

**31<sup>st</sup> ANNUAL REPORT**

**2011-12**

**SUDHA APPARELS LIMITED**

### **BOARD OF DIRECTORS**

Savita Jindal  
Dipika Gupta  
R.K. Banthia  
Man Mohan Mittal

### **AUDIT COMMITTEE**

Dipika Gupta	<i>Chairperson</i>
R.K. Banthia	<i>Member</i>
Man Mohan Mittal	<i>Member</i>

### **AUDITORS**

Khandelwal Prajapati & Co.  
Chartered Accountants  
8, Ganesh Chandra Avenue,  
5<sup>th</sup> Floor, Room No. 33  
Kolkata - 700013

### **REGISTERED OFFICE**

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

### **CORPORATE OFFICE**

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

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### **REGISTRAR & SHARE TRANSFER AGENT**

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

# SUDHA APPARELS LIMITED

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

## NOTICE

Notice is hereby given that 31<sup>st</sup> Annual General Meeting of the Members of Sudha Apparels Limited will be held on Saturday the 29<sup>th</sup> September, 2012 at 10.30 a.m. at the Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Accounts for the year ended 31<sup>st</sup> March, 2012 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Savita Jindal, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint M/s. Khandelwal Prajapati & Co., Kolkata, Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

Place : Gurgaon  
Dated : 30<sup>th</sup> June, 2012

Sd/-  
M.M. MITTAL  
Director

**NOTES:-**

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. FORM OF PROXY IS SEPARATELY ANNEXED. THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.***
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:

**Registrar and Share Transfer Agents:**

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

4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 27<sup>th</sup> September, 2012 to Saturday 29<sup>th</sup> September, 2012 (both days inclusive).
5. Members intending to seek any information on the Annual Accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
7. Details of the Director seeking appointment/ reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

<b>Name of the Director</b>	<b>Smt. Savita Jindal</b>
Age	55 Years
Qualification	Graduate
Experience	Prominent business-woman having wide business experience
Date of appointment as Director of the company	30.12.2005
Directorship of other Companies	Nil
Chairman/ Member of Committee of the other Companies	Nil
No. of shares held	1,06,662

# SUDHA APPARELS LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 31<sup>st</sup> Annual Report along with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2012.

## FINANCIAL RESULTS

	<b>Year Ended 31.03.2012</b>	<b>(Rs.) Year Ended 31.03.2011</b>
Total Income	<b>69,92,53,130</b>	457,96,17,791
Profit before tax	<b>9,22,54,897</b>	12,17,02,337
Provision for Taxation - Current	<b>3,20,00,000</b>	3,57,00,000
Profit after Tax	<b>6,02,54,897</b>	8,60,02,337
Balance brought forward from previous year	<b>180,07,65,506</b>	173,69,64,169
Profit available for appropriation	<b>186,10,20,403</b>	182,29,66,506

## APPROPRIATIONS

Transfer to Statutory Reserve	<b>1,20,51,000</b>	1,72,01,000
Transfer to General Reserve	<b>40,00,000</b>	50,00,000
Balance carried to Balance Sheet	<b>184,49,69,403</b>	180,07,65,506
	<b>186,10,20,403</b>	182,29,66,506

## PERFORMANCE OF THE COMPANY

The total income of the Company during the year was Rs.6992.53 lacs as against Rs. 45796.18 lacs in the previous year. The profit before tax during the year was Rs. 922.55 lacs as against Rs. 1217.02 lacs in the previous year. The profit after tax was Rs.602.55 lacs as against Rs. 860.02 lacs in the previous year.

## DIVIDEND

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

## DIRECTORS

Smt. Savita Jindal has resigned as Managing Director of the Company on 31.03.2012 due to her other preoccupations. However, she continues as Director of the Company. The Board appreciates the contribution made by her during her tenure as Managing Director.

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

#### **FIXED DEPOSITS**

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

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

#### **COMPLIANCE CERTIFICATE**

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

#### **CORPORATE GOVERNANCE**

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

#### **CEO/CFO CERTIFICATE**

Smt. Savita Jindal, Director has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

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

#### **AUDITORS**

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

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

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

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

**PARTICULARS OF EMPLOYEES**

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

**ACKNOWLEDGEMENT**

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

For and on behalf of the Board

Sd/-

sd/-

Place : Gurgaon  
Dated : 30<sup>th</sup> June, 2012

M.M. MITTAL  
DIRECTOR

SAVITA JINDAL  
DIRECTOR

## **SUDHA APPARELS LIMITED**

### **CORPORATE GOVERNANCE REPORT**

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

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

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

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

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

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

###### **Composition**

The strength of the Board as on March 31, 2012 was 4 Directors comprising of two promoters Directors and two independent Directors. One-half of the Board of the Company consists of Independent Directors. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors.

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

The Board periodically reviews compliance reports of all laws applicable to the Company and takes steps to rectify non-compliances, if any.

During the year under review 6 Board Meetings were held on 30<sup>th</sup> April, 2011, 28<sup>th</sup> June, 2011, 3<sup>rd</sup> August, 2011, 31<sup>st</sup> October, 2011, 31<sup>st</sup> January, 2012 and 31<sup>st</sup> March, 2012

Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31<sup>st</sup> March, 2012 are given below:



Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Directorships	Committee Member-ships	Committee Chairman-ships
Smt. Savita Jindal	MD*	106662	6	-	-	-	-
Shri M.M. Mittal	NE	-	6	Yes	4	-	-
Shri R.K. Banthia	NE	-	5	-	5	-	-
Ms. Dipika Gupta	NE	-	6	Yes	1	-	-

\*Resigned as Managing Director on 31.03.2012

MD = Managing Director, NE = Non-Executive

**Note:**

1. Only Audit and Shareholders'/Investors' Grievance Committees are considered
2. Excludes Directorship in private/foreign companies and alternate Directorship

No Director is related to each other Director on the Board in terms of the definition of "relative" given under the Companies Act, 1956.

**CODE OF CONDUCT**

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

**AUDIT COMMITTEE**

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

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

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

During the year under review 5 Audit Committee Meetings were held on 30<sup>th</sup> April, 2011, 28<sup>th</sup> June, 2011, 3<sup>rd</sup> August, 2011, 31<sup>st</sup> October, 2011 and 31<sup>st</sup> January, 2012.

The composition of Audit Committee as on 31<sup>st</sup> March, 2012 and attendance at its Meetings was as follows:

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

5. **REMUNERATION TO DIRECTORS**

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

The remuneration paid to Managing Director during the financial year ended 31<sup>st</sup> March, 2012 is as under:-

<b>Name</b>	<b>Salary(Rs.)</b>	<b>Perquisites &amp; other benefits (Rs.)</b>	<b>Total (Rs.)</b>
Smt. Savita Jindal	21,00,000	Nil	21,00,000

b) The Non Executive Directors are paid by way of sitting fees for attending each meeting of the Board of Directors and Audit Committee attended by them. The details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31<sup>st</sup> March, 2012 is as under:

<b>Directors</b>	<b>Sitting Fees (Rs.)</b>
Shri R.K. Banthia	25,000
Ms. Dipika Gupta	27,500
Shri M.M. Mittal*	-

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

Apart from receiving Directors' remuneration by way of sitting fee for attending each meeting of Board and Audit Committee, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31<sup>st</sup> March, 2012.

5. **SHAREHOLDERS/INVESTORS SHARE TRANSFER CUM GRIEVANCE COMMITTEE**

**Functions**

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

**Composition**

The composition of Shareholders'/Investors' Grievance Cum Share Transfer Committee as on 31<sup>st</sup> March, 2012 was as follows:

<b>Name of the Members</b>	<b>Designation</b>
Shri M.M. Mittal	Chairman
Smt. Savita Jindal	Member

**Compliance Officer**

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

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

Number of Shareholders complaints received during the period 01.04.2011 to 31.03.2012	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	N. A.
Number of pending complaints as on 31.03.2012 which were solved later on.	:	N. A.

**6. GENERAL BODY MEETINGS**

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

Financial year	Date	Location of the Meeting	Time
2008-09	23.9.2009	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	3.00P.M.
2009-10	30.09.2010	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	10.30AM.
2010-11	20.08.2011	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	10.30AM.

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

(iii) During the Financial Year 2011-12, no resolution was passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

**7. DISCLOSURES**

**(i) Related Party Transactions**

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

**(ii) Accounting Standards**

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

**(iii) Details on Non Compliance**

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

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

Smt. Savita Jindal, Director has furnished a declaration affirming compliance of Code of Conduct by the Board of Directors and Senior Management Personnel.

(v) **CEO/CFO Certificates**

Smt. Savita Jindal, Director has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

(vi) **Whistle Blower Policy**

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

8. **MEANS OF COMMUNICATION**

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

9. **GENERAL SHAREHOLDERS INFORMATION**

a) Annual General Meeting:

Date & Time : 29<sup>th</sup> September, 2012 at 10.30 a.m.

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

b) Financial Year : 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012

c) Book Closure : 27<sup>th</sup> September, 2012 to 29<sup>th</sup> September, 2012

**Financial Calendar (Tentative):**

- Financial reporting for the quarter ending 30<sup>th</sup> June, 2012 : July/Aug, 2012
- Financial reporting for the quarter ending 30<sup>th</sup> Sept, 2012 : Oct./Nov, 2012
- Financial reporting for the quarter ending 31<sup>st</sup> Dec, 2012 : Jan./Feb, 2013
- Financial reporting for the quarter/year ending 31<sup>st</sup> March, 2013 : April/May, 2013

**Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2011-12 has been duly paid.

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

**Stock Market Data**

There was no trading of shares during the financial year 2011-12 on CSE.

**Distribution of shareholding as on 31st March, 2012**

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

**Shareholding Pattern as on 31<sup>st</sup> March, 2012:**

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

**Dematerialisation of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialised form. As on 31<sup>st</sup> March 2012, 43.27 % of total equity shares were held in dematerialised form.

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

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

**Registrar and Share Transfer Agents:**

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

**Share Transfer System:**

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

**Investors' correspondence address**

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

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

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

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

To the Members of

### **SUDHA APPARELS LIMITED**

We have examined the compliance of conditions of corporate governance of Sudha Apparels Limited for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

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

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

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

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

**For KHANDELWAL PRAJAPATI & CO.**

Chartered Accountants

Sd/-

**V.N. Khandelwal**

Partner

Membership No. 52862

Place: Kolkata

Dated: 30<sup>th</sup> June, 2012

## **SUDHA APPARELS LIMITED**

### **Management Discussion and Analysis**

Forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2012

#### **FORWARD LOOKING STATEMENTS**

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

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

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

During the year, the Indian economy growth slowed down substantially, recording growth rate of 6.5% against 8.5% in the previous year. Advance GDP estimates peg the numbers to be around 6% in the current year.

In such a bearish and uncertain environment financial markets continued to witness high volatility, driven by the direction of foreign capital flow and movement of industrial production index and inflation. A belated policy rate cut by RBI and cut in interest rates by Commercial Banks in early 2012-13 appear unlikely to reverse the deterioration in business sentiments.

Non Banking Financial Companies (NBFCs) have become an integral part of India's financial system, which have recently emerged as lenders serving both companies and individuals. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

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

#### **OPPORTUNITIES & THREATS**

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

The Banking sector has always been highly regulated, however simplified sanction procedures, flexibility and timeliness in meeting the credit needs and low cost operations resulted in the NBFCs getting an edge over Banks in providing funds.

The above opportunities have made the Industry highly competitive with the emergence of new category of systematically important NBFCs. Along with existing local and Multinational players leading to tough competition within the industry.

### **SEGMENT-WISE PERFORMANCE**

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

### **FUTURE OUTLOOK**

NBFCs have been playing a complementary role to the other Financial Institutions including Banks in meeting the funding needs of the economy. They help fill the gaps in the availability of financial services that otherwise occur in bank-dominated financial systems.

NBFCs over the years have played a very vital role in the economy. They have been at the forefront of catering to the financial needs and creating livelihood sources of the so-called un-bankable masses in the rural and semi-urban areas. Through strong linkage at the grassroot level, they have created a medium of reach and communication and are very effectively serving this segment. Thus, NBFCs have all the key characteristics to enable the government and regulator to achieve the mission of financial inclusion in the given time.

### **RISKS AND CONCERNS**

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

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

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

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

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

The total income of the Company during the year was Rs.6992.53 lacs as against Rs. 45796.18 lacs in the previous year. The profit before tax during the year was Rs. 922.55 lacs as against Rs. 1217.02 lacs in the previous year. The profit after tax was Rs.602.55 lacs as against Rs. 860.02 lacs in the previous year.

### **HUMAN RESOURCES**

The Company has employees who are professionals/experienced persons playing an important role in the development of the Company. The Company will strengthen its operative staff as and when the need arises.



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

We have audited the attached Balance Sheet of **M/S. SUDHA APPARELS LIMITED** as at 31<sup>st</sup> March, 2012, the Statement of Profit & Loss and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :-

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appear from our examination of those books.
- iii) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v) On the basis of written representations received from the Directors, as on and taken on record by the Board of Directors, We report that none of the Directors is disqualified as on March, 31 2012 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India :-
  - a) in the case of the Balance sheet, of the state of affairs of the Company as at March, 31, 2012 and
  - b) in the case of Statement of Profit & Loss, of the **PROFIT** for the year ended on that date;
  - c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

PLACE : KOLKATA

DATED : 30 JUN 2012

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants.  
Firm Registration No. 313154E

  
**V. N. KHANDELWAL**

Partner

Membership No. 052862



**Re. : SUDHA APPARELS LIMITED(31.03.2012)**

**Annexure To Referred to in the paragraph 3 of our Audit report of even date**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on such verification.
- c) No part of the Fixed Assets has been disposed off during the year.
- ii) a) The inventory of shares and securities has been verified by the management with Physical Certificates / D'Mat Statements at reasonable intervals during the year.
- b) In our opinion, the procedures of verification of inventories followed by the Company are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such verification.
- iii) According to the information and explanations given to us the company has neither granted nor taken any loan during the year to / from companies, firms and other parties covered in register maintained u/s. 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business with regard to purchase of inventory being shares & Securities and Fixed Assets and for sale of goods being shares & securities. There are no transactions involving sale of services. During the course of our audit, we have not observed any major weakness in internal controls system.
- v) In our opinion, and according to the information and explanations given to us there are no contracts and arrangements entered into this year, the particulars of which needs to be entered into the register required to be maintained under Section 301 of the Act.
- vi) The Company has not accepted any deposits from public during the year within the provisions of section 58A & 58AA of the Companies, Act, 1956 and the rules framed there under.
- vii) In our opinion and according to the information and explanation given to us, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- viii) In our opinion and according to the information and explanation given to us, the activities carried on by the Company do not require maintenance of any cost records.

Cont...2



30 JUN 2012

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

8, Ganesh Chandra Avenue  
5<sup>th</sup> Floor, Room No. 33  
Kolkata – 700 013  
Phone – 2236 – 4634  
2234 – 5110

:: 2 ::

- ix) a) According to information and explanations provided to us and the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues like income tax, and other statutory dues applicable to it with the appropriate authority
- b) As explained to us and the records of the company examined by us, the details of disputed dues not paid towards income tax as on 31<sup>st</sup> March, 2012 are as follows

<u>Nature of Dues</u>	<u>Financial year to which the matter pertains</u>	<u>Forum where disputes pending</u>	<u>Amount as per demand order (Rs. In lacs)</u>
Income Tax under Income Tax Act, 1961	2009 – 10	Commissioner of Income Tax (Appeals)	4.53

However, without qualifying our opinion, we draw attention to note no. 15.3 of Notes on Financial Statement regarding contingent liability of the company on account of Service Tax payable of Rs. 81,65,650/- in respect of financial year 2011 – 12 and Rs. 40,79,955/- in respect of financial year 2010 -11 (excluding interest applicable, if any) on part of rental income which has neither been received nor deposited with the prescribed authority on account of legal dispute raised by these tenants in earlier year as to applicability of Service Tax on rental income. Although the company holds written commitment from such tenants for collection of entire liability arising upon the company on account of service tax on such rental income, the company is yet to collect and pay the said service tax.

- x) The Company does not have any accumulated loss as at 31<sup>st</sup> March, 2012 and the Company has not incurred cash losses in the current year and immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institution, bank or debenture holders.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of Shares, debentures and other securities.
- xiii) The provision for any special statute as specified under paragraph 4(xiii) of the order are not applicable to the company.
- xiv) In respect of dealing in securities & other investments, in our opinion and according to information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities and other investments have been held by the company in its own name.

Cont.....3

30 JUN 2012

:: 3 ::

- xv) According to information and explanations given to us, shares of other bodies corporate held by Company as investment and pledged in earlier year with AXIS Bank Limited as collateral securities for loans taken by one of its group companies have all been released this year upon closure/ cancellation of pledged. The Company has not given any further guarantee for loans taken by others from banks or financial institutions during the year.
- xvi) Based on information and explanations given to us, the company has not taken any term loan.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- xviii) According to the information and explanations given to us, during the period covered by our audit, the company has not made preferential allotment of equity shares to parties and companies covered in register maintained u/s. 301 of the Co. Act., 1956.
- xix) The Company did not have any outstanding debentures during the period.
- xx) The Company has not raised any money by public issues during the period.
- xxi) According to the information and explanations given to us and during the course of our examination of books of accounts and records of the company, no fraud on or by the company has been noticed or reported during the course of our audit.

PLACE : KOLKATA

DATED : 30 JUN 2012

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

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



# SUDHA APPARELS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	NOTES	As At 31.03.2012 Rupees	As At 31.03.2011 Rupees
<b>EQUITY AND LIABILITIES</b>			
<u>Shareholders' Funds</u>			
Share Capital	2	7,270,120	7,270,120
Reserves and Surplus	3	<u>2,445,527,357</u>	<u>2,385,272,460</u>
		2,452,797,477	2,392,542,580
<u>Non-Current Liabilities</u>	4		
Long Term Borrowings		57,802,563	57,802,563
Long- Term Provisions		<u>716,620</u>	<u>632,915</u>
		58,519,183	58,435,478
<u>Current Liabilities - Unsecured</u>	5		
Short -Term Borrowings		702,397,510	937,551,500
Other Current Liabilities		9,143,835	3,740,723
Short-Term Provisions		2,609,421	2,764,426
Total Current Liabilities		<u>714,150,766</u>	<u>944,056,649</u>
<b>Total Equity &amp; Liabilities</b>		<u><b>3,225,467,426</b></u>	<u><b>3,395,034,707</b></u>
<b>ASSETS</b>			
<u>Non- Current Assets</u>			
i. Fixed Assets - Tangible Assets	6	930,125,367	956,276,440
ii. Non-Current Investments	7	794,416,454	1,094,759,256
iii. Long Term Loans & Advances	8	<u>323,778,557</u>	<u>224,896,643</u>
		2,048,320,378	2,275,932,339
<u>Current Assets</u>	9		
Inventories		103,700,000	110,000,000
Trade Receivable		20,738,182	10,626,496
Cash and Cash Equivalents		6,588,749	8,981,925
Short-Term Loans and Advances		1,046,120,117	989,493,947
		<u>1,177,147,048</u>	<u>1,119,102,368</u>
<b>Total Assets</b>		<u><b>3,225,467,426</b></u>	<u><b>3,395,034,707</b></u>

Summary of Significant Accounting Policies followed by the company is given in Notes -1  
The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

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

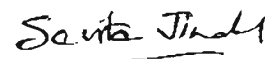


V.N. Khandelwal  
Partner  
Membership No. 52862

Place : Kolkata  
Dated : 30-06-2012

For & on Behalf of the Board

  
M.M. Mittal  
Director

  
Savita Jindal  
Director



# SUDHA APPARELS LIMITED


## STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	NOTES	Year ended 31.03.2012 Rupees	Year ended 31.03.2011 Rupees
<b><u>INCOME</u></b>			
Revenue from Operations	10	573,707,366	4,522,414,711
Other Income	10	125,545,764	57,203,080
		699,253,130	4,579,617,791
<b><u>EXPENDITURE</u></b>			
Purchase of Stock in Trade	11	482,000,000	3,764,030,535
Decrease/(Increase) in Stock in Trade	11	6,300,000	637,596,600
Employees Benefit Expenses	11	2,763,540	2,632,875
Finance Cost	11	88,022,080	28,510,184
Depreciation / Amortization	6	31,492,350	21,424,394
Other Expenses	11	1,620,821	956,440
Contingent Provision against Standard Assets	5	(155,005)	2,764,426
		612,043,786	4,457,915,454
Profit / (Loss) before exceptional ,extraordinary items and tax		87,209,344	121,702,337
Exceptional Items - Depreciation Written Back		5,045,553	-
Profit / (Loss) after exceptional and extraordinary items and before		92,254,897	121,702,337
Tax Expense - Current Tax		32,000,000	35,700,000
Profit / (Loss) from Continuing Operation		60,254,897	86,002,337
<b>Earning Per Share (Basic/ Diluted)</b>		82.88	118.30

Summary of Significant Accounting Policies followed by the company is given in Notes -1  
The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

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

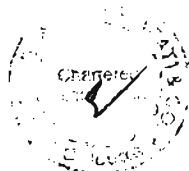
  
V.N. Khandelwal  
Partner  
Membership No. 52862

For & on Behalf of the Board

  
M.M. Mittal  
Director

  
Savita Jindal  
Director

Place : Kolkata  
Dated : 30-06-2012



**SUDHA APPARELS LIMITED**

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE YEAR ENDED 31ST MARCH 2012**

	<b>Year Ended 31.03.2012 Rs.</b>	<b>Year Ended 31.03.2011 Rs.</b>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax and extraordinary items	87,209,344	121,702,337
Adjusted for:		
Depreciation	31,492,350	21,424,394
Contingent Provision for Standard Assets	(155,005)	2,764,426
(Profit)/ Loss on Sale of Investments	<u>27,219,919</u>	<u>(11,344,984)</u>
Operating Profit before Working Capital Changes	145,766,608	134,546,173
Adjusted for:		
Trade & Other Receivables	(171,418,421)	110,347,725
Inventories	6,300,000	637,596,600
Trade Payables & Others	<u>5,486,817</u>	<u>49,967,433</u>
Cash Generated from operations	(13,864,996)	932,457,931
Direct taxes Paid	<u>(26,201,349)</u>	<u>(32,486,150)</u>
Cash Flow before extraordinary items	(40,066,345)	899,971,781
Extraordinary item	-	-
Net Cash From Operating Activities	<u>(40,066,345)</u>	<u>899,971,781</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(295,724)	(900,940,983)
Purchase of Investments	(301,188,476)	(869,008,163)
Sale of Investments	574,311,359	84,653,157
Net Cash from Investing Activities	<u>272,827,159</u>	<u>(1,685,295,989)</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds / (Reduction) of Short Term Borrowings	(235,153,990)	788,643,549
Net Cash from Financing Activities	<u>(235,153,990)</u>	<u>788,643,549</u>
Net Increase in Cash & Cash Equivalents (A+B+C)	(2,393,176)	3,319,341
Opening Balances of Cash and Cash Equivalents	8,981,925	5,662,584
Closing Balances of Cash and Cash Equivalents	6,588,749	8,981,925
Change in Cash and Cash Equivalents	(2,393,176)	3,319,341

As per our report of even date attached

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

V.N. Khandelwal  
Partner  
Membership No. 52862

Place : Kolkata  
Dated : 30-06-2012

For & on behalf of the Board

M.M. Mittal  
Director

Savita Jindal  
Director

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS**

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

**Basis of Preparation and Accounting**

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

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

**a. Use of Estimates**

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

**b. Revenue Recognition**

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

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

**c. Fixed Assets & Depreciation**

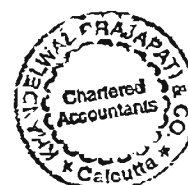
Fixed Assets are stated at cost of acquisition, construction less accumulated depreciation. The cost comprises of purchase price and any other directly attributable cost of bringing the assets to working condition for its intended use. Depreciation on assets have been provided on pro-rata basis, for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

**e. Investments**

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

**f. Inventories**

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





## **Sudha Apparels Limited**

### **g. Employees Benefits**

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

Retirement benefits for Leave Encashment & Gratuity to employees are insignificant and un-funded Long-Term Term Liability classified as Non-Current. Gratuity payable to an employee is equal to 15 days salary for every completed year of service calculated as per Payment of Gratuity Act, 1972. Leave encashment liability is calculated for the period fixed by Company policy for which daily salary is arrived by dividing the salary last drawn by 26 (being the number of working days in a month). The liability for retirement benefits are restated on Balance Sheet date and difference with the opening balance is charged in the Profit & Loss Accounts.

### **h. Taxes on Income**

#### **Current Tax:**

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

#### **Deferred Tax:**

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

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

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

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

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

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

### **k. Impairment of Assets**

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



## **Sudha Apparels Limited**

### **l. Borrowing Costs**

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

### **m. Earning Per Share**

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

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

### **n. Research and Developments**

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



# SUDHA APPARELS LIMITED

## Notes forming part of the Financial Statements

### NOTES - 2 : SHARE CAPITAL

	As At 31.03.2012 Rupees	As At 31.03.2011 Rupees
<b>Authorised</b>		
1,000,000 Equity shares of Rs. 10 each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>

### Issued, Subscribed and Paid up

#### Equity Capital

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

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

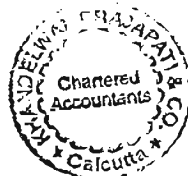
### SHARE CAPITAL

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

Particulars	As at 31.03.2012		As at 31.03.2011	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	727,012	7,270,120	727,012	7,270,120
Add - Addition during the Year	-	-	-	-
Less - Reduction during the Year	-	-	-	-
At the end of the Year	727,012	7,270,120	727,012	7,270,120

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

Name of Share-Holders	As At 31.03.2012		As At 31.03.2011	
	Nos	%	Nos	%
1. Jindal Global Finance & Investment Ltd .	107,416	14.77	107,416	14.77
2. Flakt Dealcom Ltd.	35,761	4.92	38,761	5.33
3. Pushpanjali Investrade Pvt Ltd.	70,000	9.63	70,000	9.63
4. Dharam Pal Jindal	69,900	9.61	69,900	9.61
5. Savita Jindal	106,662	14.67	106,662	14.67
6. Saket Jindal	70,000	9.63	70,000	9.63
7. Raghav Jindal	145,123	19.96	145,123	19.96
Total	604,862	83.20	607,862	83.61



# SUDHA APPARELS LIMITED

## Notes forming part of the Financial Statements

### NOTES - 3 : RESERVE & SURPLUS

Particulars	As At 31.03.12 Rupees	As At 31.03.11 Rupees
<b>3.1 Capital Reserve</b>		
As per last Balance Sheet	51,581,498	51,581,498
<b>3.2 Other Reserves</b>		
<b>a) General Reserve</b>		
As per last Balance Sheet	75,746,597	70,746,597
Add : Addition during the year	4,000,000	5,000,000
	<u>79,746,597</u>	<u>75,746,597</u>
<b>b) Statutory Reserve</b>		
As per last Balance Sheet	457,178,859	439,977,859
Add : Addition during the year	12,051,000	17,201,000
	<u>469,229,859</u>	<u>457,178,859</u>
<b>3.3 Surplus in Statement of Profit &amp; Loss A/c</b>		
As per last Balance sheet	1,800,765,506	1,736,964,169
<b>Profit during the Year</b>	60,254,897	86,002,337
Less - Transfer to Statutory Reserve	12,051,000	17,201,000
	<u>48,203,897</u>	<u>68,801,337</u>
Less - Transfer to General Reserve	4,000,000	5,000,000
Current Year Surplus	44,203,897	63,801,337
<b>Closing Surplus/(Deficit)</b>	<u>1,844,969,403</u>	<u>1,800,765,506</u>
<b>Total</b>	<u>2,445,527,357</u>	<u>2,385,272,460</u>

### NOTES - 4 : NON - CURRENT LIABILITIES

<b>4.1 Long- Term Borrowings - Unsecured</b>		
Security Deposit	57,802,563	57,802,563
<b>4.2 Long- Term Provisions</b>		
For Employees Benefits	716,620	632,915
	<u>58,519,183</u>	<u>58,435,478</u>

### NOTES - 5 : CURRENT LIABILITIES

<b>5.1 Short -Term Borrowings ( Unsecured )</b>	702,397,510	937,551,500
From Bodies Corporate Repayable on Demand		
<b>5.2 Other Current Liabilities</b>		
Liabilities for Expenses	217,758	633,080
Liabilities for Statutory Dues	8,926,077	3,107,643
<b>5.3 Short Term Provisions</b>		
Contingent Provision for Standard Assets		
Opening Balance	2,764,426	-
Addition / (Adjusted) during the year	(155,005)	2,764,426
	<u>2,609,421</u>	<u>2,764,426</u>
The above provision is made @ 0 . 25% of Standard Assets on the reporting date as per RBI Notification No- DNBS.222/CGM(US) -2011 dated 17th January,2011.		
<b>Total Current Liabilities</b>	<u>714,150,766</u>	<u>944,056,649</u>



## FIXED ASSETS

Company has segregated cost of land and superstructure thereon in respect of complex comprising of land and building purchased vide Sale Deed dated 11.10.2010 and 31.01.2011 on the basis of valuation dated 23.10.12 by a Govt. Approved valuer and transferred Rs. 214,396,852 to the cost of land. Accordingly, excess depreciation of Rs. 5,045,553 pertaining to financial year 2010-11 arising out of segregation of land and cost of structure has been written back and adjusted during the year.



# SUDHA APPARELS LIMITED

## Notes forming part of the Financial Statements

NOTES - 7 : NON - CURRENT INVESTMENT: (Fully paid up unless otherwise specified)	As At 31.03.2012		As At 31.03.2011	
	Numbers	Rupees	Numbers	Rupees
<b>NON - TRADE</b>				
<b>i) Quoted</b>				
<b>Equity Shares</b>				
Rs. 5 each of Jindal Drilling & Industries L	4,435,000	222,802,514	4,565,000	178,175,520
Rs. 5 each of Maharashtra Seamless Lim	-	-	5,000	817,462
Rs. 10 each of Haryana Capfin Limited	980,741	43,026,563	1,029,741	45,178,193
Rs. 10 each of ISMT Limited	-	-	1,229,798	60,900,446
Rs. 10 each of JSW Steel Limited	8,000	5,317,908	104,000	97,856,188
Rs. 10 each of Jindal South West Holding	-	-	14,923	14,267,840
Rs. 10 each of Great Eastern Shipping Co	3,800	943,220	3,800	943,220
Rs. 2 each of JSL Stainless Limited	100	3,405	100	3,405
Rs. 5 each of Parsvnath Developers Limit	1,000	48,827	1,000	48,827
Rs. 10 each of Videocon Industries Limite	100	17,441	56,018	12,677,219
Rs. 10 each of Coal India Limited	-	-	30,016	7,353,920
Rs. 10 each of Electrosteel Steels Limited	2,961,700	26,561,609	11,300,000	104,361,607
Rs. 10 each of Reliance Industries Limite	-	-	4,000	3,823,734
Rs. 10 each of Jayaswal Neco Industries	77,345	747,145	77,345	747,145
Rs. 10 each of Great Offshore Limited	1,500	622,765	1,500	622,765
Rs. 10 each of PSL Limited	100	7,012	100	7,012
Rs. 2 each of Satyam Computers Service	10	579	10	579
Rs. 10 each of Ispat Industries Limited	65,800	1,477,251	65,800	1,477,251
Rs. 10 each of Lloyd Steel Industries Limi	59,944	965,552	32,044	521,326
Rs. 10 each of Monnet Ispat Limited	607,483	347,113,008	907,483	518,530,008
Rs. 5 each of Welspun Corporation Limite	2,800	395,867	35,200	5,106,826
Rs. 2 each of Aban Offshore Limited	6,290	2,970,337	100	119,122
Rs. 10 each of Hindustan Oil Exploration	2,000	470,786	2,000	470,786
Rs. 10 each of Selan Exploration Tecnolo	1,100	435,456	1,100	435,457
Rs. 1 each of Jindal Steel & Power Limite	17,466	9,564,590	200	121,902
Rs. 10 each of Shiv-vani Oil & Gas Explor	1,500	604,728	1,500	604,728
Rs. 10 each of Bajaj Auto Limited	125	167,335	-	-
Rs. 10 each of Cairn India Limited	1,200	355,632	-	-
Rs. 10 each of Dena Bank	13,000	1,038,316	-	-
Rs. 10 each of Hexa Tradex Limited	2,600	95,156	-	-
Rs. 10 each of IDBI Bank Limited	3,000	358,085	-	-
Rs. 10 each of Jindal Saw Limited	13,000	1,644,439	-	-
Rs. 10 each of NMDC Limited	5,000	1,177,641	-	-
Rs. 10 each of Oil India Limited	350	444,373	-	-
Rs. 10 each of Sesa Goa Limited	300	82,081	-	-
<b>ii) Un - Quoted</b>				
<b>a) Equity Shares</b>				
Rs. 10 each of Crishpark Vincorn Limited	81,600	818,020	81,600	818,020
Rs. 10 each of Dyltop Commodeal Limited	85,700	861,240	85,700	861,240
Rs. 10 each of Flakt Dealcomm Limited	-	-	88,700	891,385
Rs. 10 each of Jindal Global Finance & In	700,100	2,748,505	700,100	2,748,505
Rs. 10 each of Jindal Pipes Limited	3,741,740	14,060,798	3,741,740	14,060,798
Rs. 10 each of Sparterk Dealcomm Limite	81,000	812,000	81,000	812,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	805,000	80,000	805,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Lir	100,000	1,000,000	100,000	1,000,000
Rs. 10 each of JCO Gas Pipe Limited	1,750,000	17,500,000	1,750,000	17,500,000
Rs. 10 each of Jindal Explodril Limited	9,500	95,000	9,500	95,000
Rs. 10 each of Neptune Builtech Pvt. Limi	9,810	98,405	9,810	98,405
Rs. 10 each of Sigma Infrastructure Pvt. L	9,800	98,415	9,800	98,415
Rs. 10 each of Kushagra Infrastructure Pr	1,195,000	36,059,450	-	-
<b>b) Preference Shares</b>				
Rs. 10 each of Global Jindal Fininvest Lin	250,000	25,000,000	-	-
Rs. 10 each of Crishpark Vincorn Limited	75,000	15,000,000	-	-
Rs. 10 each of Jindal Global Finance & In	200,000	10,000,000	-	-
		<b>794,416,454</b>		<b>1,094,759,256</b>
Aggregate Value of Unquoted Investments		124,956,833		39,788,768
Aggregate Value of Quoted Investments		669,459,621		1,054,970,488
Market Value of Quoted Investments		1,717,127,191		2,879,410,413
Provision for Diminution in value of Investment		Nil		Nil

### Notes :

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

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



# SUDHA APPARELS LIMITED

## Notes forming part of the Financial Statements

	As At 31.03.2012 Rupees	As At 31.03.2011 Rupees
<b><u>NOTE - 8 : LONG TERM LOANS &amp; ADVANCES</u></b>		
(Unsecured, Considered good)		
8.1 Capital Advances	323,189,487	224,307,573
8.2 Security Deposit	589,070	589,070
	<u>323,778,557</u>	<u>224,896,643</u>
<b><u>NOTES - 9 : CURRENT ASSETS</u></b>		
<b>9.1 INVENTORIES</b>		
<b><u>Stock in Trade</u></b>	<u>103,700,000</u>	<u>110,000,000</u>
	<u>103,700,000</u>	<u>110,000,000</u>
<b>9.2 TRADE RECEIVABLES</b>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	20,738,182	10,626,496
	<u>20,738,182</u>	<u>10,626,496</u>
<b>9.3 CASH AND CASH EQUIVALENTS</b>		
Cash on hand	51,787	27,246
Balances with Banks		
- In Current Accounts	<u>6,536,962</u>	<u>8,954,679</u>
	<u>6,588,749</u>	<u>8,981,925</u>
<b>9.4 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, Considered Good)		
Loans to Bodies Corporates	1,043,768,461	882,063,025
Share Application Money	-	100,000,000
Other Short-Term Advances	1,032,921	313,536
Advance Income Tax (Net of Provision Rs 10,55,03,811/-, Previous Year Rs 7,35,03,811/-)	1,318,735	7,117,386
Total Short-Term Loans & Advances	<u>1,046,120,117</u>	<u>989,493,947</u>
Total Current Assets	<u>1,177,147,048</u>	<u>1,119,102,368</u>

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



# SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

Year ended  
31.03.2012  
Rupees

Year ended  
31.03.2011  
Rupees

## NOTES - 10 : INCOME

### 10.1 REVENUE FROM OPERATIONS

Sale of Mutual Fund Units	491,893,779	4,423,865,433
Quantitative Details given separately		
Dividend Income - on Non current Investment	13,911,149	10,348,740
- on Mutual Fund Units	-	5,117,041
Interest Income (TDS Rs. 9,475,959/-, Previous Year Rs.7,040,86)	95,109,057	71,738,503
Profit on Sale of Non- Current Investments	93,009,862	
Loss on Sale of Non-Current Investment	(120,229,781)	
Net Profit / (Loss) on Sale of Non-Current Investments	(27,219,919)	11,344,984
Profit on Intra Day Sales	13,300	10
Total Revenue from operations	573,707,366	4,522,414,711

### 10.2 OTHER INCOME

Rent (TDS Rs. 11,430,520/-, Previous Year Rs.5,769,744/-)	112,916,035	57,203,080
Profit from Agriculture activity (Net)	1,200,000	-
Gain on Transfer of Agricultural Land	11,426,529	-
Liabilities Written Off	3,200	-
Total other Income	125,545,764	57,203,080
Total Income	699,253,130	4,579,617,791

## NOTE - 11 : EXPENSES

### 11.1 Purchases of Stock in Trade

Item - Mutual Fund Units	482,000,000	3,764,030,535
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### 11.2 Decrease/(Increase) in Stock in Trade

Item - Mutual Fund Units		
Opening Stock	110,000,000	747,595,600
Less - Closing Stock	103,700,000	110,000,000
Decrease/(Increase) in Stock in Trade	6,300,000	637,595,600

### 11.3 EMPLOYEES' BENEFIT EXPENSES

Salaries & Other Allowances	2,752,225	2,616,642
Staff Welfare Expenses	11,315	16,233
	2,763,540	2,632,875

### 11.4 INTEREST & FINANCE COSTS

Interest on Unsecured Short Term Loan	87,986,419	28,508,519
Bank Charges	35,661	1,665
	88,022,080	28,510,184

### 11.5 OTHER EXPENSES

D.P. Charges	687,012	38,100
Rent	195,000	195,000
Rates & Taxes	2,500	4,425
Postage & Telephone	10,585	14,157
Printing & Stationery	4,708	24,740
Fee & Subscription	14,582	17,182
Travelling & Conveyance	41,388	36,106
Repair & Maintenance- Others	66,473	58,528
Legal & Professional Charges	124,386	156,113
Insurance	147,142	57,389
Advertisement & Publicity	238,580	256,645
Auditors' Remuneration :		
- Audit Fee	39,326	38,605
- Tax Audit Fee	6,618	6,618
- Certification / others services	11,582	11,582
Miscellaneous Expenses	30,939	41,250
Total	1,620,821	958,440





# SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements	Year ended 31.03.2012 Rupees	Year ended 31.03.2011 Rupees
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## **NOTE : 12 - Earning Per Share**

Net Profit after Tax	60,254,897	86,002,337
Total Number of Weighted Equity Shares	727,012	727,012
Earning Per Equity Share of Rs 10/- each	83	118

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

For WDV of Fixed Assets	(2,599,868)	(2,476,362)
For Expenses Allowable on Payment	232,507	210,238
Unabsorbed Capital Losses	26,939,572	5,521,971
Deferred Tax Asset/(Liability) on Balance Sheet Date	24,572,212	3,255,847
Less Opening Balance	3,255,847	158,228
Deferred Tax Income/(Expense) for the year	21,316,365	3,097,619

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

## **NOTE : 14 - RELATED PARTY DISCLOSURE**

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

Name of Key Managerial Person :- Mrs Savita Jindal

Associated Company :- Nil

### **Transactions with Related Party during the year**

<b>Payment for Other Services to Related Party</b>		
Key Management Personnel	50,275	49,983
<b>Rent Paid to Related Parties</b>		
Key Management Personnel	195,000	195,000
<b>Remuneration Paid to Related Parties</b>		
Key Management Personnel	2,100,000	1,200,000
<b>Balance Payable by the Company to Related Party</b>		
Key Management Personnel	11,273	9,210

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

15.1 Estimated Value of Contracts remaining to be executed on Capital Account (Net of Advances ) not Provided for		
Gross Value of Contract	480,000,000	400,000,000
Less Advance Paid	170,000,000	80,000,000
Net Amount	310,000,000	320,000,000
15.2 <b><u>Disputed Income Tax Demand</u></b>		
For A Year 2006-07 & 2009-10(Previous Year A.Y. 06-07)	2,351,494	1,898,084
Less Already paid	1,898,084	1,898,084
Net Unpaid Amount	453,410	-

- 15.3 In respect of Service Tax liability on renting of property to some of tenants, who have challenged the imposition of such service tax in courts and are not paying the same, the company has obtained written commitment from such tenants who have undertaken to pay all liability arising due to non-payment of service tax by them. Meanwhile; the Finance Act, 2012 has amended Section 80A allowing to pay such service tax on rent of specified date without interest and penalty within 6 months from date of enactment of Finance Act, 2012. The company has approached the tenants for payment of service tax and has not made any provision against the amount of service tax receivable nor against payable.



**SUDHA APPARELS LIMITED**

Notes forming part of the Financial Statements

**NOTE-16 : QUANTITATIVE DETAILS OF PURCHASES , SALES , STOCK OF GOODS TRADED**

**16.1 Opening Stock of Mutual Fund Units**

Name of Script	Year Ended 31.03.12		Year Ended 31.03.11	
	Units	Rupees	Units	Rupees
UTI Liquid Cash Plan -Instl.-Growth	68877	110,000,000		
Birla Sunlife Savings Fund Instl.-Growth			8948809	155,016,817
Birla Sunlife Cash Plus-IP-Growth				
LIC MF Savings Plus Fund-Growth Plan			5329134	77,508,834
UTI Treasury Advantage Fund-Instl.Plan (Growth Option)			222377	275,034,907
DWS Money Plus Fund-Instl. Plan Growth			22958871	240,036,042
	68877	110,000,000	37455190	747,596,600

**16.2 Purchases of Mutual Fund Units**

Name of Script	Year Ended 31.03.12		Year Ended 31.03.11	
	Units	Rupees	Units	Rupees
UTI Liquid Cash Plan -Instl.-Growth				
Templeton India Treasury Management Fund-SIP- Growth	10012	15,000,000		
Sundaram Money Fund Super Inst.Growth	3703172	80,000,000		
UTI Money Market Fund- IP- Growth	95845	110,000,000		
UTI Liquid Cash Plan -Instl.-Growth	27897	47,500,000		
UTI Liquid Cash Plan -Instl.-Growth	131686	229,500,000		
Birla Sunlife Savings Fund Instl.-Growth			848522	15,002,117
Birla Sunlife Cash Plus-IP-Growth			1007909	15,000,000
Reliance Liquid Fund-Treasury Plan-growth			6213606	140,000,000
LIC MF Liquid Fund-Growth Plan			5913101	100,000,000
LIC MF Liquid Fund-Growth Plan			1921065	32,500,000
Reliance Money Manager Fund IP- Growth			111146	140,017,398
LIC MF Savings Plus Fund-Growth Plan			6807416	100,011,826
LIC MF Savings Plus Fund-Growth Plan			2211464	32,503,650
DWS Insta Cash Plus Fund-super IP-Growth			413620	5,000,000
DWS Ultra Short Term Fund-Growth			330192	5,000,786
Reliance Floating Rate Fund-STP-Growth			9621803	141,088,136
Reliance Liquid Fund-Treasury Plan-growth			219892	5,000,000
Reliance Floating Rate Fund-STP-Growth			282649	5,000,704
Birla Sunlife Dynamic Bond Fund Retail- Growth			6441984	101,434,841
ICICI Prudential Flexible Income Plan- Daily Dividend			945761	100,000,000
ICICI Prudential Flexible Income Plan- Daily Dividend			94589	10,000,000
Templeton India Treasury Mgmt.Account-Super IP-Growth			68092	95,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			9490492	95,015,007
Templeton India Treasury Mgmt.Account-Super IP-Growth			16117	22,500,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			2247753	22,503,602
Templeton India Ultra Short Bond Fund-Super IP- DDR			1997683	20,000,000
ICICI Prudential Liquid Institutional Plan- Growth			151163	35,000,000
ICICI Prudential Liquid Institutional Plan- Growth			107913	25,000,000
ICICI Prudential Flexible Income Plan- Daily Dividend			331062	35,004,883
ICICI Prudential Flexible Income Plan- Daily Dividend			236475	25,003,669
Templeton India Ultra Short Bond Fund-Super IP- DDR			1997683	20,000,000
ICICI Prudential Liquid Super IP-Daily Dividend			2849356	285,122,286
Templeton India Treasury Mgmt.Account-Super IP-Growth			18434	26,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			2597514	26,005,276
Templeton India Treasury Mgmt.Account-Super IP-Growth			21252	30,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			2997063	30,005,398
ICICI Prudential Liquid Super IP-Daily Dividend			4998670	502,623,097
Templeton India Treasury Mgmt.Account-Super IP-Growth			14160	20,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			1998064	20,003,814
Templeton India Treasury Mgmt.Account-Super IP-Growth			84898	120,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			11988347	120,022,540
ICICI Prudential Interval Fund V- Monthly Interval Plan			10058756	100,589,574
Templeton India Ultra Short Bond Fund-Super IP- DDR			8490151	85,000,000
UTI Treasury Advantage Fund-Instl.Plan (Growth Option)			85741	110,000,000
UTI Fixed Income Interval Fund- Monthly Interval Plan Series -I			8776644	110,019,627
HDFC Cash Mgmt -Savings Plan-Growth			1880444	37,500,000
HDFC Floating Rate Income Fund-STP- Growth			2304834	37,506,770
Templeton India Treasury Mgmt.Account-Super IP-Growth			24794	35,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			3496443	35,004,988
Templeton India Ultra Short Bond Fund-Super IP- DDR			999031	10,001,897
HDFC Floating Rate Income Fund-STP- Growth			2445616	40,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			10987255	112,369,761
Templeton India Ultra Short Bond Fund-Super IP- DDR			8999572	90,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			1498262	15,000,000
Birla Sunlife Cash Plus-IP-Growth			8732083	103,688,891
UTI Money Market Me-Inst.growth			183716	200,000,000
Edelweiss Ultra Short Term Bond Fund			854679	10,000,000
UTI Liquid Cash Pla Instl.-Growth			68677	110,000,000
	3968613	482,000,000	155473607	3,764,030,535



**SUDHA APPARELS LIMITED**

**16.3 Sales of Mutual Fund Units**

Name of Script	Year Ended 31.03.12		Year Ended 31.03.11	
	Units	Rupees	Units	Rupees
UTI Liquid Cash Plan -Instl.-Growth	69677	111,720,264		
Templeton India Treasury Management Fund-SIP- Growth	10012	15,447,694		
Sundaram Money Fund Super Inst Growth	3703172	80,400,514		
UTI Money Market Fund- IP- Growth	95845	110,799,879		
UTI Liquid Cash Plan -Instl.-Growth	27897	47,725,428		
UTI Liquid Cash Plan -Instl.-Growth	72046	125,800,000		
Birla Sunlife Savings Fund Instl.-Growth			9797331	173,060,186
Birla Sunlife Cash Plus-IP-Growth			1007909	15,002,117
LIC MF Savings Plus Fund-Growth Plan			5329134	79,416,914
UTI Treasury Advantage Fund-Instl Plan (Growth Option)			222377	281,958,156
DWS Money Plus Fund-Instl. Plan Growth			22958871	240,517,128
Reliance Liquid Fund-Treasury Plan-growth			6213606	140,017,398
LIC MF Liquid Fund-Growth Plan			5913101	100,011,826
LIC MF Liquid Fund-Growth Plan			1921065	32,503,650
Reliance Money Manager Fund IP- Growth			111146	141,068,136
LIC MF Savings Plus Fund-Growth Plan			6807416	101,446,865
LIC MF Savings Plus Fund-Growth Plan			2211464	32,958,127
DWS Insta Cash Plus Fund-super IP-Growth			413620	5,000,786
DWS Ultra Short Term Fund-Growth			330192	5,005,904
Reliance Floating Rate Fund-STP-Growth			9621803	143,324,449
Reliance Liquid Fund-Treasury Plan-growth			218892	5,000,704
Reliance Floating Rate Fund-STP-Growth			282649	5,005,650
Birla Sunlife Dynamic Bond Fund Retail- Growth			6441984	103,688,891
ICICI Prudential Flexible Income Plan- Daily Dividend			945761	100,000,000
ICICI Prudential Flexible Income Plan- Daily Dividend			94589	10,000,000
Templeton India Treasury Mgmt.Account-Super IP-Growth			66092	95,015,007
Templeton India Ultra Short Bond Fund-Super IP- DDR			9490492	95,015,007
Templeton India Treasury Mgmt.Account-Super IP-Growth			16117	22,503,602
Templeton India Ultra Short Bond Fund-Super IP- DDR			2247753	22,503,602
Templeton India Ultra Short Bond Fund-Super IP- DDR			1997683	20,000,000
ICICI Prudential Liquid Institutional Plan- Growth			151163	35,004,883
ICICI Prudential Liquid Institutional Plan- Growth			107912.629	25,003,669
ICICI Prudential Flexible Income Plan- Daily Dividend			331062	35,004,883
ICICI Prudential Flexible Income Plan- Daily Dividend			236475	25,003,669
Templeton India Ultra Short Bond Fund-Super IP- DDR			1997683	20,000,000
ICICI Prudential Liquid Super IP-Daily Dividend			2849358	285,122,286
Templeton India Treasury Mgmt.Account-Super IP-Growth			18434	26,005,278
Templeton India Ultra Short Bond Fund-Super IP- DDR			2597514	26,005,276
Templeton India Treasury Mgmt.Account-Super IP-Growth			21252	30,005,398
Templeton India Ultra Short Bond Fund-Super IP- DDR			2997063	30,005,398
ICICI Prudential Liquid Super IP-Daily Dividend			4998870	502,623,097
Templeton India Treasury Mgmt.Account-Super IP-Growth			14160	20,003,814
Templeton India Ultra Short Bond Fund-Super IP- DDR			1998064	20,003,814
Templeton India Treasury Mgmt.Account-Super IP-Growth			84898	120,022,540
Templeton India Ultra Short Bond Fund-Super IP- DDR			11888347	120,022,540
ICICI Prudential interval Fund V- Monthly Interval Plan			10058758	101,121,481
Templeton India Ultra Short Bond Fund-Super IP- DDR			8490151	85,000,000
UTI Treasury Advantage Fund-Instl Plan (Growth Option)			85741	110,019,627
UTI Fixed Income Interval Fund- Monthly Interval Plan Series -I			8776844	110,678,753
HDFC Cash Mgmt -Savings Plan-Growth			1980444	37,506,770
HDFC Floating Rate Income Fund-STP- Growth			2304634	37,611,861
Templeton India Treasury Mgmt.Account-Super IP-Growth			24794	35,004,988
Templeton India Ultra Short Bond Fund-Super IP- DDR			3496443	35,004,988
Templeton India Ultra Short Bond Fund-Super IP- DDR			999031	10,001,697
HDFC Floating Rate Income Fund-STP- Growth			2445616	40,291,015
Templeton India Ultra Short Bond Fund-Super IP- DDR			10987255	112,369,761
Templeton India Ultra Short Bond Fund-Super IP- DDR			8989572	90,000,000
Templeton India Ultra Short Bond Fund-Super IP- DDR			1498262	15,000,000
Birla Sunlife Cash Plus-IP-Growth			6732083	103,979,044
UTI Money Market Me-Inst.growth			183716	200,400,282
Edelweiss Ultra Short Term Bond Fund			854679	10,016,324
	3977650	491,893,779.00	192756207	4,423,865,433

**16.4 Closing Stock of Mutual Fund Units**

Name of Script	Year Ended 31.03.12		Year Ended 31.03.11	
	Units	Rupees	Units	Rupees
UTI Liquid Cash Plan -Instl.-Growth	59640	103,700,000		
UTI Liquid Cash Plan -Instl.-Growth			68677	110,000,000
	59640	103,700,000	68677	110,000,000



# SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

Year ended  
31.03.2012  
Rupees

Year ended  
31.03.2011  
Rupees

## NOTE - 17 SEGMENT REPORTING

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

## NOTE - 18 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY

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

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

## NOTE - 19 MANAGERIAL REMUNERATION PAID DURING THE YEAR

### Details of Managerial Remuneration

Salaries & Allowances	2,100,000	1,200,000
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Previous years figures have been regrouped / rearranged where ever necessary to conform to the reclassification as per Revised - Schedule-VI and make them comparable with current year.

Signatures to Accompanying Notes forming an integral part of the Financial Statements.


As per our report of even date attached

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

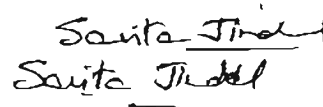
For & on Behalf of the Board



V.N. Khandelwal  
Partner  
Membership No. 52862



M.M. Mittal  
Director



Savita Jindal  
Director

Place : Kolkata  
Dated : 30-06-2012



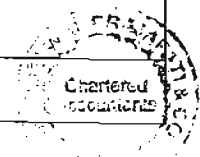
# Sudha Apparels Limited

Annexure – 1

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

(Rupees)

	Particulars		
(1)	<b>Liabilities side:</b>		
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	702,397,510	-
	(e) Commercial Paper	-	-
	(h) Other Loans (specify nature) * Please see note 1 below	-	-
	<b>Assets side:</b>		
		Amount Outstanding	
(2)	1. Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured	-	
	(b) Unsecured	1,367,990,869	
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry Debtors :		
	(a) Financial Lease	-	
	(b) Operating Lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been re-possessed	-	
	(b) Loans other than (a) above	-	



# Sudha Apparels Limited

(4)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	i. Shares: (a) Equity (b) Preference	- -
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity (b) Preference	- -
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	Long Term Investments:	
	1. Quoted:	
	i. Shares: (a) Equity (b) Preference	669,459,621 -
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity (b) Preference	74,956,833 50,000,000
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below	
	Category	Amount of net of provisions
	1. Related Parties**	Secured    Unsecured    Total
	(a) Subsidiaries	-                      -                      -
	(b) Companies in the same group	-                      -                      -
	(c) Other related parties	-                      -                      -
	2. Other than related parties	-                      -                      -
	Total	-                      -                      -
(6)	Investors group-wise classifications of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below	

## Sudha Apparels Limited

Category	Market Value / Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,264,837,771	794,416,454
Total	2,264,837,771	794,416,454

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

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



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

AS ON 31.03.2012

### CRAR

	Items	Current Year	Previous Year
i)	CRAR (%)	72.80	69.55
ii)	CRAR – Tier I Capital (%)	72.72	69.47
iii)	CRAR – Tier II Capital (%)	0.08	0.08

### Exposures

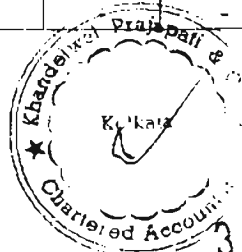
#### Exposure to Real Estate Sector

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

### Asset Liability Management

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

	(Rs. in crore)								
	1 day to 30/31 Days ( One Month)	Over one months upto 2 months	Over 2 months upto 3 months	Over 3months upto 6 months	Over 6 months upto 1 year	Over one upto 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from Banks	-	-	-	-	-	-	-	-	-
Market/other borrowings	-	-	-	70.24	-	5.78	-	-	76.02
<b>Assets</b>									
Advances	-	-	-	104.38	-	32.32	-	-	136.70
Investments	-	-	-	-	-	66.95	-	12.50	79.45



For Sudha Apparels Limited

*Mink*

30 JUN 2012



# SUDHA APPARELS LIMITED

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

## ATTENDANCE SLIP

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

I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 at 10.30 A.M on Saturday 29<sup>th</sup> September, 2012.

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

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

No. of Shares held.....

Members/Proxy's Signature

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

# SUDHA APPARELS LIMITED

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

## PROXY FORM

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

I/We, .....being the member(s) of Sudha Apparels Limited  
.....holding shares, hereby appoint .....or failing  
him.....as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf  
at the 31<sup>st</sup> Annual General meeting of the Company, to be held at 10.30 A.M on Saturday 29<sup>th</sup> September,  
2012 at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 and at any  
adjournment thereof.

Signed this ..... Day of ..... 2012

Affix a  
Revenue  
Stamp

Signature