

39th ANNUAL REPORT

2019-2020

SUDHA APPARELS LIMITED

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SUDHA APPARELS LIMITED

BOARD OF DIRECTORS

Mangat Ram Garg - Chairman
Vibhore Kaushik
Roma Kumar
Savita Jindal
Sunil Gautam - Whole-time Director

AUDIT COMMITTEE

Vibhore Kaushik - Chairman
Roma Kumar
Mangat Ram Garg

COMPANY SECRETARY

Rajesh Gupta

CFO

Arup Kumar Mitra

AUDITORS

Kanodia Sanyal & Associates
Chartered Accountants
New Delhi

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,
Gurugram- 122 003
(Haryana)

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignment Limited
Alankit House,
4E/2, Jhandewalan Extension,
New Delhi- 110055

SUDHA APPARELS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 39th Annual Report along with Audited Financial Statements of the Company for the financial year ended 31st March, 2020.

FINANCIAL RESULTS

The highlights of the financial results are as under:

	Year ended <u>31.03.2020</u>	Year ended <u>31.03.2019</u>
Total Income	7665.19	14215.17
Profit before exceptional and extra-ordinary items and tax	2138.16	1900.59
Less: Provision for Diminution in value of investment	(380.37)	16.13
Provision for Non-Performing Assets	(1071.10)	10,71.10
Profit/ (Loss) before Tax	3589.63	813.36
Tax Expense:		
Current Tax	436.00	425.00
Tax Adjustment for Earlier Years	-	8.44
Profit/ (Loss) after Tax	3153.63	379.92
Other Comprehensive Income	935.43	(5174.84)
Total Comprehensive Income for the year	4089.06	(4794.92)

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. 7665.19 lakhs as against Rs. 14215.17 lakhs in the previous year. The profit before tax during the year was Rs. 3589.63 lakhs as against Rs. 813.36 lakhs in the previous year. The profit after tax was Rs. 3153.63 lakhs as against Rs. 379.92 lakhs in the previous year.

NATURE OF BUSINESS

There is no change in nature of business of the company.

TRANSFER TO RESERVES

During the year, no amount is proposed to be transferred to the General Reserve.

SUBSIDIARY COMPANIES

During the year Crishpark Vincom Limited ceased as Subsidiary of the Company on 14.02.2020. The Company has one associate namely Kushagra Infrastructure Private Limited.

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 re-appointment.

Shri Mangat Ram Garg resigned as Whole-time Director of the Company on 10th May, 2019, however, he is continuing as Director of the Company. Shri Sunil Gautam has been appointed as Whole-time Director and Key Managerial Personnel of the Company with effect from 1st June, 2019.

Mr. Rajesh Gupta has been appointed as Company Secretary with effect from 1st June, 2019.

Shri R.K. Banthia has resigned as Independent Director on 8th August, 2019 due to his pre-occupation and Dr. Roma Kumar was appointed as Independent Director for a period of five year w.e.f. 8th August, 2019.

Brief resume of Director who is 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 Sunil Gautam, Whole-time Director, Shri Rajesh Gupta, Company Secretary and Shri Arup Mitra, Chief Financial Officer.

BOARD MEETINGS

During the year nine 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 were 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 and Chairman were evaluated, taking into account the view of the Executive Directors and Non-executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

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, 2020, 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, 2020 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 as on 31st March, 2020 consists of Shri Vibhore Kaushik, Chairman, Shri Mangat Ram Garg and Dr. Roma Kumar 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

Pursuant to Section 186(11) (b) of the Companies Act, 2013, 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 the requirements 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

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

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

AUDITORS

M/s. Bidasaria & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years, at the AGM of the Company held on 28th September, 2017. M/s. Bidasaria & Associates resigned as auditors of the Company vide their letter dated 16th September, 2019.

The Board thereafter, upon recommendation of the Audit Committee, at its meeting held on 15th October, 2019, appointed M/s. Kanodia Sanyal & Associates, Chartered Accountants, (FRN 008396N) as Auditors of the Company to fill the casual vacancy in the office of statutory auditors of the Company till the conclusion of ensuring Annual General meeting of the Company. The appointment of M/s. Kanodia Sanyal & Associates Auditors was subsequently approved by the members of the Company in the Extra Ordinary General Meeting (EGM) held on 20th December, 2019.

The Company has received a letter from M/s Kanodia Sanyal & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 143(3) of the Companies Act, 2013 of the Companies Act, 2013 and they are not disqualified from appointment as Statutory Auditors of the Company.

The Board of Directors has therefore proposed the appointment of M/s Kanodia Sanyal & Associates, Chartered Accountants, for a term of 5 (five) consecutive years from the conclusion of this AGM till the conclusion of 44th AGM, subject to approval of members of the Company.

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

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, 2020. The Secretarial Audit Report for the year ended 31st March, 2020 is annexed herewith as an annexure to this Report. The Secretarial Audit Report contains the following qualification, observations or adverse remark:

The company did not comply with Regulation 295(1) of SEBI(Issue Of Capital and Disclosure Requirements) Regulations, 2018 of implementing the bonus issue within two(2) months from the date of the meeting of its board of directors wherein the decision to announce the bonus issue was taken subject to shareholders' approval.

Company's Reply:

The company was not able to comply with Regulation 295(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 relating to bonus issue within the prescribed time due to non-receipt of trading approval from the Calcutta Stock Exchange.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2019-20 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within prescribed time from the end of the financial year.

FIXED DEPOSITS

The Company is an NBFC – ND and not accepted any deposits during the year.

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

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as a part of this annual report.

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, 2020 no remuneration was paid to Non-Executive Directors in view of them having waived their entitlement to receive the sitting fee.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- | | |
|----------------------------------|-----|
| a) Employed throughout the year | Nil |
| b) Employed for part of the year | Nil |

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, 2020 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: Gurugram
Dated: 24th August, 2020

Mangat Ram Garg
Chairman

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 Shri Vibhore Kaushik and Dr. Roma Kumar as its other members.

3. Average net profit of the Company for last three financial years – Rs. 2596.23 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) –Rs. 51.92 Lakhs

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year – Rs. 5.00 Lakhs

(b) Amount unspent, if any – Rs. 47.00 Lakhs

(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.

The Company considers various proposals for carrying out CSR activities to ensure that the contributions made by the Company are for deserving causes and are properly utilized, which has taken more time than estimated and hence the required amount was not spent during the year. The Company was still evaluating various proposals at the year end.

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

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

Savita Jindal
Director

Mangat Ram Garg
Chairman CSR Committee

5 (C)	Manner in which the amount spent during the financial year 2019-2020 (Amount in Rs.)						
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	Promoting education including Special education	Promoting education including Special education	Dehradun, Uttarakhand	5,00,000	5,00,000	5,00,000	Through B.C. Jindal Trust
	Total CSR Spend			5,00,000	5,00,000	5,00,000	

FORM NO.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2020
[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,
STABLE TRADING CO LTD
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 **STABLE TRADING CO LTD (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 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, the explanations and clarifications given to us and the representation made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, 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 the Company for the financial year ended on March 31, 2020, 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; **(Not applicable to the Company during the Audit Period)**
- (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, 2018 **(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, 2018 **(Not applicable to the Company during the Audit Period)**;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial Company–Non Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016 and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reporting done by the Company.
 - b. 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.

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. mentioned above.

We further report that

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

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and 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.

Disclaimer: It is to be noted that due to the prevailing nationwide pandemic scenario and unavoidable work from home circumstances, our team could not follow the usual course of audit procedure which includes physical verification of the requisite compliances. Our opinion, as stated in the report is based on documents and information as made available by the Company via email.

Date: 24.08.2020

Place: Delhi

For Hemant Singh & Associates
Company Secretaries

Hemant Kumar Singh
(Partner)
Membership No: F6033
COP No : 6370
UDIN: F006033B000609306

Note: The Company has waived off Dividend in respect of Redeemable Preference Shares held in Crishpark Vincom Limited.

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

The Members
STABLE TRADING CO LTD
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.

Date: 24.08.2020
Place: Delhi

For Hemant Singh & Associates
Company Secretaries

Hemant Kumar Singh
(Partner)
Membership No: F6033
COP No : 6370
UDIN: F006033B000609306

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:
1.	Reporting period for the subsidiary concerned	
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	
3.	Share Capital	
4.	Reserves and Surplus	
5.	Total Assets	NIL
6.	Total Liabilities	
7.	Investments	
8.	Turnover	
9.	Profit before taxation	
10.	Provision for taxation	
11.	Profit after taxation	
12.	Proposed Dividend	
13.	% of shareholding	

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	31.03.2020
2.	Shares of Associate/Joint Ventures held by the Company on the year end	
	- No. of Equity Shares	11,95,000
	-Amount of Investment in Associates/Joint Venture	1,05,99,650
	- Extent of Holding (%)	50%
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	10586412
6.	Profit/(loss) for the year	
	i. Considered in consolidation	(21,105)
	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
DIN:00449709

Mangat Ram Garg
Director
DIN: 00449740

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and the nature of relationship	NIL
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and the nature of relationship	NIL
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangement/ transactions	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Date of approval by the Board	
(f)	Amount paid as advances, if any	

SUDHA APPARELS LIMITED

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2020

[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, 8 th 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 Assignments Limited Alankit House, 4E/2, Jhandewalan Extension, New Delhi- 110055 Tel. +91-11-42541234/23541234 Fax. 91-11-23552001 Email: 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	81.77
2	Leasing of self-owned non-residential building	70104	18.23

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	Kushagra Infrastructure Private Limited	U29120WB2005PTC102950	Associate	50.00%	2(6)

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

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, 2019)				No. of Shares held at the end of the year (As on 31 st March, 2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
PROMOTERS									
(1) Indian									
a) Indian/HUF	426835	-	426835	58.71	426835	-	426835	54.04	-4.67
b) Central Govt.	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corporate	107416	-	107416	14.78	143177	-	143177	18.13	3.35
e) Bank/FI	-	-	-	-	-	-	-	-	
f) Any Other	-	-	-	-	-	-	-	-	
Sub - Total	534251	-	534251	73.49	570012	-	570012	72.17	-1.32
(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	570012		570012	72.17	-1.32
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	
b) Bank/FI	-	-	-	-	-	-	-	-	
c) Central Government	-	-	-	-	-	-	-	-	
d) State Government	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	

f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-	-
h) Foreign Ventures	-	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-	-
Non-Institutions										
a) Bodies Corporates - Indian	25600	167109	192709	26.51	168800	50926	219726	27.83		1.31
b) Individuals shareholders holding nominal share capital upto Rs. 1 lakh	-	52	52	0.00	-	52	52	0.00		0.00
Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-		-
c) Others (Specify) Shares held against fractional entitlement	-	-	-	-	22	-	22	0.00		0.00
Sub-total (B)(2):	25600	167161	192761	26.51	168822	50978	219778	27.82		1.31
Total Public shareholding	25600	167161	192761	26.51	168822	50978	219778	27.82		1.31
C. Shares held by Custodian for GDRs and ADRs										
Grand Total (A+B+C)	559851	167161	727012	100.00	738834	50978	789812	100.00		0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2019)			Shareholding at the end of the year (As on 31 st March, 2020)			% 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	Dharam Pal Jindal	69900	9.62	0.00	69900	8.85	0.00	-0.77
2	Dharam Pal Jindal (HUF)	35150	4.84	0.00	35150	4.45	0.00	-0.39
3	Saket Jindal	70000	9.63	0.00	70000	8.86	0.00	-0.77
4	Savita Jindal	106662	14.67	0.00	106662	13.5	0.00	-1.17
5	Raghav Jindal	145123	19.96	0.00	145123	18.37	0.00	-1.59
6	Jindal Global Finance and Investment Ltd.	107416	14.77	0.00	107416	13.6	0.00	-1.17
7.	Flakt Dealcomm Limited	NA	NA	NA	35761	4.53	0.00	4.53
	Total	534251	73.49	0.00	570012	72.16	0.00	-1.33

(iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding at the beginning of the year (As on 1 st April, 2019)		Date	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year (As on 31 st March, 2020)		
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company	
1.	Flakt Dealcomm Limited	NA		NA	29.07.2019	35761	On becoming Promoter Group Company*	35761	4.53

*As per scheme of Arrangement between Dytop Commoddeal Limited (Demerged/ Transferor Company) and Flakt Dealcomm Limited (Transferee Company) approved by Hon'ble National Company Law Tribunal, Kolkata.

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 1 st April, 2019)		Increase/Decrease during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2020)	
		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	28,000	Issue of Bonus Shares	98,000	12.41
2	GVN Fuels Limited	36,000	4.95	14,400	Issue of Bonus Shares	50,400	4.95
3	Flakt Dealcomm Ltd.	35,761	4.92	-35,761	On becoming Promoter Group Company*	NA	NA
4	Gautam Fin-Invest Private Limited	27,862	3.83	11,144	Issue of Bonus Shares	39,006	4.94
5	Jhanjhari Holdings Pvt. Ltd.	23,086	3.17	9234	Issue of Bonus Shares	32,320	4.09
6	Smt. Sudha Gautam (Nominee for fractional shares entitlement)	0	0.00	22	Issue of Bonus Shares	22	0.00
7	Manoj Kumar	2	0.00	-	-	2	0.00
8	Chhedi Lal Gupta	2	0.00	-	-	2	0.00
9	Om Prakash Gupta	2	0.00	-	-	2	0.00

10	Ramesh Pandey	2	0.00	-	-	2	0.00
11	Ajay Joshi	2	0.00	-	-	2	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year 01.04.2019		Increase/Decrease during the year		Cumulative Shareholding at the end of the year 31.03.2020	
		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	-	N.A.	106662	14.67
2	Shri R. K. Banthia – Director*****	-	0.00	-	N.A.	-	0.00
3	Shri Vibhore Kaushik – Director	-	0.00	-	N.A.	-	0.00
4	Shri Mangat Ram Garg –Director**	-	0.00	-	N.A.	-	0.00
5	Shri Sunil Gautam-Director****	-	0.00	-	N.A.	-	0.00
6	Dr. Roma Kumar-Director*****	-	0.00	-	N.A.	-	0.00
5	Shri Rajesh Gupta*** – CS (KMP)	-	0.00	-	N.A.	0	0.00
6	Shri Arup Kumar Mitra - CFO(KMP)	-	0.00	-	N.A.	0	0.00

** Designated as Non- Executive Director of the Company and Chairman of the Board with effect from 10th May 2019.

*** Appointed as Company Secretary on 1st June, 2019.

**** Appointed as Whole-Time Director of the Company on 1st June, 2019.

***** Resigned as Director on 8th August, 2019.

*****Appointed as Independent Director of the Company on 8th August, 2019.

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, 2019)				
i) Principal Amount		- 114,09,43,601		- 114,09,43,601
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
Total (i+ii+iii)		- 114,09,43,601		- 114,09,43,601
Change in Indebtedness during the financial year				
- Addition		-		-
- Reduction		- 19,44,66525		- 19,44,66525
Net Change		- 19,44,66525		- 19,44,66525
Indebtedness at the end of the financial year (31st March, 2020)				
i) Principal Amount		- 94,64,77,076	0	- 94,64,77,076
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
Total (i+ii+iii)		- 94,64,77,076	0	- 94,64,77,076

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 -upto 10 th May, 2020 (Rs.)	Mr. Sunil Gautam, WTD- w.e.f 1 st June, 2020 (Rs.)	Total Amount (Rs.)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,	1,533,810	623,230	21,57,040
	(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)	1,533,810	623,230	21,57,040

B. Remuneration to other Directors:

Sl. no.	Particulars of Remuneration					
		Shri R.K. Banthia- upto 8 th August, 2019	Shri Vibhore Kaushik	Smt. Savita Jindal	Dr. Roma Kumar- w.e.f. 8 th August, 2020	Total Amount
	3. Independent Directors · Fee for attending board committee meetings · Commission	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
	4. Other Non-Executive Directors · Fee for attending board committee meetings · Commission	-	-	-	-	-
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration (A)+(B)					21,57,040

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 – w.e.f.- 1 st June, 2020	Mr. Arup Kumar Mitra, CFO	Total
1.					
	Gross salary	N.A.	959,348	2,73,933	12,33,281
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,				
	(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.	959,348	2,73,933	12,33,281

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

-----NIL-----

STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- a) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020 and percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial year 2019-2020.

S.No	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2019-2020 (Rs)	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2019-2020
1.	*Mr. Mangat Ram Garg (Whole Time Director) upto 10.05.2019	15,33,810	-	-
2.	Mr. Sunil Gautam (Whole Time Director) w.e.f.- 01.06.2019	6,23,230	-	-
3.	*Mrs. Savita Jindal (Non- Executive Director)	-	-	-
4.	*Mr. Vibhore Kaushik (Non- Executive Independent Director)	-	-	-
5.	*Dr. Roma Kumar (Non- Executive Independent Director)	-	-	-
6.	Mr. Arup Mitra (CFO)	2,73,933	-	-3
7.	****Mr. Rajesh Gupta (Company Secretary)	9,59,348	-	-

* designated as Non- Executive Director of the Company with effect from 10th May 2019.

**Appointed as Whole- time Director w.e.f. 1st June, 2019

*** During the year ended 31st March, 2020 no remuneration was paid to Non-Executive Directors in view of them having waived their entitlement to receive the sitting fee.

****Appointed as Company Secretary w.e.f. 1st June, 2019

- b) The percentage decrease in the median remuneration of the employees in the financial year 2019-2020 was -25%.
- c) As of March 31, 2020, there were 9 permanent employees on the rolls of the Company.
- d) Average percentile increase already made in the salaries of the employee other than the managerial personnel in last financial year i.e 2019-2020 was -13 % whereas percentage increase in the managerial remuneration in the last financial year i.e 2019-2020 was -3 %.
- e) The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

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.

The Chairman of the Board is Non- Executive Independent Director.

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.

A Certificate under Clause (i) of point (10) of para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by M/s Hemant Singh and Associates, Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is attached.

Board Functioning and Procedure

During the year ended 31st March, 2020, the Board of Directors met (9) nine times on 10th May, 2019, 29th May 2019, 1st June, 2019, 8th August 2019, 12th September, 2019, 15th October, 2019, 12th December, 2019, 1st January, 2020 and 13th February, 2020. 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, 2020 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held			Listed Entity where the director is a director & Category of Directorship
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanships	
Smt. Savita Jindal	Non-Executive	106,682	5	No	1	-	-	-
*Shri M.R. Garg	Chairman-Non-Executive	-	9	Yes	4	-	-	-
Shri R.K. Banthia*	Independent	-	3	No	4	-	-	-

Shri Vibhore Kaushik	Independent	-	9	Yes	2	1	-	Stable Trading Company Limited- Independent Director
Dr. Roma Kumar**	Independent	-	5	No				Maharashtra Seamless Limited
Shri Sunil Gautam ***	Executive	-	5	No				-

* designated as Non- Executive Director of the Company and Chairman of the Board with effect from 10th May 2019.

**ceased as Director on 8th August, 2019

***Appointed as Director on 8th August, 2019

****Appointed as Director/WTD on 1st June, 2019

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 13th February, 2020. 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>

CORE SKILLS/EXPERTISE/COMPETENCIES FOR THE BOARD OF DIRECTORS

In terms of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance, the Board has identified the following core skills/expertise/competencies for the Board of Directors in the context of business of the Company to function effectively and those actually available with the Board as follows:

- (i) Industry specific knowledge/ experience;
- (ii) Financial literacy/expertise including appreciation of legal/ regulatory issues;
- (iii) General administrative expertise including HR matter; and
- (iv) Knowledge of contemporary socio economic issues.

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

	Smt. Savita Jindal	Shri M.R. Garg	Shri Vibhore Kaushik	Dr. Roma Kumar	Sunil Gautam
Industry specific knowledge/ experience;	Yes	Yes	Yes	Yes	Yes
Financial literacy/expertise including appreciation of legal/ regulatory issues;	Yes	Yes	Yes	Yes	Yes
General administrative expertise including HR matter; and	-	Yes	-	-	Yes
Knowledge of contemporary socio economic issues.	Yes	Yes	Yes	Yes	Yes

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 Non-executive Independent 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 5 Audit Committee meetings were held on 29th May, 2019, 12th September, 2019, 15th October, 2019, 12th December, 2019, 1st January, 2020 and 13th February, 2020. 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 Vibhore Kaushik*	Chairman	6
Shri R.K. Banthia**	Member	1
Shri M.R. Garg	Member	6
Dr. Roma Kumar***	Member	5

* Appointed as Chairman of the Committee on 8th August, 2019

**Ceased to be Chairman/member of the Committee on 8th August, 2019

***Appointed as member of the Committee on 8th August, 2019

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 Non-Executive Independent Director. During the year under review meeting of the Nomination and Remuneration Committee was held on 1st June, 2019, 8th August, 2019 and 13th February, 2020. The constitution of the Corporate Social Responsibility Committee as on 31st March, 2020 is as under:-

Name of the Members	Designation	No. of Meetings attended
Shri Vibhore Kaushik	Chairman	3
Shri R.K. Banthia*	Member	1
Smt. Savita Jindal	Member	3
Dr. Roma Kumar**	Member	1

*Ceased to be member of the Committee on 8th August, 2019

**Appointed as member of the Committee on 8th August, 2019

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, 2020 is 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 (upto 10.05.2019)	15,33,810	Nil	15,33,810
Shri Sunil Gautam (1.06.2019-31.03.2020)	6,23,230	Nil	6,23,230

(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, 2020 - 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, 2020.

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.

During the year under review, the said Committee met on 29th May, 2020. The constitution of the Corporate Social Responsibility Committee as on 31st March, 2020 is as under:-

Members	Designation
Shri Mangat Ram Garg	Chairman
Shri R.K. Banthia *	Member
Shri Vibhore Kaushik	Member
Dr. Roma Kumar**	Member

*ceased to be member of the Committee on 8th August, 2019

**Appointed as member of the Committee on 8th August, 2019

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.

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
*Shri R.K. Banthia	Member
**Dr. Roma Kumar	Member

*ceased to be member of the Committee on 8th August, 2019

**Appointed as member of the Committee on 8th August, 2019

Compliance Officer

The Board has designated Mr. Rajesh Gupta, 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 01.04.2019 to 31.03.2020	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	Nil
Number of pending complaints as on 31.03.2020 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

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

Financial year	Date	Location of the Meeting	Time
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.
2017-18	28.09.2018	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	11.30AM.
2017-19	27.09.2019	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	11.30AM.

(i) Special resolutions passed in the preceding three Annual General Meetings.

a)	In the Annual General Meetings held on 28 th September, 2017	None
b)	In the Annual General Meetings held on 28 th September, 2018	None
c)	In the Annual General Meetings held on 27 th September, 2019	a) Issue of Bonus shares to non-promoters (Public) shareholders of the Company. b) Amendment of Object Clause of Memorandum of Association c) Amendment of Liability Clause of Memorandum of Association d) Amendment of Articles of Association

(ii) Special resolution is proposed to be conducted through postal ballot.

During the year under review, no special resolution was passed through postal ballot.

None of the special resolutions is proposed to be conducted through postal ballot.

7. CERTIFICATE ON CORPORATE GOVERNANCE REPORT

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Certificate on Corporate Governance has been annexed to the Board's Report.

8. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, KMPs and designated employees.

9. 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 Sukhabar (Bengali). The Financial Results are also available on the Company's website <http://www.sudhaapparels.com>.

10. GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting:

Date and Time: 28th September, 2020 at 3.00 P.M.
Venue: Through video conferencing

(b) Financial Year: 1st April, 2019 to 31st March, 2020

(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 2020-21 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 2019 to 31st March, 2020.

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

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

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

The Company has complied with all the requirements of Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time. During the Company's suspension has been revoked under Amnesty Scheme of the Calcutta Stock Exchange.

(i) Registrar and Transfer Agent

Alankit Assignment Limited
Alankit House,
4E/2, Jhandewalan Extension,
New Delhi – 110055
Phone: 011-42541234, 011-23541234
Fax: 011- 23552001, e-mail: rta@alankit.com

(j) Share Transfer System:

In accordance with Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, effective from April, 1, 2019, transfers of shares of the Company, except in case of request received for transmission or transposition of securities, shall not be processed unless the shares are held in the dematerialized form with a depository. Shareholders holding shares in physical form are requested to have their shares dematerialized so as to be able to freely transfer them.

(k) Distribution of shareholding as on 31st March, 2020

No. of Equity Shares held	No. of Share-holders	% of share-holders	No. of Shares held	% of Shareholding
Upto 500	45	78.95	74	0.01
501-1000	-	-	-	-
1001-2000	-	-	-	-
2001-3000	-	-	-	-
3001-4000	-	-	-	-
4001-5000	-	-	-	-
5001-10000	-	-	-	-
10001 above	12	21.05	7,89,738	100.00
Total	57	100.00	7,89,812	100.00

Shareholding Pattern as on 31st March, 2020

Category	No. of Shares held	% of Shareholding
Promoters	570012	72.17
Private Bodies Corporate	219726	27.82
Indian Public	74	0.01
Grand Total	789812	100.00

(l) **Dematerialization of shares**

93.54 % of total paid-up equity shares of the Company were in dematerialized form as on 31st March, 2020.

(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**

Company's nature of business is of investment and financing, hence there is no commodity price risk or foreign exchange risk.

(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.

11. 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) Accounting Standards

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

c) 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.

d) CEO/CFO Certificate

Shri Shrikant Ladia, Whole Time-Director and Shri Satish Saxena, CFO have furnished the required certificate to the Board of Directors pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

e) 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. 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, 2020.

Date: 24th August, 2020

Sunil Gautam
Whole Time Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Sudha Apparels Limited
2/5 Sarat Bose Road, Sukh Sagar,
Flat No 8A, 8th Floor,
Kolkata-700020

We have examined the compliance of conditions of Corporate Governance by **SUDHA APPARELS LIMITED** ('the Company'), for the year ended **31st March, 2020**, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

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

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

For **HEMANT SINGH & ASSOCIATES**
(Company Secretaries)

HEMANT KUMAR SINGH
(Partner)
FCS- 6033
C.P. No. : 6370

Place: New Delhi
Dated: 24th August, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sudha Apparels Ltd** having CIN **L17299WB1981PLC033331** and having its registered office at 2/5, Sarat Bose Road, Sukh Sagar Flat No. 8A, Kolkata-700020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No	Name of Director	DIN	Date of Appointment
1.	Mr. Mangat Ram Garg	00449709	01/07/2014
2.	Ms. Savita Jindal	00449740	30/12/2005
3.	Mr. Vibhore Kaushik	01834866	30/01/2017
4.	Ms. Roma Kumar	02194012	08/08/2019
5.	Mr. Sunil Gautam	08125576	01/06/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Hemant Singh & Associates
Company Secretaries

Hemant Kumar Singh
(Partner)

M. No: F6033

CP No.: 6370

UDIN: F006033B000609350

Date: 24.08.2020

Place: Delhi

SUDHA APPARELS LIMITED

Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31st March, 2020

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 World Health Organization [WHO] declared COVID-19 as a pandemic on March 11, 2020. The pandemic has impaired global economy, international trade, financial structures, and most importantly human health and healthcare infrastructure. Factoring in the adverse effect of the pandemic, the IMF, in June 2020, projected global GDP for CY2020 to contract by as much as 4.9% - signalling the worst recession the world has seen since the Great Depression of the 1930s. The COVID-19 crisis threatens to reverse a significant part of the progress made in recent years, and it is feared millions of people will be pushed back into poverty.

What happens to global growth in the second half will depend on three factors: when the spread of the pandemic comes under control; whether sufficient stimulus is in place; and to what extent post-pandemic caution from households and businesses restrains economic activity.

BUSINESS OUTLOOK

Indian GDP growth continued its downward trajectory in every successive quarter of FY 2019-20, expanding by a mere 3.1% in the fourth quarter and 4.2% for the entire FY 2019-20 - the slowest growth since FY 2008-09. The downward spiral which began with outflow of international investments soon ballooned into a consumption slowdown led by weakening credit growth due to liquidity constraints facing the NBFCs, credit averseness amongst banks, weak capital expenditure, and a slowdown in manufacturing. The government and the RBI announced a slew of measures during the year to revive the economy by trying to boost demand. In September 2019, the Government of India slashed the corporate tax rates from 30% to 22% [15% for new domestic manufacturing companies – amongst the lowest in the world] in an attempt to promote investment and boost growth. This complemented aggressive rate cuts from the RBI which reduced the benchmark policy rate in multiple steps from 6% in April 2019 to 4.4% in March 2020. However, the economic disruption intensified in the fourth quarter of the fiscal year 2020 due to the COVID-19 pandemic, and the consequent nationwide lockdown. Amid fast-changing macroeconomic environment and a deteriorating outlook for growth, the Monetary Policy Committee [MPC] held off-cycle meetings in March and May, cumulatively reducing repo rate by a total of 115 basis points to 4.00%, the lowest level since the year 2000.

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

Total income of the Company during the year was Rs. 7665.19 lakhs as against Rs. 14215.17 lakhs in the previous year. The profit before tax during the year was Rs. 3589.63 lakhs as against Rs. 813.36 lakhs in the previous year. The profit after tax was Rs. 3153.63 lakhs as against Rs. 379.92 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.

To the Members of Sudha Apparels Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Sudha Apparels Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013(the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards(" Ind AS") specified under Section 133 of the Act, of, of the state of affairs (financial position) of the Company as at 31 March, 2020, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India(ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statement of the current period. These matters were addressed in the context of our audit of the standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matter

How our audit addressed the key audit matters

First time adoption of Ind AS (as refer Note no.27 of standalone Ind AS financial statements)

In accordance with the roadmap for implementation of Ind AS for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the company has adopted Ind As from April 1, 2019 with an effective date of April 1,2018 for such transition. For periods up to and including the year ended March 31, 2019. The company had prepared and presented its Standalone Ind AS financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). In order to give effect of transition to the Ind AS these Standalone Ind AS financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS.

The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter-alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extent Reserve Bank of India (RBI) directions.

Our audit procedures include the following substantive procedures:

- Read the Ind AS impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework.
- We understood the exemption availed by the management in applying the first -time adoption principles of Ind AS 101.
- We understood the Standalone Ind AS financial statements closure process (including disclosure in notes to accounts) and the additional controls established by the Company for transition to Ind AS. We have tested the design and operating effectiveness of key controls for processes identified by the company for impact assessment.
- We understood the changes made to accounting policies in light of the requirements of the new framework.
- We performed text of details on the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.

<p>In view of the complexity involved, Ind AS transition and the preparation of Standalone Ind AS financial statements subsequent to the transition date have been areas of key focus in our audit.</p>	<p>We assessed the disclosures included in the Ind AS financial statements in accordance with the requirements of Ind AS 101, with respect to previous years presented.</p>
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Emphasis of Matter

We draw attention to Note 34 in the financial statements relating to Company holds 150 Bonds of Yes Bank for Rs. 152,685,000/-. In present scenario the value of Bonds is nil. The holders of Yes Bank Bonds approached to Apex Court and placed a proposal to Yes Bank Bonds are converted into Equity Shares in ratio of 1 Bond: 19551 equity shares of Rs. 2 each with locking period of 3 years. The decision is pending in Apex Court. Further we refer note no. 30 relating to Capital Advance.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report but does not include the Standalone Ind AS financial statements and our auditor's report thereon. The report containing other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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 of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the transition date opening balance sheet as at April 1, 2018 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2018 and statutory financial statements for the year ended 31 March 2019 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditors whose report dated 29th May 2018 and 29th May 2019 respectively, expressed a qualified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Note No. 26 to the standalone Ind AS financial statements which states that the company has first time adopted Ind AS for the financial year commencing from April 1, 2019, and accordingly, the standalone annual financial results have been prepared by the Company's Management in compliance with Ind AS.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- e. on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year in accordance with the provisions of section 197 of the Act.
- h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us :
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer to Note 29 to the standalone Ind AS financial statements;
 - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts during the year ended March 31,2020.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For Kanodia Sanyal & Associates

Chartered Accountants

FRN: 008396N

(Pallav Kumar Vaish)

Partner

Membership no.: 508751

UDIN: 20508751AAAADV9427

Place: Gurugram

Date: 31st July 2020

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Inventory representing units of Mutual Fund is held by the Company in Demat Form which has been verified by the management during the year. In our opinion and according to the explanations given to us, the frequency of verification is reasonable, and no material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has granted unsecured loans to body corporates covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'); and with respect to the same:
 - (a) In our opinion, rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the body's corporate listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of interest and the principal amounts are being received/renewed on the due dates.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- (vi) The Central Government has not prescribed the maintenance of cost under section 148(1) of the Act, for any services rendered by the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, ESI, income tax, goods and service tax, duty of customs, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, ESI, income tax, good and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, Goods and service tax, Custom duty and cess have not been deposited by the Company on account of disputes:

Nature of the Statute	Nature of the dues	Amount Disputed (Rs/Lacs)	Forum where dispute is pending
1. Income Tax Act	Income Tax demand	4.53	CIT(A) AY 2008-09
	Income Tax demand	3.80	CIT(A) AY 2012-13
2. Service Tax	Service Tax demand	38.18	Apex Court Oct.2010 to Sep. 2011

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term 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 explanations 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 requisite approvals mandated by the provisions of Section 197, read with Schedule V to 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 standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, during the year, 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 examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion and on the basis of records and 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.

For Kanodia Sanyal & Associates

Chartered Accountants

FRN: 008396N

(Pallav Kumar Vaish)

Partner

Membership no.: 508751

UDIN: 20508751AAAADV9427

Place: Gurugram

Date: 31st July 2020

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Sudha Apparels Limited ('the Company') as of 31 March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Company's internal financial controls 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 the 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.

Modified Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company does not have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as at March 2020, based on the criteria for internal control over financial reporting 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.

For Kanodia Sanyal & Associates

Chartered Accountants

FRN: 008396N

(Pallav Kumar Vaish)

Partner

Membership no.: 508751

UDIN: 20508751AAAADV9427

Place: Gurugram

Date: 31st July 2020

SUDHA APPARELS LIMITED
BALANCE SHEET AS AT 31ST MARCH ' 2020

Particulars		Note No.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
ASSETS					
(1) Financial Assets					
(a) Cash and cash equivalents	1	2,560,742	2,232,679	2,529,692	
(b) Bank Balance other than (a) above	2	-	-	1,130,000,000	
(c) Derivative financial instruments					
(d) Receivables					
i) Trade Receivables	3	44,220,821	30,443,618	47,229,849	
ii) Other Receivables					
(e) Loans	4	1,517,331,546	1,539,577,719	1,118,408,350	
(f) Investments	5	2,220,484,701	1,878,073,482	1,985,414,761	
(g) Other Financial assets					
(2) Non-financial Assets					
(a) Inventories	6	44,000,000	259,602,888	-	
(b) Current tax assets (Net)	7	447,251,152	402,267,043	378,654,242	
(c) Deferred tax Assets (Net)		-	-	-	
(d) Investment Property	8	592,616,440	612,133,172	632,657,201	
(e) Biological assets other than bearer plants		-	-	-	
(f) Property, Plant and Equipment	8	146,193,660	147,394,484	148,108,960	
(g) Capital work-in-progress					
(h) Intangible assets under development					
(i) Goodwill					
(j) Other intangible assets					
(k) Other non-financial assets	9	66,185,769	66,185,769	65,571,457	
Total Assets			5,080,844,831	4,937,910,854	5,508,574,512
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial Liabilities					
(a) Derivative financial instruments					
(b) Payables					
(i) Trade Payables					
i) dues of micro enterprises and small enterprises					
ii) dues of creditors other than micro enterprises and small enterprises					
(ii) Other Payables					
i) dues of micro enterprises and small enterprises					
ii) dues of creditors other than micro enterprises and small enterprises					
(c) Debt Securities					
(d) Borrowings (Other than Debt Securities)	10	946,477,076	1,140,943,601	1,202,222,769	
(e) Deposits	11	34,424,935	31,327,375	28,511,412	
(f) Subordinated Liabilities					
(g) Other financial liabilities	12	9,441,135	10,905,112	9,967,281	
(2) Non-Financial Liabilities					
(a) Current tax liabilities (Net)	13	418,862,161	375,262,161	356,289,161	
(b) Provisions	14	4,509,699	150,659,685	40,579,052	
(c) Deferred tax liabilities (Net)	15	93,805,832	64,395,358	227,095,459	
(d) Other non-financial liabilities					
(3) EQUITY					
(a) Equity Share capital	16	7,898,120	7,270,120	7,270,120	
(ii) Other Equity		3,565,475,871	3,157,147,442	3,636,639,258	
Total Liabilities and Equity			5,080,844,831	4,937,910,854	5,508,574,512

See accompanying notes to the financial statements

In terms of our report of even date attached

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm Registration No. 008396N

Pallav Kumar Vaish
Partner
Membership No. 508751

Place: Gurugram
Date: 31.07.2020

For and on behalf of the Board

Sunil Gautam
Whole Time Director
DIN - 08125576

Savita Jindal
Director
DIN - 00449740

Rajesh Gupta
Company Secretary
F4870

Arup Kumar Mitra
CFO
PAN - AQHPM2861A

SUDHA APPARELS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH' 2020

Particulars		Note No.	For the year ended 31st March'2020	For the year ended 31st March'2019
(I)	Revenue from operations			
(i)	Interest Income		137,810,880	129,171,283
(v)	Net gain on fair value changes			
(vi)	Net gain on derecognition of financial instruments under amortised cost category	17		
(vii)	Sale of Mutual Fund Units		467,795,604	1,130,482,149
(viii)	Sale of Investment			
(ix)	Others		1,050,000	9,602,844
	Total Revenue from operations		606,656,484	1,269,256,276
(II)	Other Income			
(i)	Dividend Income	18	20,129,886	14,044,247
(ii)	Rental Income		139,732,900	138,216,860
	Total Revenue from other Income		159,862,786	152,261,107
(III)	Total Income (I+II)		766,519,270	1,421,517,383
	Expenses			
(i)	Finance Costs	19	66,834,687	76,580,207
(ii)	Net loss on fair value changes	20	3,097,560	2,815,963
(iii)	Net loss on derecognition of financial instruments under amortised cost category		-	-
(iv)	Impairment on financial instruments		-	1,299,106
(v)	Cost of materials consumed			
(vi)	Purchases of Stock-in-trade	21	240,413,982	1,372,449,173
(vii)	Changes in Inventories of finished goods, stock-in-trade and work-in-progress	22	215,602,888	(259,602,888)
(viii)	Employee Benefits Expenses	23	3,255,306	4,154,081
(ix)	Depreciation, amortization and impairment	8	20,773,326	21,873,345
(x)	Others expenses (to be specified)	24	2,758,269	10,607,794
	Contingent Provision against Standard Assets		(30,979)	1,281,331
(IV)	Total Expenses (IV)		552,703,039	1,231,458,112
(V)	Profit / (loss) before exceptional items and tax (III-IV)		213,816,231	190,059,271
(VI)	Exceptional items			
	Provision for Diminution in value of investment		(38,037,314)	1,612,960
	Provision for Non Performing Assets		(107,109,870)	107,109,870
(VII)	Profit/(loss) before tax (V-VI)		358,963,415	81,336,441
(VIII)	Tax Expense:			
a)	Current Tax		43,600,000	42,500,000
b)	Deferred Tax		-	-
c)	Tax Adjustment for Earlier Years		-	843,989
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)			
(X)	Profit/(loss) from discontinued operations			
(XI)	Tax Expense of discontinued operations			
(XII)	Profit/(loss) from discontinued operations(after tax) (X-XI)			
(XIII)	Profit/(loss) for the period (IX+XII)		315,363,415	37,992,452
(XIV)	Other Comprehensive Income			
(A)	(i) Items that will not be reclassified to profit or loss		122,953,489	(680,184,369)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(29,410,475)	162,700,101
	Total A		93,543,014	(517,484,268)
(B)	(i) Items that will be reclassified to profit or loss			
	Change in fair value of equity instrument			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total B		-	-
	Other Comprehensive Income (A + B)		93,543,014	(517,484,268)
(XV)	Total Comprehensive Income for the period (XIII+XIV)		408,906,429	(479,491,816)
(XVI)	Earnings per equity share (for continuing operations)			
	Basic (Rs.)	25	399.29	48.10
	Diluted (Rs.)	25	399.29	48.10

See accompanying notes to the financial statements

In terms of our report of even date attached

For KANODIA SANYAL & ASSOCIATES

Chartered Accountants
Firm Registration No. 008396N

For and on behalf of the Board

Pallav Kumar Vaish
Partner
Membership No. 508751

Sunil Gautam
Whole Time Director
DIN - 08125576

Sevika Jindal
Director
DIN - 00440740

Place: Gurugram
Date: 31.07.2020

Rajesh Gupta
Company Secretary
F4870

Arup Kumar Mitra
CFO
PAN - AQHPM2661A

SUDHA APPARELS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	For the year ended 31st Mar'2020	For the year ended 31st March'2019
Net Profit/(Loss) before Extraordinary Items and Tax	213,816,231	190,059,271
Adjustments for:-		
Depreciation and amortisation	20,771,326	21,873,345
Interest income		
IND AS Adjustment	3,097,560	4,115,069
Dividend Received / Profit or Loss on redemption of Investments		950,000
Loss/(Profit) on transfer of land		
Finance Cost		
Contingent Provision for Standard Assets Written back	(30,979)	1,281,331
Operating profit /(loss) before working capital changes		
Changes in working capital :		
Adjustment for (increase)/decrease in operating assets		
Trade Receivables and Other Financial assets	(91,531,030)	(406,296,556)
Inventories	215,602,888	(259,602,888)
Adjustment for increase/(decrease) in operating liabilities		
Trade payable & other payable	(2,435,799)	1,014,303
Other financial liabilities		
Provisions		
Cash generated from Operations		
Direct income tax(paid)/refunds	(44,984,109)	(47,983,790)
Net Cash flow from /(used in) operating activities(A)	314,306,088	(494,589,915.00)
<u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	(53,770)	(634,840)
Long term loan advances		
Net proceeds from sale/(purchase) of investments	(219,457,730)	(573,793,090)
Sale of Investments		
Bank deposit not considered as cash and cash equivalents (net)		
Fair Value adjustment of Financial Assets		
Interest Received		
Net Cash flow from/(used in) Investing Activities(B)	(219,511,500)	(574,427,930)
<u>Cash Flow from Financing Activities</u>		
Proceeds from borrowings (including Ind AS adjustments)	-	-
Net increase/(Decrease) in borrowings	(94,466,525)	(61,279,168)
Interest paid		
Net Cash Flow from /(used in) Financing Activities (C)	(94,466,525)	(61,279,168)
Net Increase /(decrease) in Cash and Cash Equivalents (A+B+C)	328,063	(1,130,297,013)
Cash and cash equivalents at the beginning of the year	2,232,679	1,132,529,692
Cash and cash equivalents at the end of the year	2,560,742	2,232,679

See accompanying notes to the financial statements

In terms of our report of even date attached

For **KANODIA SANYAL & ASSOCIATES**

Chartered Accountants

Firm Registration No. 008396N

Pallav Kumar Vaish

Partner

Membership No. 508751

Place: Gurugram

Date: 31.07.2020

For and on behalf of the Board

Sunil Gautam

Whole Time Director

DIN - 08125576

Savita Jindal

Director

DIN - 00449740

Rajesh Gupta

Company Secretary

F4870

Arup Kumar Mitra

CFO

PAN - AQHPM2661A

SUDHA APPARELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1) Background

Sudha Apparels Limited ('the Company') is registered as Non-Banking Financial Company (NBFC) as defined under Section 45-1A of the Reserve Bank of India Act, 1934 (RBI). The Company is primarily a holding company, holding investment in its subsidiaries, associates and other group companies. The Company's subsidiaries and associates are engaged in a wide array of business in the financial service sector.

2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2018 for the purpose of transition to Ind AS, unless otherwise indicated.

a) Statement of compliance with IND AS:

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind-AS") as notified by the Ministry of Corporate Affairs, pursuant to section 133 of the Companies Act 2013 (The Companies (Indian Accounting Standards) Rules, 2015) and comply in all material aspects with their provisions.

The financial statements up to year ended 31st March 2020 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013. These financial statements for the year ended 31st March 2018 are the first, the Company has prepared in accordance with Ind-AS. The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2019 being the transition date. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 26 (First-time Adoption).

b) Basis of preparation:

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Reporting Presentation Currency:

All amounts in the standalone financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primarily functional currency of the company).

d) Use of estimates and critical accounting judgements:

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Due to the nature of the Company's operations, critical accounting estimates and judgements principally relate to the:

e) Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

f) Provisions and contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

g) Property, plant and equipment:

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On transition to Ind-As, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2019, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

h) Intangible assets:

Intangible assets are capitalized where it is expected to provide future enduring economic benefits. Expenses incurred on up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

i) Depreciation and amortization of property, plant and equipment and intangible assets:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment has been provided on "Straight Line Method". Depreciation on property, plant and equipment is provided on pro-rata basis based on the useful life as per Schedule II to the Companies Act, 2013. Freehold Land and construction in progress are not depreciated. Leasehold lands are depreciated over the period of lease tenure. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Estimated useful life of the tangible asset, based on the useful life as per Schedule II to the Companies Act, 2013.

j) Impairment of Assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

k) Leases:

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

a) Finance lease:

As a lessee

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

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

As a lessor

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

b) Operating Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

l) Investment in subsidiaries and associates:

Investment in subsidiaries and associates are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of

investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

m) Financial Instruments:

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

Cash and bank balances

Cash and bank balances consist of:

(a) Cash and cash equivalents - which includes cash at bank and in hand, short term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value. These balances with banks are unrestricted for withdrawal and usage.

(b) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Fair value through profit or loss:

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets:

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition of financial liabilities:

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

iii) Offsetting financial instruments

Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

iv) Derivative financial instruments:

The Company uses derivative financial instruments i.e. Forward Contracts to hedge its risks associated with foreign exchange fluctuations. These derivative financial instruments are used as risk management tools only and not for speculative purposes. The fair values of these derivative financial instruments are recognized as assets or liabilities at the balance sheet date and gain/loss is recognised in statement of profit and loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

n) Employee benefits:

(i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, ex gratia, compensatory leave encashment, incentives are recognized in the period during which the employee renders the related service.

(ii) Post-Employment Benefits

a) Defined contribution plan:

This benefit includes contribution to provident fund and employee's state insurance scheme administered by government. Expenses are recognized in the statement of profit and loss for the year in which the employee has rendered services.

b) Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation using the projected unit credit method and the retirement benefit obligation (Liabilities) is recognized in the Balance Sheet net of fair value of planned assets. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

o) Inventories:

Units of Mutual Fund are valued at lower of cost (FIFO basis) or net realisable value.

p) Provisions:

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

q) Income taxes:

i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

iii) Minimum Alternate Tax

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement under Other Assets. The group reviews the same at each balance sheet date and writes down the

carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that group will pay normal Income Tax during the specified period.

Tax expense for the year comprises current and deferred tax.

r) Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rent Income

Income from operating lease is recognized in the statement of profit & Loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased assets is diminished.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

s) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use..Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

t) Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

u) Earnings Per Share:

Earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(ii) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
As required in terms of paragraph 18 of (Non-Banking Financial Company – (Non-Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016.

(Rupees)

Particulars		Amount	Out-	Amount
(1)	Liabilities side:			
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount standing	Out-	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	946,477,076		-
	(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			1,507,518,813
(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	-
(4)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	Shares: (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	2. Unquoted:	
	Shares: (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	Long Term Investments:	
	1. Quoted:	
	Shares: (a) Equity	935,707,402
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity	139,569,648
	(b) Preference	195,050,000
	ii. Debentures and Bonds	557,992,800
	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 Total

	Subsidiaries	-	-	-
	Companies in the same group	-	-	-
	Other related parties	-	-	-
	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			
	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	2,220,484,701	1,828,319,850	
	Total	2,220,484,701	1,828,319,850	

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

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

1 CASH AND CASH EQUIVALENTS

Particulars	31-03-2020	31.03.2019	01.04.2018
Cash in Hand	27,562	21,262	94,383
Balances with schedule Banks in Current Accounts	2,533,180	2,211,417	2,435,309
Total	2,560,742	2,232,679	2,529,692

2 BANK BALANCE OTHER THAN (A) ABOVE

Particulars	31-03-2020	31.03.2019	01.04.2018
Balances with Banks			
-Fixed Deposit with original maturity of more than three months	-	-	1,130,000,000
Total	-	-	1,130,000,000

3 RECEIVABLES

Particulars	31-03-2020	31.03.2019	01.04.2018
Trade Receivables	44,220,821	30,443,618	47,229,849
Total	44,220,821	30,443,618	47,229,849

4 LOANS

Particulars	31-03-2020	31.03.2019	01.04.2018
Share Application Money	-	-	-
Interest Accrued	20,579,045	22,342,191	19,015,865
Loans and Advances	1,499,992,287	1,510,493,892	1,000,851,610
Advance recoverable in cash or in kind	7,528,526	8,734,415	9,236,373
Prepaid Exp.	304,749	78,282	70,437
GST Recoverable			
Security Deposit with NSDL			
ECL on Loan & Advances	(11,071,061)	(11,071,061)	(9,771,955)
Total	1,517,331,546	1,539,577,719	1,118,408,350

NOTE 5: INVESTMENT

Particulars	As at 31 st March, 2020					As at 31 st March, 2019					As at 1 st April, 2018							
	No. of Shares	Amortised cost	At Fair Value		At Cost	Total	No. of Shares	Amortised cost	At Fair Value		At Cost	Total	No. of Shares	Amortised cost	At Fair Value		At Cost	Total
			Through profit or loss	Designated at fair value through OCI					Through profit or loss	Designated at fair value through OCI					Through profit or loss	Designated at fair value through OCI		
	(1)	(2)	(3)	(4)	5=1+2+3+4	(1)	(2)	(3)	(4)	5=1+2+3+4	(1)	(2)	(3)	(4)	5=1+2+3+4			
A) Equity shares :																		
Quoted :																		
Rs. 5 each of Jindal Drilling & Industries Limited	3081000		139,723,350		139,723,350	3081000		303,324,450		303,324,450	3081000		459,839,250		459,839,250		459,839,250	
Rs. 5 each of Maharashtra Seamless Limited	1556993		184,270,091		184,270,091	563014		473,660,383		473,660,383	305000		129,731,750		129,731,750		129,731,750	
Rs. 10 each of Haryana Capfin Limited	1014322		29,415,338		29,415,338	1014322		43,108,685		43,108,685	1014322		42,550,808		42,550,808		42,550,808	
Rs. 10 each of Parasmith Developers Limited	1000		1,300		1,300	1000		6,120		6,120	1000		15,900		15,900		15,900	
Rs. 10 each of Videcon Industries Limited	100		141		141	100		289		289	100		1,307		1,307		1,307	
Rs. 10 each of GOL Offshore Limited	1500		15,150		15,150	1500		15,150		15,150	1500		15,150		15,150		15,150	
Rs. 1 each of Uttam Value Steel Limited	299720		56,947		56,947	299720		56,947		56,947	299720		62,941		62,941		62,941	
Rs. 1 each of Lloyd Steel Industries Limited	40761		14,266		14,266	40761		36,685		36,685	40761		52,989		52,989		52,989	
Rs. 2 each of Aban Offshore Limited	100		1,318		1,318	100		5,755		5,755	100		15,925		15,925		15,925	
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2000		68,500		68,500	2000		259,200		259,200	2000		270,800		270,800		270,800	
Rs. 10 each of Selan Exploration Technology Limited	1100		74,470		74,470	1100		200,310		200,310	1100		209,055		209,055		209,055	
Rs. 1 each of Jindal Steel & Power Limited	18466		1,517,905		1,517,905	18466		3,283,439		3,283,439	18466		4,049,594		4,049,594		4,049,594	
Rs. 10 each of SVOGL Oil Gas And Energy Limited	1500		-		-	1500		3,300		3,300	1500		3,300		3,300		3,300	
Rs. 10 each of Hexa Tradex Limited	2600		18,096		18,096	2600		59,670		59,670	2600		96,980		96,980		96,980	
Rs. 10 each of IDBI Bank Limited	3000		57,900		57,900	3000		139,950		139,950	3000		216,750		216,750		216,750	
Rs. 1 each of NMDC Limited	5000		400,000		400,000	5000		520,750		520,750	5000		593,250		593,250		593,250	
Unquoted																		
Rs. 10 each of Oxyop Commodore Limited	85700		24,040,564		24,040,564	85700		22,400,266		22,400,266	85700		22,927,202		22,927,202		22,927,202	
Rs. 10 each of Jindal Global Finance & Investment Limited	700100		36,720,245		36,720,245	700100		40,003,714		40,003,714	700100		35,915,130		35,915,130		35,915,130	
Rs. 10 each of Jindal Pipes Limited	7483480		527,839,268		527,839,268	3741740		162,167,012		162,167,012	3741740		757,702,350		757,702,350		757,702,350	
Rs. 10 each of Spartek Dealcoms Limited	81000		5,704,020		5,704,020	81000		4,937,760		4,937,760	81000		4,819,500		4,819,500		4,819,500	
Rs. 10 each of Whitepin Tie-Up Limited	80000		(8,734,400)		(8,734,400)	80000		-		-	80000		-		-		-	
Rs. 10 each of Jindal Explodril Limited	-		-		-	-		-		-	9500		11,617,000		11,617,000		11,617,000	
Rs. 10 each of Jindal Pe-a Tubes Pvt. Limited	100000		5,208,000		5,208,000	100000		4,430,000		4,430,000	100000		18,620		18,620		18,620	
Rs. 10 each of Neptune Biotech Pvt. Limited	9810		15,552,872		15,552,872	9810		14,533,535		14,533,535	9810		13,550,945		13,550,945		13,550,945	
Rs. 10 each of Sigma Infrastructure Pvt. Limited	9800		12,577,320		12,577,320	9800		11,791,262		11,791,262	9800		10,842,034		10,842,034		10,842,034	
Rs. 10 each of Kuchhagra Infrastructure Pvt. Limited	1195000		10,599,650		10,599,650	1195000		10,599,650		10,599,650	1195000		10,611,600		10,611,600		10,611,600	
Rs. 10 each of Carpan Dealcom Limited	199500		1,979,040		1,979,040	199500		1,352,610		1,352,610	199500		1,424,430		1,424,430		1,424,430	
Rs. 10 each of Diamond Dealtrade Limited	8105000		80,320,550		80,320,550	8105000		80,401,600		80,401,600	8105000		47,171,100		47,171,100		47,171,100	
B) Preference shares :																		
Rs. 10 each of Crispark Vincom Limited	775000				120,000,000	775000				120,000,000	775000				120,000,000		120,000,000	
Rs. 10 each of Carpan Dealcom Limited	7505000				75,050,000	7505000				75,050,000	7505000				75,050,000		75,050,000	
Rs. 10 each of Global Jindal Fin-Invest Limited	-				-	-				-	2500000				25,000,000		25,000,000	
Rs. 10 each of Jindal Global Finance & Investment Limited	-				-	-				-	2000000				10,000,000		10,000,000	
C) Bonds																		
Bank of India SR-I	-				-	-				-	50				50,950,000		50,950,000	
ICICI	50000				52,267,800	50000				52,267,800					-		-	
Punjab & Sind Bank Perpetual	150				151,140,000	150				151,140,000	150				151,140,000		151,140,000	
UP Power Corporation Limited	200				201,900,000	200				201,900,000	200				-		-	
Yes Bank Limited Perpetual	150				152,685,000	150				152,685,000	150				-		-	
Total			1,467,441,901		751,042,800	2,220,484,701		1,177,298,482		700,775,000	1,878,073,482			1,553,274,761		432,140,000	1,985,414,761	

Aggregate Value of Unquoted Investments

1,864,849,529

1,053,392,389

1,347,739,911

Aggregate Value of Quoted Investments

353,408,779

820,093,518

632,121,808

Market Value of Quoted Investments

353,408,779

820,093,518

632,121,808

6 Inventories

Particulars	31.03.2020	31.03.2019	01.04.2018
Stock in Trade - Units of Mutual Fund	44,000,000	259,602,888	-
Total	44,000,000	259,602,888	-

7 INCOME TAX ASSETS (NET)

Particulars	31.03.2020	31.03.2019	01.04.2018
Advance Income Tax (Including tax deducted at source) Mat Credit Entitlement/utilization	447,251,152	402,267,043	378,654,242
Total	447,251,152	402,267,043	378,654,242

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

For financial year 2019-20

Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st, 2019	Additions	Deletions	As at March 31st, 2020	As at April 1st, 2019	For the year	Deletions	As at March 31st, 2020	As at March 31st, 2020	As at March 31st, 2019
<u>Tangible</u>										
Land - Gurgaon	31,768,200			31,768,200	-	-		-	31,768,200	31,768,200
Land - Hissar	93,961,803			93,961,803	-	-		-	93,961,803	93,961,803
Building - Gurgaon	32,077,016			32,077,016	16,354,790	760,956		17,115,745	14,961,270	15,722,226
Building - Kolkata	6,305,558			6,305,558	2,197,968	201,683		2,399,651	3,905,907	4,107,590
Lift	1,895,997			1,895,997	1,801,197	-		1,801,197	94,800	94,800
Office Equipments	638,764			638,764	207,042	-		207,042	431,722	431,722
Computer	125,285	53,770		179,055	63,055	25,497		88,552	90,503	62,230
Solar Power Panel	1,518,050			1,518,050	488,325	97,824		586,149	931,901	1,029,725
Furniture & Fixtures	370,016			370,016	153,828	168,634		322,462	47,554	216,188
Total :	168,660,689	53,770	-	168,714,459	21,266,205	1,254,594	-	22,520,799	146,193,660	147,394,484

Investment property
FY 2019-20

Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st, 2019	Additions	Deletions	As at March 31st, 2020	As at April 1st, 2019	For the year	Deletions	As at March 31st, 2020	As at March 31st, 2020	As at March 31st, 2019
<u>Tangible</u>										
Building - Gurgaon	24,827,394			24,827,394	12,658,497	588,974		13,247,472	11,579,923	12,168,897
Land - Kolkata Mall-Rented	214,396,852			214,396,852				-	214,396,852	214,396,852
Building - Kolkata Mall-Rented	592,145,673			592,145,673	206,651,624	18,927,758		225,579,382	366,566,291	385,494,049
Lift - Let out portion	1,467,489			1,467,489	1,394,115	-		1,394,115	73,374	73,374
Total :	832,837,408	-	-	832,837,408	220,704,236	19,516,732	-	240,220,968	592,616,440	612,133,172

For financial year 2018-19										
Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st,2018	Additions	Deletions	As at March 31st,2019	As at April 1st,2018	For the year	Adjustments /deletions	As at March 31st,2019	As at March 31st,2019	As at March 31st,2018
<u>Tangible</u>										
Land - Gurgaon	31,768,200			31,768,200	-	-		-	31,768,200	31,768,200
Land - Hissar	93,961,803			93,961,803	-	-		-	93,961,803	93,961,803
Building - Gurgaon	32,077,016	-	-	32,077,016	15,555,131	799,659	0	16,354,790	15,722,226	16,521,885
Building - Kolkata	6,305,558			6,305,558	1,985,871	212,097		2,197,968	4,107,590	4,319,687
Lift	1,895,997	-	-	1,895,997	1,801,197	-	0	1,801,197	94,800	94,800
Office Equipments	59,924	578,840		638,764	56,932	150,110		207,042	431,722	2,992
Computer	69,285	56,000		125,285	58,419	4,636		63,055	62,230	10,866
Solar Power Panel	1,518,050			1,518,050	380,232	108,093		488,325	1,029,725	1,137,818
Furniture & Fixtures	370,016			370,016	79,107	74,721		153,828	216,188	290,909
Total :	168,025,849	634,840	-	168,660,689	19,916,889	1,349,316	-	21,266,205	147,394,484	148,108,960

Investment property
FY 2018-19

Investment property										
FY 2018-19										
Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st,2018	Additions	Deletions	As at March 31st,2019	As at April 1st,2018	For the year	Adjustments /deletions	As at March 31st,2019	As at March 31st,2019	As at March 31st,2018
<u>Tangible</u>										
Building - Gurgaon	24,827,394			24,827,394	12,039,566	618,931		12,658,497	12,168,897	12,787,828
Land - Kolkata Mall-Rented	214,396,852			214,396,852				-	214,396,852	214,396,852
Building - Kolkata Mall-Rented	592,145,673			592,145,673	186,746,526	19,905,098		206,651,624	385,494,049	405,399,147
Lift - Let out portion	1,467,489			1,467,489	1,394,115	-		1,394,115	73,374	73,374
Total :	832,837,408	-	-	832,837,408	200,180,207	20,524,029	-	220,704,236	612,133,172	632,657,201

9 OTHER NON-FINANCIAL ASSETS

Particulars	31.03.2020	31.03.2019	01.04.2018
Capital Advances	64,982,387	64,982,387	64,982,387
Security Deposit	1,203,382	1,203,382	589,070
Total	66,185,769	66,185,769	65,571,457

10 Borrowings (Other than Debt Securities)

Particulars	31.03.2020	31.03.2019	01.04.2018
(A) In India			
At amortised cost :			
From Bodies Corporate (Repayable on demand)	946,477,076	1,140,943,601	1,202,222,769
	946,477,076	1,140,943,601	1,202,222,769
(B) Outside India			
Total (A+B)	946,477,076	1,140,943,601	1,202,222,769
Out of above			
Secured			
Unsecured	946,477,076	1,140,943,601	1,202,222,769

11 DEPOSITS

Particulars	31.03.2020	31.03.2019	01.04.2018
Security Deposits	57,802,563	57,802,563	57,802,563
Less - Ind AS adjustment	23,377,628	26,475,188	29,291,151
Total	34,424,935	31,327,375	28,511,412

12 OTHER FINANCIAL LIABILITIES

Particulars	31.03.2020	31.03.2019	01.04.2018
Other Liabilities	9,441,136	10,905,112	9,967,281
Other Payables			
Total	9,441,136	10,905,112	9,967,281

13 CURRENT TAX LIABILITIES (NET)

Particulars	31.03.2020	31.03.2019	01.04.2018
Provision for Income Tax	418,862,161	375,262,161	356,289,161
Total	418,862,161	375,262,161	356,289,161

14 PROVISIONS

Particulars	31.03.2020	31.03.2019	01.04.2018
Employee Benefits	597,262	1,569,085	1,492,613
Provision for Non Performing Assets		107,109,870	
Provision for Diminution in value of Investment		38,037,314	36,424,354
Contingent provision for standard assets	3,912,437	3,943,416	2,662,085
Total	4,509,699	150,659,685	40,579,052

15 DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2020	Tax effect for the period	As at 31.03.2019	Tax effect for the period	As at 01.04.2018
Deferred Tax Liability					
For Depreciation difference as per books and I.Tax Act					
Ind AS impact on fair value of investment	93,805,832	(29,410,475)	64,395,358	162,700,101	227,095,459
Deferred Tax Assets					
Carry forward Long Term Capital Loss					
Disallowance under Section 43-B of I.Tax Act					
Net Deferred Tax Assets/(Liabilities)	93,805,832	(29,410,475)	64,395,358	162,700,101	227,095,459

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH' 2020

16 A. SHARE CAPITAL

Particulars	Number of Shares			Amount in Rs.		
	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018	AS AT 31.03.2020	AS AT 31.03.2019	AS AT 01.04.2018
AUTHORISED SHARE CAPITAL						
Equity shares of Rs. 10 each						
At the beginning of the period	727,012	727,012	727,012	7,270,120	7,270,120	7,270,120
Add: Additions during the period	62,800	-	-	628,000	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	789,812	727,012	727,012	7,898,120	7,270,120	7,270,120
ISSUED, SUBSCRIBED AND PAID UP						
Equity Shares of Rs. 10 each						
At the beginning of the period	727,012	727,012	727,012	7,270,120	7,270,120	7,270,120
Add: Additions during the period	62,800	-	-	628,000	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	789,812	727,012	727,012	7,898,120	7,270,120	7,270,120

Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Particulars	Number of shares held			% holding		
	31.03.2020	31.03.2019	01.04.2018	31.03.2020	31.03.2019	01.04.2018
Equity Shares of 10 each						
1. Jindal Global Finance & Investment Ltd.	107,416	107,416	107,416	14.77	14.77	14.77
2. Flakt Deacom Ltd.	35,761	35,761	35,761	4.92	4.92	4.92
3. Pushpanjali Investrade Pvt Ltd.	98,000	70,000	70,000	12.41	9.63	9.63
4. Dharam Pal Jindal	69,900	69,900	69,900	9.61	9.61	9.61
5. Savita Jindal	106,662	106,662	106,662	14.61	14.67	14.67
6. Saket Jindal	70,000	70,000	70,000	9.63	9.63	9.63
7. Raghav Jindal	145,123	145,123	145,123	19.96	19.96	19.96
8. GVN Fuels Limited	50,400	36,000	36,000	6.38	4.95	4.95

B. OTHER EQUITY

Particulars				Reserves and surplus		Items of other comprehensive income	Total Other Equity
	Capital Reserve	Security Premium	Statutory Reserve	General Reserve	Retained Earnings	Other items of OCI	
Opening balance	51,581,498	-	531,878,200	82,746,597	1,861,099,365	-	2,527,305,660
Profit/Loss for the period	-	-	73,502,826	-	367,514,130	-	441,016,956
Transfer during the year	-	-	-	-	(73,502,826)	-	(73,502,826)
Other comprehensive income	-	-	-	-	-	741,819,468	741,819,468
Balance as of 01.04.2018 Ind As	51,581,498	-	605,381,026	82,746,597	2,155,110,669	741,819,468	3,636,639,258
Balance as on 01.04.2018	51,581,498	-	605,381,026	82,746,597	2,155,110,669	741,819,468	3,636,639,258
Profit/Loss for the period	-	-	8,421,600	-	37,992,452	-	46,414,052
Transfer during the year	-	-	-	-	(8,421,600)	-	(8,421,600)
Other comprehensive income	-	-	-	-	-	(517,484,268)	(517,484,268)
Balance as of 31.03.2019 Ind AS	51,581,498	-	613,802,626	82,746,597	2,184,681,521	224,335,200	3,157,147,442
Opening balance	51,581,498	-	613,802,626	82,746,597	2,184,681,521	224,335,200	3,157,147,442
Profit/Loss for the period	-	-	-	(628,000)	315,363,415	-	314,735,415
Transfer during the year	-	-	63,073,000	-	-	-	63,073,000
Transfer during the year - Statutory Reserve	-	-	-	-	(63,073,000)	-	(63,073,000)
Transfer during the year - General Reserve	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	93,543,014	93,543,014
Balance as on 31.03.2020	51,581,498	-	676,875,626	82,118,597	2,436,971,936	317,878,214	3,565,425,871

17 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Interest on Intercorporate Loan	88,069,664	79,410,119
INTEREST ON BOND	49,741,216	49,761,164
Sale of Mutual Fund Units	467,795,604	1,130,482,149
Total	605,606,484	1,259,653,432

18 OTHER INCOME

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Dividend	20,129,886	14,044,247
Rent Received	139,732,900	138,216,860
Profit on sale of property (net)		9,247,419
Profit on sale of Current Investments (net)		
Agriculture Rent	1,050,000	350,000
Liability written back	-	5,425
Miscellaneous Income		
Total	160,912,786	161,863,951

19 FINANCE COSTS

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Interest on Intercorporate Loan	66,790,346	76,578,702
Interest - On Others		
Bank Charges	44,341	1,505
Total	66,834,687	76,580,207

20 Net loss on fair value changes

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Loss on fair value of Investments	3,097,560	2,815,963
Total	3,097,560	2,815,963

21 PURCHASE OF STOCK IN TRADE

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Purchases	240,413,982	1,372,449,173
Total	240,413,982	1,372,449,173

22 Changes in Inventories of finished goods, stock-in- trade and work-in- progress

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Item - Mutual Fund Units		
Opening Stock	259,602,888	-
Less - Closing Stock	44,000,000	259,602,888
Decrease/(Increase) in Stock in Trade	215,602,888	(259,602,888)

23 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March'2020	For the year ended 31st March'2019
Salaries , Wages, Allowances and Bonus	3,167,670	4,019,281
Staff Welfare	87,636	134,800
Total	3,255,306.00	4,154,081.00

24 OTHER EXPENSES

Particulars	Rs in Lakhs	
	For the year ended 31st March'2020	For the year ended 31st March'2019
D.P. Charges	3,155	32,821
Rent	97,500	97,500
Rates & Taxes	154,221	3,254,599
CSR Expenses	500,000	1,000,000
Postage & Telephone	53,552	129,245
Printing & Stationery	6,420	5,197
Fee & Subscription	50,100	29,200
Travelling - Director	-	-
Travelling & Conveyance	462,335	474,473
Insurance	253,313	170,076
Repair & Maintenance-Building	-	1,849,208
Repair & Maintenance-Others	268,696	718,759
Legal & Professional Charges	506,153	1,498,440
Investment Written Off	-	95,000
Internal Audit Fee	11,800	9,280
Advertisement & Publicity	66,476	38,924
Auditors' Remuneration :		
- Audit Fee	88,500	88,500
- Tax Audit Fee	-	16,520
- Certification / others services	-	23,600
Miscellaneous Expenses	236,048	126,452
Loss on sale of Investment - Net	-	950,000
Total	2,758,269	10,607,794

25 EARNING PER SHARE (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year :-

Particulars	Rs in Lakhs	
	For the year ended 31st March'2020	For the year ended 31st March'2019
Basic / Dilutive Earnings Per Share		
Profit after tax as per profit & loss account	315,363,415	37,992,452
Weighted Average number of equity shares	789,812	727,012
Basic and diluted earnings per share	399.29	48.10

26 Reconciliations of Balance Sheet as per previous GAAP and Ind AS

Particulars	Note	As at 31st March 2019			As at 01st April 2018		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
ASSETS							
(1) Financial Assets							
(a) Cash and cash equivalents		21,262	2,211,417	2,232,679	94,383	2,435,309	2,529,692
(b) Bank Balance other than (a) above		2,211,417	(2,211,417)	-	1,132,435,309	(2,435,309)	1,130,000,000
(c) Derivative financial instruments		-	-	-	-	-	-
(d) Receivables							
i) Trade Receivables		30,443,618	-	30,443,618	47,229,849	-	47,229,849
ii) Other Receivables		-	-	-	-	-	-
(e) Loans		1,550,648,780	(11,071,061)	1,539,577,719	1,128,180,305	(9,771,955)	1,118,408,350
(f) Investments		1,608,862,120	269,211,362	1,878,073,482	1,036,019,090	949,395,731	1,985,414,761
(g) Other Financial assets		-	-	-	-	-	-
(2) Non-financial Assets							
(a) Inventories		259,602,888	-	259,602,888	-	-	-
(b) Current tax assets (Net)		402,267,043	-	402,267,043	378,654,242	-	378,654,242
(c) Deferred tax Assets (Net)		-	-	-	-	-	-
(d) Investment Property		612,133,172	-	612,133,172	632,657,201	-	632,657,201
(e) Biological assets other than bearer plants		-	-	-	-	-	-
(f) Property, Plant and Equipment		147,394,484	-	147,394,484	148,108,960	-	148,108,960
(g) Capital work-in-progress		-	-	-	-	-	-
(h) Intangible assets under development		-	-	-	-	-	-
(i) Goodwill		-	-	-	-	-	-
(j) Other Intangible assets		-	-	-	-	-	-
(k) Other non-financial assets		66,185,769	-	66,185,769	65,571,457	-	65,571,457
Total Assets		4,679,770,553	258,140,301	4,937,910,854	4,568,950,736	939,623,776	5,508,574,512
LIABILITIES AND EQUITY							
LIABILITIES							
(1) Financial Liabilities							
(a) Derivative financial instruments		-	-	-	-	-	-
(b) Payables							
(i) Trade Payables							
i) dues of micro enterprises and small enterprises		-	-	-	-	-	-
ii) dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
(ii) Other Payables							
i) dues of micro enterprises and small enterprises		-	-	-	-	-	-
ii) dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
(c) Debt Securities		-	-	-	-	-	-
(d) Borrowings (Other than Debt Securities)	4	1,140,943,601	-	1,140,943,601	1,202,222,769	-	1,202,222,769
(e) Deposits		57,802,563	(26,475,188)	31,327,375	57,802,563	(29,291,151)	28,511,412
(f) Subordinated liabilities		-	-	-	-	-	-
(g) Other financial liabilities		10,905,112	-	10,905,112	9,967,281	-	9,967,281
(2) Non-Financial Liabilities							
(a) Current tax liabilities (Net)		375,262,161	-	375,262,161	356,289,161	-	356,289,161
(b) Provisions		150,659,685	-	150,659,685	40,579,052	-	40,579,052
(c) Deferred tax liabilities (Net)	5	-	-	-	-	-	-
(d) Other non-financial liabilities		-	64,395,358	64,395,358	-	227,095,459	227,095,459
(3) EQUITY							
(a) Equity Share capital		7,270,120	-	7,270,120	7,270,120	-	7,270,120
(b) Other Equity		2,936,927,311	220,220,131	3,157,147,442	2,894,819,790	741,819,468	3,636,639,258
Total Liabilities and Equity		4,679,770,553	258,140,301	4,937,910,854	4,568,950,736	939,623,776	5,508,574,512

* For the purpose of above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division III to the Schedule III of the Companies Act 2013

Particulars	Note	For the period 01.04.2018 to 31.03.2019		
		Previous GAAP	Adjustment	Ind AS
Revenue from operations				
(i) Interest Income		129,171,283	-	129,171,283
(ii) Dividend Income		14,044,247	-	14,044,247
(iii) Rental Income		138,216,860	-	138,216,860
(iv) Fees and Commission Income		-	-	-
(v) Net gain on fair value changes		-	-	-
(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-	-
(vii) Sale of products (including Excise Duty)		1,130,482,149	-	1,130,482,149
(viii) Sale of services		-	-	-
(ix) Others (to be specified)		9,602,844	-	9,602,844
(I) Total Revenue from operations		1,421,517,383	(152,261,107)	1,269,256,276
(II) Other Income (to be specified)		-	-	-
(III) Total Income (I+II)		1,421,517,383	(152,261,107)	1,269,256,276
Expenses				
(i) Finance Costs	4	76,580,207	-	76,580,207
(ii) Net loss on fair value changes	3	-	2,815,963	2,815,963
(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-	-
(v) Impairment on financial instruments		-	1,299,106	1,299,106
(vi) Cost of materials consumed		-	-	-
(vii) Purchases of Stock-in-trade		1,372,449,173	-	1,372,449,173
(viii) Changes in inventories of finished goods, stock-in-trade and work-in-progress		(259,602,888)	-	(259,602,888)
(ix) Employee Benefits Expenses	6	4,154,081	-	4,154,081
(x) Depreciation, amortization and impairment		21,873,345	-	21,873,345
(xi) Others expenses (to be specified)		10,607,794	-	10,607,794
Contingent Provision against Standard Assets		1,281,331	-	1,281,331
(IV) Total Expenses (IV)		1,227,343,043	4,115,069	1,231,458,112
(V) Profit / (loss) before exceptional items and tax (III-IV)		194,174,340	(156,376,176)	37,798,164
(VI) Exceptional items				
Provision for Diminution in value of investment		1,612,960	-	1,612,960
Provision for Non Performing Assets		107,109,870	-	107,109,870
		108,722,830	-	108,722,830
(VII) Profit/(loss) before tax (V-VI)		85,451,510	(156,376,176)	(70,924,666)
(VIII) Tax Expense:				
a) Current Tax		42,500,000	-	42,500,000
b) Deferred Tax		843,989	-	843,989
c) Ind AS Tax adjustments	5	-	-	-
(IX) Profit / (loss) for the period from continuing operations (VII-VIII)		42,107,521	(156,376,176)	(114,268,655)
(X) Profit/(loss) from discontinued operations		-	-	-
(XI) Tax Expense of discontinued operations		-	-	-
(XII) Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-	-
(XIII) Profit/(loss) for the period (IX+XII)		42,107,521	(156,376,176)	(114,268,655)
(XIV) Other Comprehensive Income				
(A) (i) Items that will not be reclassified to profit or loss	2	-	(680,184,369)	(680,184,369)
(ii) Income tax relating to items that will not be reclassified to profit or loss	5	-	162,700,101	162,700,101
(B) (i) Items that will be reclassified to profit or loss		-	(517,484,268)	(517,484,268)
Change in fair value of equity instrument		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
Other Comprehensive Income (A + B)		-	(517,484,268)	(517,484,268)
(XV) Total Comprehensive Income for the period (XIII+XIV)		42,107,521	(673,860,444)	(631,752,923)

* For the purpose of above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division III to the Schedule III of the Companies Act 2013.

Explanatory Notes to First Time Adoption are as follows:

1. Reclassification: The assets and liabilities as of April 1, 2018 have been re-grouped / re-classified, wherever necessary to comply with accounting policies of the Company under Ind AS.
2. FVTOCI Financial Assets: Under Indian GAAP, long term investments equity shares were accounted as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, such investments have been designated as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. The difference between the instrument's fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.
3. FVTPL Short-term Investments: Under Ind AS, investments in mutual funds are valued at fair value and such fair value differences as on the date of transition and for the comparative periods are recognised in the statement of Profit and Loss Account (FVTPL). Under Indian GAAP, the Company reports the value of such investments at cost or Net Realisable Value whichever was lesser.
4. Redeemable preference shares issued by the Company have been classified as borrowings and recognized at amortised cost on transition date as against part of Equity share capital under previous GAAP. The difference on the transition date has been recognized in opening retained earnings. Interest charge at effective interest rate on such borrowings has been recognized as finance cost in subsequent periods.
5. Tax impact includes deferred tax impact, wherever applicable as per provisions of Ind AS 12 (Income Taxes), on account of difference between previous GAAP and Ind AS.
6. Under INDAS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized

27 Income Tax expenses recognised in Statement of Profit & Loss Account

Particular	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Tax	43,600,000	42,500,000
Deferred Tax	(29,410,475)	162,700,101
Earlier Years	-	843,989
Total income tax expenses recognised	14,189,525	206,044,090

Particular	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit Before Tax	358,963,415	81,336,441
Applicable Tax Rate	0.25	0.35
Computed Tax Expenses	89,740,854	28,467,754
Tax effect of:		
Expenses Disallowed net off Exempted Income	(46,140,854)	14,876,235
Additional allowance net of MAT Credit	-	-
Current Tax Provisions (A)	43,600,000	43,343,989
Incremental Deferred Tax Liabilities on account of Tangible & Intangible Assets	-	-
Incremental Deferred Tax Assets on account of Financial Assets and Other Items	(29,410,475)	162,700,101
Deferred Tax Provision (B)	(29,410,475)	162,700,101
Tax Expenses recognised in Statement of Profit and Loss (A+B)	14,189,525	206,044,090
Effective Tax Rate	0.04	2.53

28 Related Party Disclosure as per Ind AS 24

a) Name of Key Managerial Person

Mr. M.R. Garg - Wholetime Director up to 10.05.2019
 Mr. Sunil Gautam - Wholetime Director w.e.f. 01.06.2019
 Mr. Arup Kumar Mitra - CFO
 Mr. Rajesh Gupta - Company Secretary

Related Parties with whom Transaction have taken place during the Year

Particulars	31.03.2020	31.03.2019
Remuneration Key Management Personnel	3,390,321	2,663,985

(b) Enterprise where control exists

Subsidiary
 Crishpark Vincom Limited (65.88%) up to 14.02.2020

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 Associate Company (closing balance)	7,109,870	7,109,870
Loan to Subsidiary Company (closing balance)	-	270,980,164
Payment to Other Related Party (Smt. Savita Jindal)		
a. Rent Paid	97,500	97,500
b. Other Services	97,500	97,500
Managerial Remuneration - Mr. M.R. Garg - Wholetime Director		
Mr. M.R. Garg - Wholetime Director up to 10.05.2019	1,533,810	1,291,600
Mr. Sunil Gautam - Wholetime Director from 01.06.2019	623,230	-
Interest income from Subsidiary, Associate & Other related party (No interest is provided on loan to Associated Company for being NPA)	-	24,814,263

29. CONTINGENT LIABILITIES NOT ACCOUNTED FOR

29.1 Income Tax Demand under Appeal

A.Y. 2009-2010 F.Y. 2008-2009
A.Y. 2013-2014 F.Y. 2012-2013

	453,410	453,410
	380,280	380,280
Total	<u>833,690</u>	<u>833,690</u>

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

13,684,350 13,684,350

29.3 SERVICE TAX LIABILITY

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

30 GRATUITY

The Employees Gratuity Fund scheme managed by LIC of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Discloser for defined plans based on actuarial reports:

30.1 Changes in the Present Value of Obligation

Particulars	31-Mar-19	31-Mar-20
Present Value of Obligation as at the beginning	-	1,360,475
Current Service Cost	-	39,811
Interest Expense or Cost	-	90,663
Re-measurement (or Actuarial) (gain) / loss arising from:	-	0
change in demographic assumptions	-	0
change in financial assumptions	-	0
experience variance (i.e. Actual experience vs assumptions)	-	-188,237
others	-	0
Past Service Cost	-	0
Effect of change in foreign exchange rates	-	0
Benefits Paid	-	938,273
Acquisition Adjustment	-	0
Effect of business combinations or disposals	-	0
Present Value of Obligation as at the end	-	364,439

30.2 Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	31-Mar-19	31-Mar-20
Current Liability (Short term)	-	6,985
Non-Current Liability (Long term)	-	357,454
Present Value of Obligation	-	364,439

30.3 Changes in the Fair Value of Plan Assets

Particulars	31-Mar-19	31-Mar-20
Fair Value of Plan Assets as at the beginning	-	-
Investment Income	-	-
Employer's Contribution	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	-	-

30.4 Change in the Effect of Asset Ceiling

Particulars	31-Mar-19	31-Mar-20
Effect of Asset Ceiling at the beginning	-	-
Interest Expense or Cost (to the extent not recognised in net interest expense)	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Effect of Asset Ceiling at the end	-	-

30.5 Expenses Recognised in the Income Statement

Particulars	31-Mar-19	31-Mar-20
Current Service Cost	-	39,811
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	-	90,663
Expenses Recognised in the Income Statement	-	130,474

30.6 Other Comprehensive Income

Particulars	31-Mar-19	31-Mar-20
Actuarial (gains) / losses	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	-	-188,237.00
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-188,237.00

30.7 Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	31-Mar-19	31-Mar-20
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	-	-
Bank balance	-	-
Other Investments	-	-
Total	-	-

30.8 Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

Particulars	31-Mar-19	31-Mar-20
Defined Benefit Obligation (Base)	1,360,475	364,439

Particulars	31-Mar-19		31-Mar-20	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	-	-	402,424 10.04%	331,118 -9.10%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	-	-	330,324 -9.40%	402,673 10.50%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	-	-	362,164 -0.60%	366,597 0.60%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	-	-	364,166 -0.10%	364,710 0.10%

Please note that the sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligation as it is unlikely that there is no change in the method of valuation for the prior period. For change in assumptions please refer to section 5 above, where assumptions for prior

30.9 Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	10 Years
Expected cash flows over the next (valued on undiscounted basis):	Indian Rupees (INR)
1 year	6,985
2 to 5 years	33,052
6 to 10 years	215,635
More than 10 years	498,355

31 NOTES ON CAPITAL ADVANCE

Capital Advances of Rs.64,982,387/- (Previous Year Rs. 64,982,387/-) under Note no. - 8 represent advances made to various parties (Local/Agriculturist) for purchases of various plots of land at different locations in the state of Maharashtra on behalf of the Company for investment purpose. Although the company holds original title deeds in respect of all such land purchased by these parties & taken possession of the land properties, the final conveyance in favour of company is pending due to restrictions imposed by the local authorities. Suitable 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.

32 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	605,606,484 (1,273,697,679)	- (-)	- (9,602,844)	605,606,484 (1,283,300,523)
Other operating Income	21,179,886 (-)	139,732,900 (138,216,860)	- (-)	160,912,786 (138,216,860)
Segment Results	626,786,370 (1,273,697,679)	139,732,900 (138,216,860)	- (9,602,844)	766,519,270 (1,421,517,383)
Finance cost	66,834,687 (76,580,207)	- (-)	- (-)	66,834,687 (76,580,207)
Other expenditure	465,097,026 (1,126,871,181)	20,771,326 (23,891,655)	- (-)	485,868,352 (1,150,762,836)
Profit / (Loss) before Tax	94,854,657 (70,246,291)	118,961,574 (114,325,205)	- (9,602,844)	213,816,231 (194,174,340)
Segment Assets	4,444,007,570 (3,610,238,786)	636,837,261 (694,269,606)	- (-)	5,080,844,831 (4,304,508,392)
Segment Liability	1,449,712,276 (1,302,508,398)	57,808,563 (57,802,563)	- (-)	1,507,520,839 (1,360,310,961)
Capital employed	2,994,295,294 (2,307,730,388)	579,028,698 (636,467,043)	- (-)	3,573,323,992 (2,944,197,431)

NOTES TO THE FINANCIAL STATEMENTS

33 Fair Value Measurements

a) Financial instruments by category

	Carrying value /Fair value		
	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Financial assets			
Financial assets measured at Fair value			
Investments measured at			
i) Fair value through OCI Investment in Equity Shares	2,220,484,701	1,878,073,482	1,985,414,761
Financial assets measured at amortised cost			
Other non-current financial assets			
Trade receivables			
Cash and cash equivalents	2,560,742	2,232,679	2,529,692
Bank balances other than above	-	-	1,130,000,000
Other current financial assets - Loan & Advances	1,517,331,546	1,539,577,719	1,118,408,350
Total financial assets	3,740,376,989	3,419,883,880	4,236,352,803
Financial liabilities			
Financial liabilities measured at fair value			
Derivatives - foreign exchange forward contracts	-	-	-
Financial liabilities measured at amortised cost			
Non-current borrowings #	946,477,076	1,140,943,601	1,202,222,769
Current borrowings	-	-	-
Trade payables	-	-	-
Other current financial liabilities	9,441,136	10,905,112	9,967,281
Total financial liabilities	955,918,212	1,151,848,713	1,212,190,050

Including current maturities of long term debt

b) Fair Value Hierarchy

- (i) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value				
i) Non Current Investment in Equity	355,634,772	1,111,807,129	-	1,467,441,901
ii) Current Investment in Mutual Fund	-	-	-	-
Total financial assets	355,634,772	1,111,807,129	-	1,467,441,901
Financial liabilities				
Financial liabilities measured at fair value				
Total financial liabilities	-	-	-	-

	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at Fair value				
i) Non Current Investment in Equity	824,681,093	352,617,389	-	1,177,298,482
ii) Current Investment in Mutual Fund	-	-	-	-
Total financial assets	824,681,093	352,617,389	-	1,177,298,482
Financial liabilities				
Financial liabilities measured at fair value				
Total financial liabilities	-	-	-	-

(iii) Valuation technique used to determine fair value

a) The fair value of investment in quoted equity shares is measured at quoted price. The Net Asset value of share arrived has been considered as the fair value of investment in unquoted equity shares.

b) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates.

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

d) Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

f) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

g) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2019 and March 31, 2018.

Disclosure of loan / advances and investments in its own shares pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Particulars	Outstanding Balance		Maximum Balance Outstanding	
	31.03.2020	31.03.2019	2019-2020	2018-2019
i) Loans and advances in the nature of loans to Subsidiaries	-	-	-	-
ii) Loans and advances in the nature of loans to associates	7,109,870	7,109,870	7,109,870	7,109,870
iii) Loans and advances in the nature of loans to firms / companies in which directors are interested	-	-	-	-
	No. of shares		Amount in Rs.	
iv) Investment by loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-	-	-

34 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 under (Non-Banking Financial Company –(Non-Systemically Important Non- Deposit taking Company (Reserve Bank)Directions, 2016 are attached, under Separate Annexure -I

- 35 The Company has allotted 62,800 equity shares of Rs. 10/- each to Non-Promoter / Public Shareholders as bonus shares on 1st January, 2020. Listing approval for the same is pending with Calcutta Stock Exchange.
- 36 Company holds 150 Bonds of Yes Bank for Rs. 152,685,000/-. In present scenario the value of Bonds is nil. The holders of Yes Bank Bonds, approached to Apex Court and placed a proposal to Yes Bank Bonds are converted in to Equity Shares in ratio of 1 Bond: 19551 equity shares of Rs. 2 each with locking period of 3 years. The decision is pending in Apex Court.
- 37 Based on information available with the company, there are no dues owed by the company to Micro, Small & Medium Enterprise, which are outstanding for more than 45 days during the year and as at 31st March' 2019. As a result, no interest provision/ payments have been made by the Company to such Creditors, and no disclosure thereof is required under Micro Enterprises Development Act, 2006.
- 38 The retirement benefit of the employees of the company is recognised on payment basis as & when arised.
- 38 Previous years figures have been regrouped / rearranged where ever necessary.

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

As per our report of even date attached

For KANODIA SANYAL & ASSOCIATES
Chartered Accountants
Firm Registration No. 008396N

For & on Behalf of the Board

Pallav Kumar Vaish
Partner
Membership No. 508751

Sunil Gautam
Whole Time Director
DIN - 08125576

Savita Jindal
Director
DIN - 00449740

Place: Gurugram
Date: 31.07.2020

Rajesh Gupta
Company Secretary
F4870

Arup Kumar Mitra
CFO
PAN - AQHPM2661A

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 39th Annual General Meeting of Sudha Apparels Limited will be held on Monday, the 28th September, 2020 at 3.00 P.M. through Video conferencing/Other Audio Visual means (VC / OAVM) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the (a) Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of Directors and Auditors thereon and (b) the Audited Consolidated Financial Statements for the year ended 31st March, 2020 together with the Report of Auditors thereon and in this regard to pass the following resolution as ordinary resolution(s):

(a) "RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted."

(b) "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 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:

"RESOLVED 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."

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

"RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Kanodia Sanyal & Associates, Chartered Accountants, (FRN 008396N), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 44th Annual General Meeting of the Company, at such remuneration as shall be fixed from year to year by the Board of Directors of the Company."

SPECIAL BUSINESS

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 Pushpanjali Investrade 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 Gautam Fin-Invest 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 Sigma Infrastructure Private Ltd. for providing Loan, as detailed in the Explanatory Statement to the Notice."

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

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

By Order of the Board
For Sudha Apparels Limited

Place: Gurgaon
Dated: 24th August, 2020

RAJESH GUPTA
Company Secretary

NOTES:

1. Considering the present COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. In terms of MCA Circulars, since the physical attendance of members has been dispensed with, the facility of appointment of Proxies by Members will not be available. Hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. The VC/OAVM facility for members to join the meeting, shall be kept open 15 minutes before the start of the AGM and shall be closed on expiry of 15 minutes after start of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.
5. In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company (RTA)/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the website of the Company at www.sudhaapparels.com, website of the Stock Exchanges i.e. Calcutta Stock Exchange Limited www.cse-india.com and on the website of CDSL www.evotingindia.com.

6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business which are unavoidable in nature is annexed hereto.
7. As per Regulation 40 of SEBI Listing Regulations, 2015, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent, Alankit Assignments Ltd. for assistance in this regard. In case of joint holders attending the meeting, the person who is first in order of names recorded in the Register of Members will be entitled to vote at the AGM.
8. Details under Regulation 36(3) of SEBI Listing Regulations read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India, in respect 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/Disclosure for their Appointment/re-appointment.
9. All documents referred to in the Notice and the Explanatory Statement shall be available for inspection by the Members at the registered office of the Company on all working days i.e. except Saturdays, Sundays and public holidays between 11.00 A.M. and 1.00 P.M. up to AGM. Such documents will also be available electronically for inspection by the members from the date of circulation of this Notice upto AGM on the basis of the request being sent on secretarial@sudhaapparels.com.
10. Pursuant to MCA Circular and Section 101 of the Companies Act, 2013 read with rules made thereunder, the companies are allowed to send communication to shareholders electronically. Therefore, the Members are requested to register/update their e-mail address with the Company's Registrar and Share Transfer Agent, Alankit Assignments Ltd at rta@alankit.com or their respective Depository Participants as the case may be, for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
11. Corporate/Institutional Members are required to send a scanned certified true copy of the Board Resolution/Authority Letter, etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address at amadelhi12@gmail.com with a copy marked to evoting@cDSL.co.in, if they have voted from individual Tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act, 2013 will be made available electronically for inspection by Members of the Company during the AGM on the basis of the request being sent on secretarial@sudhaapparels.com.
13. **Voting through electronic means:**

Pursuant to MCA Circular and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide the facility of 'remote e-voting' and VC/OAVM through Central Depository Services (India) Limited (CDSL), for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 39th Annual General Meeting (AGM) of the Company.

The members who have already cast their vote through remote e-voting may attend the meeting, but shall not be entitled to cast their vote again at the AGM and a person who is not a Member as on cut-off date i.e. 21st September, 2020 should treat this Notice for information purpose only.

The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on cut-off date i.e. 21st September, 2020.

Mr. Ajit Kumar Mishra (FCS-9703), Practicing Company Secretary, has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting process in a fair and transparent manner.

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

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

- (i) The remote e-voting period begins on 25th September, 2020 (9.00 A.M) and ends on 27th September, 2020 (5.00 P.M). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders/ Members" module.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at www.cdslindia.com from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL'S **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company/RTA or contact Company/RTA.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **Sudha Apparels Limited** on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" Option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app 'm-Voting'. The m-voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

Scanned copy of the Registration Form bearing the stamp and signature of the entity should be e-mailed to the helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non-Individual Shareholders are required to send the relevant Board resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company, if voted from individual tab and not upload the same in the CDSL e-voting system for the scrutinizer to verify the same.

Process for Shareholders whose e-mail addresses are not registered for obtaining login credentials for e-voting for the resolutions proposed in this Notice

For shareholders holding shares in physical form – Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar card) by e-mail to secretarial@sudhaapparels.com or rt@alankit.com.

For Shareholders holding shares in Demat form – Please provide Demat account details (CDSL – 16 digit beneficiary ID or NSDL – 16 digit DPID + CLIENT ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar card) by e-mail to secretarial@sudhaapparels.com or rt@alankit.com.

The Company and RTA shall co-ordinate with CDSL and provide the login credential to the above mentioned shareholders.

Procedure for Joining the AGM through VC/OAVM:

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at www.evotingindia.com under

shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request up to 21st September, 2020, mentioning their name, demat account number/folio number, email id, mobile number on secretarial@sudhaapparels.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding e-Voting (both for remote e-voting and e-voting at AGM), you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT UNDER REGULATION 36 (5) of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Item No. 3

The Board of Directors at the Board Meeting held on October 15, 2019 has appointed M/s. Kanodia Sanyal & Associates, Chartered Accountants, (FRN 008396N) as Statutory Auditors of the Company. In terms of the provisions of Section 139(8), M/s. Kanodia Sanyal & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company in the Extra-Ordinary General Meeting of the Company held on 20th December, 2019 to hold office with effect from 15th October, 2019 till the conclusion of the next Annual General Meeting.

M/s. Kanodia Sanyal & Associates would be completing their tenure at the ensuing Annual General Meeting. Pursuant with Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Kanodia Sanyal & Associates are eligible for appointment for a term of 5 years.

Proposed Fees for Statutory Audit:

Rs. 75,000-125,000 per annum plus applicable taxes, and out-of-pocket expenses incurred by them in connection with the Statutory Audit of the Company. The proposed fee is based on time and efforts required to be put in by M/s. Kanodia Sanyal & Associates.

The Audit Committee of the Board has recommended the appointment of M/s. Kanodia Sanyal & Associates as Statutory Auditors of the Company for a term of 5 years. The credentials of M/s. Kanodia Sanyal & Associates are as under:

Credentials

M/s Kanodia Sanyal & Associates, Chartered Accountants, is established by Mr. R.K. Kanodia in the year 1974 is ranked among top 100 Audit Firms in India. It is a multi-disciplinary organisation providing services in different spheres of Due Diligence, Financial Investigations, Audit & Assurance, Certification, Direct and Indirect Taxation, Finance, Management and Corporate Advisory Services throughout India and in some other countries.

None of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution as set out in the Item No. 3 of this notice for your approval.

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

Item No. 4:

During the year ended 31st March, 2020, 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, 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, 2020, the Company has provided loan amounting to Rs. 5032 lakhs (Maximum amount outstanding) 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

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, and his relative/s being member of Pushpanjali Investrade Private Limited.

The Board recommends the resolutions as set out in item No. 4 of the Notice for your approval.

Item No. 5:

During the year ended 31st March, 2020, 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, 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, 2020, the Company has provided loans amounting to Rs. 2007 lakhs (Maximum amount outstanding) 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

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 and his relative/s being member of Gautam Fin-Invest Private Limited.

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

Item No. 6:

During the year ended 31st March, 2019, 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, 2020, the Company has provided loans amounting to Rs. 706 lakhs (Maximum amount outstanding) 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

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 and his relatives being member of Sigma Infrastructure Private Limited.

The Board recommends the resolutions as set out in item No. 6 of the Notice for your approval.

Item No. 7:

During the year ended 31st March, 2020, 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, 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, 2020, the Company has provided loans amounting to Rs. 2710 lakhs (Maximum amount outstanding) to Crishpark Vincom Limited for general corporate purposes.
- (e) Any other information relevant for the members to make a decision on the transaction- None

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 of Crishpark Vincom Limited.

The Board recommends the resolutions as set out in item No. 7 of the Notice for your approval.

By Order of the Board
For Sudha Apparels Limited

Place: Gurgaon
Dated: 24th August, 2020

RAJESH GUPTA
Company Secretary

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India.

Name of the Director	Smt. Savita Jindal
Age	63 Years
Qualification	Graduate
Brief Profile Expertise in specific functional area	Prominent business-women having wise business experience
Terms and conditions of Re-appointment	Smt. Savita Jindal is liable to retire by rotation at forthcoming Annual General Meeting
Remuneration last drawn (including sitting fees, if any)	Nil
Date of first appointment on the Board	30.12.2005
Shareholding in the Company as on March 31, 2020	1,06,662
Inter-se relationship with other Directors	None
No. of meetings of the Board attended during the financial year (2019-20)	Please refer Corporate Governance Report
Directorship of other Companies as on 31 st March, 2020	Nil
Chairman/ Member of Committee of other Companies	Nil