83,498</u>
Less - Transfer to General Reserve	-	-
Current Year Surplus / (Deficit)	<u>34,29,53,475</u>	<u>29,72,83,498</u>
Closing Surplus/(Deficit)	<u>2,01,06,66,151</u>	<u>1,66,77,12,676</u>
Total	<u>2,77,22,26,513</u>	<u>2,35,57,85,106</u>
NOTES - 4 : NON - CURRENT LIABILITIES		
4.1 Other Long Term Liabilities		
Others- Security Deposit	5,78,02,563	5,78,02,563
4.2 Long- Term Provisions		
For Employees Benefits	14,92,613	13,62,572
	<u>5,92,95,176</u>	<u>5,91,65,135</u>
NOTES - 5 : CURRENT LIABILITIES		
5.1 Short -Term Borrowings (Unsecured)		
Loans From Related Parties, Repayable on Demand	1,63,23,78,374	1,09,22,71,317
5.2 Other Current Liabilities		
Liabilities for Expenses	32,99,092	19,30,372
Liabilities for Statutory Dues	67,03,186	49,85,169
Liabilities for Other Finance	47,08,998	10,48,75,383
	<u>1,47,11,276</u>	<u>11,17,90,924</u>
5.3 Short Term Provisions		
5.3A Contingent Provision for Standarded Assets		
Opening Balance	29,20,947	23,08,437
Addition during the year	(2,58,862)	6,12,510
	<u>26,62,085</u>	<u>29,20,947</u>
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	57,60,45,839	90,51,24,623
Addition during the year	(49,55,83,442)	(32,90,78,784)
	<u>8,04,62,397</u>	<u>57,60,45,839</u>
5.3C Provision for Non Performing Assets		
Opening Balance	83,33,599	82,71,885
Addition / (Adjusted) during the year	(83,33,599)	61,714
	<u>-</u>	<u>83,33,599</u>
	<u>8,31,24,482</u>	<u>58,73,00,385</u>
Total Current Liabilities	<u>1,73,02,14,132</u>	<u>1,79,13,62,626</u>

SUDHA APPARELS LIMITED

NOTE : 6. FIXED ASSETS

(Notes Forming Part of Consolidated Financial Statement as on 31.03.18)

TANGIBLE ASSETS

DESCRIPTION	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
	AS AT 01.04.2017	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2018	UPTO 31.03.2017	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
Land - Gurgaon	3,96,82,800	-	-	3,96,82,800	-	-	-	-	3,96,82,800	3,96,82,800
Land - Hissar	9,55,90,913	-	16,29,110	9,39,61,803	-	-	-	-	9,39,61,803	9,55,90,913
Land - Kolkata	21,43,96,852	-	-	21,43,96,852	-	-	-	-	21,43,96,852	21,43,96,852
Building - Gurgaon	7,14,96,838	-	-	7,14,96,838	3,06,50,246	24,88,385	-	3,31,38,631	3,83,58,207	4,08,46,592
Building - Rented Mall	59,21,45,673	-	-	59,21,45,673	16,58,13,622	2,09,32,904	-	18,67,46,526	40,53,99,147	42,63,32,051
Building - Kolkata	63,05,558	-	-	63,05,558	17,62,823	2,23,048	-	19,85,871	43,19,687	45,42,735
Lift	33,63,486	-	-	33,63,486	31,95,312	-	-	31,95,312	1,68,174	1,68,174
Office Equipments	59,924	-	-	59,924	56,932	-	-	56,932	2,992	2,992
Computer	69,285	-	-	69,285	43,358	15,061	-	58,419	10,866	25,927
Solar Power Panel	20,18,050	-	5,00,000	15,18,050	2,08,306	1,71,926	-	3,80,232	11,37,818	18,09,744
Furniture & Fixtures	46,016	4,87,598	-	5,33,614	43,715	47,424	-	91,139	4,42,475	2,301
Total	1,02,51,75,395	4,87,598	21,29,110	1,02,35,33,883	20,17,74,314	2,38,78,748	-	22,56,53,062	79,78,80,821	82,34,01,081
Previous Year	1,02,51,50,295	25,100	-	1,02,51,75,395	17,66,30,291	2,51,44,023	-	20,17,74,314	82,34,01,081	-

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. Limited

Add / (Loss) : Group share of Profit or / (Loss)

3,60,59,450
(11,24,603)
3,49,34,847

3,60,59,450
(11,15,903)
3,49,43,547

i) Quoted**Equity Shares**

	Numbers	Rupees	Numbers	Rupees
Rs. 5 each of Jindal Drilling & Industries Limited	72,79,350	1,14,34,01,095	86,09,350	1,26,31,80,895
Rs. 5 each of Maharashtra Seamless Limited	3,05,000	12,85,53,359	-	-
Rs. 10 each of Haryana Capfin Limited	10,16,059	4,36,06,316	10,16,059	4,36,06,316
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 GOL Offshore Limited	1,500	6,22,765	1,500	6,22,765
Rs. 1 each of Uttam Value Steel Limited	2,99,720	3,08,977	2,99,720	3,08,977
Rs. 1 each of Llyod Steel Industries Limited	40,761	6,56,575	40,761	6,56,575
Rs. 10 each of Monnet Ispat & Energy Limited	-	-	4,53,483	25,49,55,446
Rs. 2 each of Aban Offshore Limited	100	47,233	100	47,233
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2,000	4,70,786	2,000	4,70,786
Rs. 10 each of Selan Exploration Tecnology Limited	1,100	4,35,456	1,100	4,35,456
Rs. 1 each of Jindal Steel & Power Limited	18,466	98,73,849	18,466	98,73,849
Rs. 10 each of SVOGL Oil Gas And Energy Limited	1,500	6,04,728	1,500	6,04,728
Rs. 10 each of Hexa Tradex Limited	2,600	95,156	2,600	95,156
Rs. 10 each of IDBI Bank Limited	3,000	3,58,085	3,000	3,58,085
Rs. 2 each of Jindal Saw Limited	-	-	6,000	6,97,931
Rs. 2 each of JITF Infralogistics Limited	-	-	482	61,008
Rs. 1 each of NMDC Limited	5,000	11,77,641	5,000	11,77,641
Rs. 10 each of Oil India Limited	-	-	1,166	4,44,150
Rs. 1 each of Vedanta Limited	-	-	300	82,081
Rs. 5 each of ISMT Limited	10	464	10	464
Rs. 1 each of JSW Steel Limited	10	1,111	10	1,111

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

Rs. 10 each of Dytop Commedeal Limited	85,700	8,61,240	85,700	8,61,240
Rs. 10 each of Jindal Global Finance & Investment Limit	7,00,100	27,48,505	7,00,100	27,48,505
Rs. 10 each of Jindal Pipes Limited	53,01,740	4,44,47,909	53,01,740	4,44,47,909
Rs. 10 each of Sparlerk Dealcomm Limited	81,000	8,12,000	81,000	8,12,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	8,05,000	80,000	8,05,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Limited	2,00,000	20,00,000	2,00,000	20,00,000
Rs. 10 each of Jindal Explodril Limited	19,000	1,90,000	19,000	1,90,000
Rs. 10 each of Neptune Bulitech 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	1,98,000	12,51,000	1,98,000	12,51,000
Rs. 10 each of Darpan Dealcom Limited	1,99,500	19,85,715	-	-
Rs. 10 each of Diamond Dealtrade Limited	81,05,000	8,10,40,120	-	-
Rs. 10 each of JCO Gas Pipe Limited	9,90,000	99,00,000	9,90,000	99,00,000

b) Preference Shares

Rs. 10 each of Global Jindal Fininvest Limited	2,50,000	2,50,00,000	2,50,000	2,50,00,000
Rs. 10 each of Crishpark Vincom Limited	-	-	-	-
Rs. 10 each of Jindal Global Finance & Investment Limit	2,00,000	1,00,00,000	2,00,000	1,00,00,000
Rs. 10 each of Darpan Dealcom Limited	75,05,000	7,50,50,000	-	-

c) Bonds

Bank of India SR-I Perpetual	50	5,09,50,000	50	5,09,50,000
Punjab & Sind Bank Perpetual	150	15,11,40,000	-	-
IDBI Bank Limited SR-II 10.75 BD Perpetual	-	-	45	4,50,27,000
IDBI Bank Limited SR-I 11.09 BD Perpetual	-	-	105	10,79,71,500
IDBI Bank Limited SR-II 10.95 BD Perpetual	-	-	200	20,13,00,000
		1,82,35,93,020		2,11,61,51,442

Aggregate Value of Unquoted Investments

18,12,38,309

9,82,12,474

Aggregate Value of Quoted Investments

1,33,02,78,289

1,57,77,45,346

Market Value of Quoted Investments

1,26,43,54,425

1,19,12,57,856

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.

	As At 31.03.2018 Rupees	As At 31.03.2017 Rupees
<u>NOTE - 8 : LONG TERM LOANS & ADVANCES</u>		
(Unsecured, Considered good)		
Capital Advances	6,49,82,387	6,93,41,190
Security Deposit	6,68,950	5,89,070
	<u>6,56,51,337</u>	<u>6,99,30,260</u>
<u>NOTES - 9 : CURRENT ASSETS</u>		
<u>INVENTORIES</u>		
Stock in Trade - Mutual Fund Units	-	13,75,00,000
	-	<u>13,75,00,000</u>
<u>TRADE RECEIVABLES</u>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	4,72,29,849	4,87,06,962
	<u>4,72,29,849</u>	<u>4,87,06,962</u>
<u>CASH AND CASH EQUIVALENTS</u>		
Cash on hand	1,27,372	37,625
Balances with Banks		
- In Current Accounts	46,10,651	23,13,290
- In Fixed Deposits	1,13,00,00,000	-
	<u>1,13,47,38,023</u>	<u>23,50,915</u>
<u>SHORT TERM LOANS AND ADVANCES (Unsecured)</u>		
Loans to Bodies Corporates		
(Considered, Good)		
Related Parties	-	78,63,98,636
Other then related parties	63,11,35,087	-
(Considered, Doubtful)		
Related Parties	71,09,870	71,09,870
Others	-	1,22,37,288
Other Short-Term Advances	96,01,569	12,93,70,630
Advance Income Tax (Net of Provision Rs. 356,289,161/-, Previous Year Rs. 301,289,161/-)	3,22,13,400	3,74,06,046
	<u>68,00,59,926</u>	<u>97,25,22,470</u>
<u>OTHER CURRENT ASSETS</u>		
Prepaid Expenses	76,437	98,387
Interest Receivable	1,90,15,885	1,67,36,448
	<u>1,90,92,322</u>	<u>1,68,34,835</u>
Total Current Assets	<u>1,88,11,20,120</u>	<u>1,17,79,15,182</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.

Year ended 31.03.2018 Rupees	Year ended 31.03.2017 Rupees
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NOTES - 10 : INCOME**10 REVENUE FROM OPERATIONS**

Sale of Mutual Fund Units	50,73,56,621	91,14,67,314
Dividend - on Non current Investment	75,22,936	82,48,405
Interest (TDS Rs. 9,264,580/-, Previous Year Rs. 7,032,414/-)	12,14,85,175	7,05,56,057
Profit on sale of Bonds	-	14,85,000
Brokerage	-	7,08,726
Profit on sale of Shares - Net	-	30,47,332
Total Revenue from operations	63,63,64,732	99,55,12,834

10 OTHER OPERATING INCOME

Rent (TDS Rs. 13,604,634/-, Previous Year Rs. 13,557,676/-)	13,68,26,330	13,63,56,744
Other Income		
Profit on Acquisition of Land	1,03,84,815	-
Profit on Transfer of rights in Land property - Net	4,117	33,39,742
Total other Income	14,72,15,262	13,96,96,486
Total Income	78,35,79,994	1,13,52,09,320

NOTE - 11 : EXPENSES**11 Purchases of Stock in Trade**

Item - Mutual Fund Units	36,10,00,000	1,03,05,00,000
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11 Decrease/(Increase) in Stock in Trade

Item - Mutual Fund Units		
Opening Stock	13,75,00,000	-
Less - Closing Stock	-	13,75,00,000
Decrease/(Increase) in Stock in Trade	13,75,00,000	(13,75,00,000)

11 EMPLOYEES' BENEFIT EXPENSES

Salaries & Other Allowances	43,36,069	34,27,671
Staff Welfare Expenses	1,70,364	69,049
	45,06,433	34,96,720

11 INTEREST & FINANCE COSTS

Interest on Unsecured Short Term Loan	8,70,77,160	8,65,10,772
Bank Charges	1,62,540	1,21,003
	8,72,39,700	8,66,31,775

12 OTHER EXPENSES

D.P. Charges	11,989	57,307
Rent	1,96,407	1,96,380
Rates & Taxes	1,61,148	20,43,909
Postage & Telephone	82,802	56,001
Printing & Stationery	13,073	6,755
Fee & Subscription	42,650	43,625
Travelling & Conveyance	3,61,654	4,22,637
Repair & Maintenance- Others	12,78,675	11,16,744
Legal & Professional Charges	5,37,945	6,74,660
Insurance	1,93,393	1,86,090
CSR Expenses	50,00,000	-
Internal Audit Fee	11,800	10,000
Donation Paid	-	1,00,00,000
Advertisement & Publicity	25,687	15,238
Auditors' Remuneration :		
- Audit Fee	1,18,000	1,15,000
- Tax Audit Fee	7,080	6,900
- Certification / others services	11,800	76,608
Miscellaneous Expenses	8,39,833	3,16,584
Total	88,93,936	1,53,44,438

Year ended
31.03.2018
RupeesYear ended
31.03.2017
Rupees**NOTE : 12 - Earning Per Share**

Net Profit /(Loss) after Tax	-	41,64,41,407	34,70,52,839
Total Number of Equity Shares	987385	7,27,012	7,27,012
Earning Per Equity - Share Basic & Diluted	-	572.81	477.37

NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)

For Depreciation of Fixed Assets		3,63,98,928	2,86,12,598
For Expenses Allowable on Payment		4,84,278	4,42,086
For Unabsorbed Capital Losses		2,45,69,034	2,36,39,269
Total Deferred Tax Asset/(Liability) on Balance Sheet Date	0	6,14,52,240	5,26,93,953
Less Opening Balance		5,26,93,953	4,49,27,297
Deferred Tax Income/(Expense) for the year		87,58,287	77,66,656

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

Smt. Savita Jindal (Director)

Transactions with Related Party during the year

Loan to subsidiary (closing balance)	37,78,47,327	31,26,39,008
Other Advance to subsidiary	10,00,00,000	10,00,00,000
Loan to Associate Company (closing balance)	71,09,870	71,09,870
Payment to Other Related Party (Smt. Savita Jindal)		
a. Rent Paid	97,500	1,95,000
b. Other Services	99,897	70,655
Managerial Remuneration - Mr. M.R. Garg - Wholetime Director	12,87,597	10,60,148
Balance Payable by the Company to Related Party		
Associate Party (Smt. Savita Jindal)		30,641
Interest income from Subsidiary, Associate & Other related party	2,66,75,910	1,47,18,471

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

A.Y. 2009-2010 F.Y. 2008-2009

A.Y. 2013-2014 F.Y. 2012-2013

4,53,410

3,80,280

8,33,690

4,53,410

3,80,280

8,33,690

15 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

1,36,84,350

1,36,84,350

Notes forming part of the Financial Statements

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.64,982,387/- (Previous Year Rs. 69,341,190/-) under Note no. - 8 represent advances made to various parties (Local/Agriculturilist) 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 infavour of company is pending due to restrictions imposed by the local authorities. Suitable appropriation of such capital advances would be made upon execution of conveyance deeds/settlement of accounts with all these parties upon disposal of the same.

NOTE:- 17 SEGMENT REPORTING

The Company has this year 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	66,30,40,642 (99,55,12,834)	- (-)	1,03,88,932 (33,39,742)	67,34,29,574 (99,88,52,576)
Other operating Income	- (-)	13,68,26,330 (13,63,56,744)	- (-)	13,68,26,330 (13,63,56,744)
Segment Results	66,30,40,642 (99,55,12,834)	13,68,26,330 (13,63,56,744)	1,03,88,932 (33,39,742)	81,02,55,904 (1,13,52,09,320)
Finance cost	11,39,15,610 (8,66,31,775)	- (-)	- (-)	11,39,15,610 (8,66,31,775)
Other expenditure	68,06,46,212 (91,24,53,668)	2,26,46,694 (2,51,44,023)	- (-)	70,32,92,906 (93,75,97,691)
Profit / (Loss) before Tax	(13,15,21,180) ((3572609))	11,41,79,636 (11,12,12,721)	1,03,88,932 (33,39,742)	(69,52,613) (11,09,79,854)
Segment Assets	3,81,85,39,016 (3,41,42,85,609)	74,97,06,282 (77,31,92,236)	- (-)	4,56,82,45,298 (4,18,74,77,845)
Segment Liability	1,73,17,06,745 (1,79,27,25,198)	5,78,02,563 (5,78,02,563)	- (-)	1,78,95,09,308 (1,85,05,27,761)
Capital employed	2,08,68,32,271 (1,62,15,60,411)	69,19,03,719 (71,53,89,673)	- (-)	2,77,87,35,990 (2,33,69,50,084)

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 secretalv attched as Annexure - 1.

Previous yrears 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 BIDASARIA & ASSOCIATES
Chartered Accountants
Firm Registration No. 315101E

For & on Behalf of the Board

Raj Kumar Bidasaria
Partner
Membership No. 052251

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

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2018

Rajesh Gupta
Company Secretary

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 37th Annual General Meeting of Sudha Apparels Limited will be held on Friday the 28th September, 2018 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, 2018 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements for the year ended 31st March, 2018 together with the Report 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, 2018 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, 2018 together with the Reports of Auditors thereon be and are hereby considered and adopted."

2. To appoint a Director in place of Smt. Savita Jindal, who retires by rotation and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"RESOLED THAT Smt. Savita Jindal (DIN 00449740), who retires by rotation and being eligible, offers herself for re-appointment be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS

3. 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."

4. 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."

5. 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.”

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 Crishpark Vincom Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice.”

By Order of the Board

Place: Gurgaon
Dated: 8th August, 2018

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	Smt. Savita Jindal
Age	61 Years
Qualification	Graduate
Experience	Prominent business-women having wise business experience
Date of appointment as Director of the company	30.12.2005
Relation-ship between Directors inter-se	None
Name of listed entities in which person also holds Directorship	Nil
Membership of Committee of the Board of listed entities	Nil
Shareholding of non-executive Directors	1,06,662
Inter-se relationship with other Directors	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 provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through its e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or from the website of company i.e. <https://www.sudhaapparels.com>.

The e-voting period commences on September 25, 2018 (9:00 am) and ends on September 27, 2018 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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, 2018. 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, 2018, 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 at rta@alankit.com

The facility for voting through remote e-voting / ballot paper / Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).

a) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).

b) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail rashmico@icai.org to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

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 as well as voting at the AGM through ballot paper.

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.

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

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

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

Item No. 3:

During the year ended 31st March, 2018, 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- Mr. Mangat Ram Garg, Whole Time Director's relative is a member of Pushpanjali Investrade Private Limited.
- (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, 2018, the Company has provided maximum loan amounting to Rs. 1652.14 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, whose relative is a member in Pushpanjali Investrade Private Limited.

Item No. 4:

During the year ended 31st March, 2018, 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- Mr. Mangat Ram Garg, Whole Time Director and his relative are members in Gautam Fin-Invest Private Limited
- (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, 2018, the Company has provided loans amounting to Rs. 2272.98 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 along with his relative is a member in Gautam Fin-Invest Private Limited.

Item No. 5:

During the year ended 31st March, 2018, 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- Mr. Mangat Ram Garg, Whole Time Director is a Member in Sigma Infrastructure Private Limited.
- (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, 2018, the Company has provided loans amounting to Rs. 1853.73 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. 6:

During the year ended 31st March, 2018, 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, 2018, the Company has provided loans amounting to Rs. 3819.39 lakhs to Crishpark Vincom 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

Place : Gurgaon
Dated : 8th August, 2018

Rajesh Gupta
Company Secretary

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) ofshares 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.....

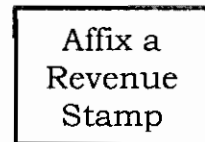
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General meeting of the Company, to be held on Friday, 28th September, 2018 at 11.30 a.m. at 2/5 Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 and at any adjournment thereof, in respect 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, 2018 together with the Reports of Directors and Auditors thereon; and (b) the Audited Consolidated financial statement for the year ended 31st March, 2018 together with the Reports of Auditors thereon;		
2. To re-appoint Smt. Savita Jindal as Director who retires by rotation		

3.	To approve related party transactions with Pushpanjali Investrade Private Limited		
4.	To approve related party transactions with Gautam Fin-Invest Private Limited		
5.	To approve related party transactions with Sigma Infrastructure Private Limited		
6.	To approve related party transactions with Crishpark Vincom Limited		

*Applicable for investors holding shares in electronic form.

Signed this Day of 2018



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 37th Annual General Meeting

Folio No

DP Id*

Client Id*

I hereby record my presence at the 37th Annual General Meeting of the Company on Friday, 28th September, 2018 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)

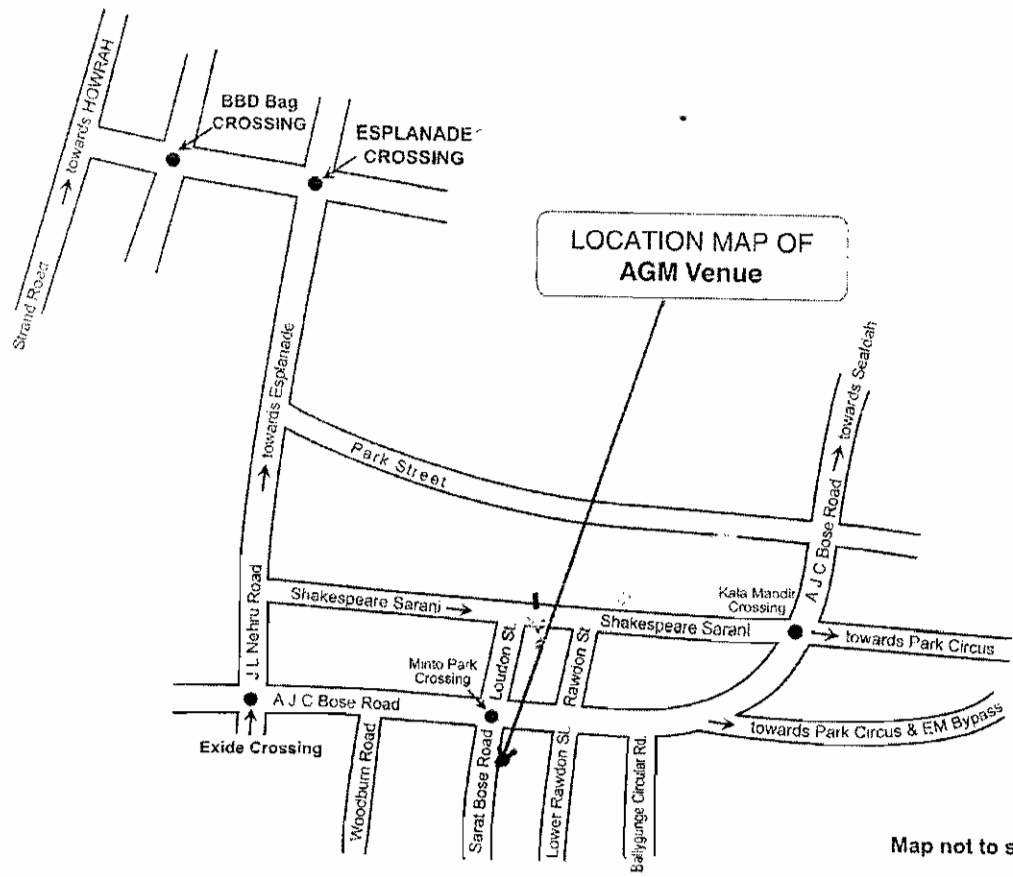
Name of the Proxy (in Block Letters)
(to be filled in, if the proxy attends instead of the member)

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