

34th ANNUAL REPORT

2014-15

SUDHA APPARELS LIMITED

SUDHA APPARELS LIMITED

BOARD OF DIRECTORS

Mangat Ram Garg - Whole-time Director
Savita Jindal (Smt.)
R.K. Banthia
Sandeep Shah

AUDIT COMMITTEE

R.K. Banthia *Chairman*
Sandeep Shah
M. R. Garg

CFO

H.K. Khanna

COMPANY SECRETARY

Rajesh Gupta

AUDITORS

Khandelwal Prajapati & Co.
Chartered Accountants
Kolkata

BANKERS

ICICI Bank Limited
HDFC Bank Limited

REGISTERED OFFICE

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

SUDHA APPARELS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 34th Annual Report along with Audited Financial statement of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

The highlights of the financial results are as under:

	Rs.	
	Year ended 31.03.2015	Year ended 31.03.2014
Total Income	30,38,78,487	48,74,66,025
Profit before exceptional and Extra-Ordinary items and tax	14,48,87,961	14,38,78,597
Less:		
Provision for diminution in value of investment	31,89,23,222	5,57,26,131
Provision for Non- Performing Assets	(2,06,77,653)	1,29,88,236
Profit/(loss) before tax	(15,33,57,608)	7,51,64,230
Provision for Taxation - Current	4,10,00,000	4,05,00,000
Profit/(loss) after Tax	(19,43,57,608)	3,46,64,230
Balance brought forward from previous year	189,34,80,197	186,72,48,967
Profit available for appropriation	169,91,22,589	190,19,13,197
APPROPRIATIONS		
Transfer to Statutory Reserve	-	69,33,000
Transfer to General Reserve	-	15,00,000
Balance carried to Balance Sheet	169,91,22,589	189,34,80,197
	169,91,22,589	190,19,13,197

DIVIDEND

In view of losses incurred during the year, your Directors do not recommend any dividend for the year under review.

RESULTS OF OPERATIONS

The total income of the Company during the year was Rs.3038.78 lacs as against Rs.4874.66 lacs in the previous year. The loss before tax during the year was Rs. 1533.58 lacs as against profit of Rs. 751.64 lacs in the previous year. The loss after tax was Rs. 1943.58 lacs as against profit of Rs. 346.64 lacs in the previous year.

SUBSIDIARY COMPANIES

Your Company has one subsidiary namely Crishpark Vincom Limited and one associate namely Kushagra Infrastructure Private Limited as on 31st March, 2015. There has been no material change in the nature of business of subsidiary companies.

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

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 are provided in the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Mangat Ram Garg, Whole Time Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Item seeking the approval on the above matter is included in the Notice convening the Annual General Meeting.

The Board has appointed Shri Rajesh Gupta as Company Secretary of the Company w.e.f. 1st April, 2014 and Shri Hemant Kumar Khanna as Chief Financial Officer of the Company w.e.f. 1st July, 2014.

BOARD MEETINGS

During the year, 8 (Eight) Board meetings were held. The details of which are given in the Corporate Governance Report.

BOARD EVALUATION

The Board of Directors has carried out an Annual evaluation of its own performance, Board Committee and individual Directors pursuant to the provisions of the Act and under Clause 49 of the Listing Agreement.

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

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

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.

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

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was 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, 2015, 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, 2015 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.
- (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

The details forming part of the extract of the Annual Return in form MGT-9 is annexed with this Report.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Shri R.K. Banthia, Chairman, Shri Sandeep Shah and Shri Mangat Ram Garg as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

VIGIL MECHANISM

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

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities, which has been approved by the Board. The CSR Policy may be accessed on the website of the Company.

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(1)(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.

As per the provisions of the Companies Act, 2013, during the year, the Company had not entered into any contract/ arrangement/transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report along with Auditors' Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

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

AUDITORS

M/s. Khandelwal Prajapati & Co., Chartered Accountants, the retiring Auditors, hold office until conclusion of the ensuing Annual General Meeting. The Statutory Auditors have confirmed their eligibility and willingness to accept the office on re-appointment.

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

SECRETARIAL AUDIT

The Board has appointed M/s Hemant Singh & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the year ended 31st March, 2015 is annexed herewith as an annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

FIXED DEPOSITS

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

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

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

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report.

However in pursuance of Section 136(1) of the Act, this report is being sent to the shareholder of the Company excluding the said information. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary at the Corporate Office of the Company.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board

Place: Gurgaon
Dated: 10th August, 2015

Savita Jindal	Mangat Ram Garg
Director	Whole Time Director

Annual Report on Corporate Social Responsibility (CSR)

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

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

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

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

- 3. Average net profit of the company for last three financial years -** Rs.988.83 Lacs

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) –** Rs. 19.78 Lacs

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

(a) Total amount to be spent for the financial year – Rs.19.78 Lacs

(b) Amount unspent, if any – Rs. 19.78 Lacs

(c) Manner in which the amount spent during the financial year: Nil

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

To discharge of Corporate Social Responsibility, the CSR Committee considered various proposals. To ensure that the contributions made by the Company are for deserving causes and are properly utilized, the CSR committee was still evaluating various proposals at the year end. However, in view of declining profitability of the Company during the current year, no amount was spent on CSR activities.

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

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

Savita Jindal Director	Mangat Ram Garg Chairman CSR Committee
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SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s SUDHA APPARELS LIMITED ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (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 there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable in respect 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – (Not applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and circulars issued by the Reserve Bank of India from time to time and periodic reporting's done by the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India- Not Applicable for the financial year under review.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

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

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

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

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

**For Hemant Singh & Associates
Company Secretaries**

Date: 10th August, 2015
Place: New Delhi

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

SUDHA APPARELS LIMITED

Form AOC-1

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

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

Part "A" Subsidiaries:

Sr. No.	Particulars	Name of Subsidiaries: CRISHPARK VINCOM LIMITED
1.	Reporting period for the subsidiary concerned	31.03.2015
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Indian Rupee
3.	Share Capital	1,30,02,000
4.	Reserves & Surplus	(1,140,28,913)
5.	Total Assets	93,89,78,620
6.	Total Liabilities	93,89,78,620
7.	Investments	90,86,98,593
8.	Turnover	43,07,186
9.	Profit before taxation	(20,56,75,003)
10.	Provision for taxation	0
11.	Profit after taxation	(20,56,75,003)
12.	Proposed Dividend	Nil
13.	% of shareholding	65.88

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	31.03.2015
2.	Shares of Associate/Joint Ventures held by the Company on the year end	50%
	- No. of Equity Shares	11,95,000
	-Amount of Investment in Associates/Joint Venture	3,60,59,450
	- Extent of Holding (%)	50.00
3.	Description of how there is significant influence	Shareholding exceeding 20% of paid-up share capital
4.	Reason why the associate/joint venture is not consolidated	Associate has been consolidated
5.	Net-worth attributable to Shareholding as per latest audited Balance Sheet	2,27,02,825
6.	Profit/(loss) for the year	
	i. Considered in consolidation	6,50,797
	ii. Not Considered in consolidation	Nil

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

SUDHA APPARELS LIMITED

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Commercial Loan and Investment	65923	58.28
2	Leasing of self-owned non-residential building	70104	41.72

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Crishpark Vincom Limited	U51109WB1994PLC065299	Subsidiary	65.88%	2(87)(ii)
2	Kushagra Infrastructure Private Limited	U29120WB2005PTC102950	Associate	50.00%	2(6)

i) Category-wise Share Holding

[illegible]

d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Ventures	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Non-Institutions									
a) Bodies Corporates - Indian	25600	119161	144761	19.91	25600	119161	144761	19.91	0.00
b) Individuals shareholders holding nominal share capital upto Rs. 1 lakh	-	48000	48000	6.60	-	48000	48000	6.60	0.00
Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	25600	167161	192761	26.51	25600	167161	192761	26.51	0.00
Total Public shareholding	25600	167161	192761	26.51	25600	167161	192761	26.51	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	314559	412453	727012	100.00	314559	412453	727012	100.00	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2014)			Shareholding at the end of the year (As on 31 st March, 2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	D.P. Jindal	69900	9.61	0.00	69900	9.61	0.00	0.00
2	D.P. Jindal (HUF)	35150	4.83	0.00	35150	4.83	0.00	0.00
3	Saket Jindal	70000	9.63	0.00	70000	9.63	0.00	0.00
4	Savita Jindal	106662	14.67	0.00	106662	14.67	0.00	0.00
5	Raghav Jindal	145123	19.96	0.00	145123	19.96	0.00	0.00
6	Jindal Global Finance & Investment Ltd.	107416	14.77	0.00	107416	14.77	0.00	0.00
	Total	534251	73.49	0.00	534251	73.49	0.00	0.00

(iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding at the beginning of the year (As on 1 st April, 2014)		Date	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year (As on 31 st March, 2015)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
No Change								

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

Sl. No.		Shareholding at the beginning of the year (As on 1 st April, 2014)		Increase/Decrease during the year		Cumulative Shareholding at the end of the year (As on 31 st March, 2015)	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	Reason	No. of shares	% of total shares of the company
	At the beginning of the year						
1	Pushpanjali Investrade Pvt. Ltd.	70,000	9.63	0	Nil	70,000	70,000
2	GVN Fuels Limited	36,000	4.95	0	Nil	36,000	36,000
3	Flakt Dealcomm Ltd.	35,761	4.92	0	Nil	35,761	35,761
4	Gautam Fin-Invest Pvt. Ltd.	3,000	0.41	0	Nil	3,000	3,000
5	Om Pal Rajput	850	0.12	0	Nil	850	850
6	Dharambir Singh	850	0.12	0	Nil	850	850
7	B.P. Roy	800	0.11	0	Nil	800	800
8	Sher Bahadur	800	0.11	0	Nil	800	800
9	Satya Prakash Goyal	800	0.11	0	Nil	800	800
10	Pawan Kumar Verma	800	0.11	0	Nil	800	800

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year 01.04.2014		Increase/Decrease during the year		Cumulative Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total shares of the company	No. of shares	Reason	No. of shares	% of total shares of the company
1	Smt. Savita Jindal –Director	106662	14.67	0	Nil	106662	14.67
2	Shri R.K. Banthia – Director	0	0.00	0	Nil	0	0.00
3	Shri Sandeep Shah – Director	0	0.00	0	Nil	0	0.00
4	Shri Man Mohan Mittal - Director*	0	0.00	0	Nil	0	0.00
5	Shri Mangat Ram Garg -Director	0	0.00	0	Nil	0	0.00
6	Shri H.K. Khanna – KMP	0	0.00	0	Nil	0	0.00
7	Shri Rajesh Gupta - KMP	0	0.00	0	Nil	0	0.00

* ceased as Director on 01.09.2014

V. 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, 2014)				
i) Principal Amount	0	5,78,02,563	0	5,78,02,563
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	5,78,02,563	0	5,78,02,563
Change in Indebtedness during the financial year				
- Addition	0	19,57,92,691	0	19,57,92,691
- Reduction	0	0	0	0
Net Change	0	19,57,92,691	0	19,57,92,691

Indebtedness at the end of the financial year (31st March, 2015)				
i) Principal Amount	0	25,35,95,254	0	25,35,95,254
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	25,35,95,254	0	25,35,95,254

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONEL

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

Sl. no.	Particulars of Remuneration	Mr. Mangat Ram Garg, WTD (w.e.f. 1 st July, 2015)	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,31,849	7,31,849
	(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)	7,31,849	7,31,849

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri R.K. Banthia	Shri Sandeep Shah	
	3. Independent Directors			
	- Fee for attending board committee meetings	NIL	NIL	NIL
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (1)	NIL	NIL	NIL
	4. Other Non-Executive Directors			
	- Fee for attending board committee meetings	-	-	-
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
1.		CEO	Mr. Rajesh Gupta, CS	Mr. Hemant Kumar Khanna, CFO w.e.f. 1.07.2014	Total
	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		6,77,392	9,90,000	16,67,392
	(b) Value of perquisites u/s 17(2) Income-tax		-	5,400	5,400
	(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.	6,77,392	9,95,400	16,72,792

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

SUDHA APPARELS LIMITED

CORPORATE GOVERNANCE REPORT

We believe that 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, service providers and its employees and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The Securities and Exchange Board of India (SEBI) amended the Listing Agreement effective from 1st October, 2014, to bring in additional corporate governance norms for listed entities. These norms provide for stricter disclosures and protection of investors' rights, including equitable treatment for minority shareholders.

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:

1. BOARD OF DIRECTORS

Composition

The Company's policy is to have appropriate mix of executive and non-executive/ Independent Directors on the Board. 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 in Clause 49 of the Listing Agreement with Stock Exchanges), across all the companies in which they are Directors. The Directors have made necessary disclosures regarding their Committee positions.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and clause 49 of the Listing agreement.

Board Functioning & Procedure

During the year 2014-15, the Board of Directors met (8) eight times and the gap between two meetings did not exceed 120 days. The Board meetings were held on 1st April, 2014, 29th May, 2014, 1st July, 2014, 6th August, 2014, 1st September, 2014, 11th November, 2014, 12th January, 2015 and 6th February, 2015. 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, as also the number of Directorships held by them in other companies as on 31st March, 2015 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Director-ships	Committee Member-ships	Committee Chairman-ships
Smt. Savita Jindal	Non-Executive	106,662	4	No	1	-	-
Shri M.M. Mittal*	Non-Executive	-	4	N.A.	3	-	-
Shri M.R. Garg	Executive	-	4	Yes	3	-	-
Shri R.K. Banthia	Independent	-	7	Yes	5	-	-
Shri Sandeep Shah	Independent	-	7	No	3	-	-

*Ceased as Director on 1st September, 2014.

Note:

1. Only Audit and Stakeholder's Relationship Committees are considered.
2. Excludes directorship in Foreign Companies.

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 & Board of Directors as a whole.
- the performance of the Chairman of the Company, taking into account the views of the Executive & 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 25th March, 2015. All the 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 & 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 detail of familiarization programmes for Independent Directors are posted on the Company's website <http://www.sudhaapparels.com>. and can be accessed at http://www.sudhaapparels.com/Familiarization_Sudha.pdf.

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 2015.

Date: 10th August, 2015

Mangat Ram Garg
Whole Time Director

2. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the revised Listing Agreement read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the audit functions and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of financial statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of statutory auditors, internal auditors and cost auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board With particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with laws; inspection of records and audit reports and reports of statutory auditors; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

COMPOSITION

The Audit Committee of the Company as on 31st March, 2015, comprised of three Directors consisting of one Promoter Executive Director and two Independent Non-executive Directors. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-executive Director. The Company Secretary acts as the Secretary to the Audit Committee.

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

During the year under review 6 Audit Committee Meetings were held on 1st April, 2014, 29th May, 2014, 6th August, 2014, 1st September, 2014, 11th November, 2014 and 6th February, 2015 and attendance at its Meetings is as follows:

Members	Category	No. of meetings attended
Shri R.K. Banthia	Chairman	6
Shri M.R. Garg*	Member	4
Shri M.M. Mittal**	Member	2
Shri Sandeep Shah	Member	6

*Appointed as Member on 1st July, 2014.

** Ceased as Member on 1st July, 2014.

INTERNAL AUDITORS

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 terms of reference of the Nomination & Remuneration Committee are as per guidelines set out in the Listing agreement 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 composition of Nomination & Remuneration Committee of the Company is comprised of three Directors consisting of all Independent Non-executive Directors. The Chairman of the Committee is an Independent Non-executive Director.

The composition of Nomination and Remuneration Committee as on 31st March, 2015 comprised of three Non-Executive Directors. The Chairman of the Committee is an Independent Non-Executive Director.

Name of the Members	Designation	No. of Meetings attended
Shri R.K. Banthia	Chairman	1
Shri Sandeep Shah	Member	1
Smt. Savita Jindal	Member	1

During the year under review meeting of the Nomination & Remuneration Committee was held on 25th June, 2014.

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 and superannuation benefits. 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.

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

Remuneration of Whole Time 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.

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

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

Appointment of Senior Management and cessation of their service are subject to the approval of the NRC and the Board of Directors. Remuneration of other senior personnel is decided by the Whole-time Director.

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

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

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

Details of Directors' Remuneration

Details of remuneration paid to the Directors during the financial year ended 31st March, 2015 are as under:

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

(Amount in Rs.)			
Name	Salary	Perquisites & other benefits	Total
Shri Mangat Ram Garg*	7,31,849	-	7,31,849

*Appointed for a period of 3 years w.e.f. 1st July, 2014.

(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, 2015 no remuneration was paid to Non-Executive Directors in view of them having waived their entitlement to receive the sitting fee.

Apart from receiving 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, 2015.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

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

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

During the year under review, the said committee met on 28th January, 2015. All members were present in the meeting.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted a Committee under the Chairmanship of Non-Executive Director. 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. Also reviews the status of legal cases involving the investors where the Company has been made a party. Details of shares transfers/ transmissions approved by the Committee are placed at the Board Meetings from time to time.

COMPOSITION

The constitution of the Stakeholders Relationship Committee as on 31st March, 2015 was as under:-

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

Compliance Officer

The Board has designated Mr. Rajesh Gupta, Company Secretary 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 01.04.2014 to 31.03.2015	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	N. A.
Number of pending complaints as on 31.03.2015 which were solved later on.	:	N. A.

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

GENERAL BODY MEETINGS

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

Financial year	Date	Location of the Meeting	Time
2011-12	29.09.2012	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	10.30AM.
2012-13	25.09.2013	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	10.30AM.
2013-14	29.09.2014	Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 th Floor, Kolkata- 700 020	10.30AM.

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

(iii) During the Financial Year 2014-15, no resolution was passed through postal ballot.

No special resolution is proposed to be conducted through postal ballot.

DISCLOSURES

(i) Related Party Transactions

There have been related party transactions as reflected in 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.

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://www.sudhaapparels.com/SudhaRPTPolicy.pdf>

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) CEO/CFO Certificates

Shri Mangat Ram Garg, Whole-time Director and Shri Hemant Kumar Khanna, CFO have furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

v) Whistle Blower Policy

The Company has adopted a Whistle blower policy and has 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. 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://www.sudhaapparels.com/SudhaWhistleBlowerPolicy.pdf>

vi) Adoption of Mandatory and Non- mandatory requirements of Clause 49

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. However, the Company has also complied with following non-mandatory requirements of Clause 49 of Listing Agreement.

Audit Qualifications

The Financial Statements of the Company are unqualified.

Separate posts of Chairman and CEO

The positions of Chairman and CEO/ Whole-time Director are separate.

Reporting of Internal Auditor

The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

Risk Management

The Company has detailed Risk Management Policy and the Board periodically reviews the procedures for its effective management.

MEANS OF COMMUNICATION

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

GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting:

Date: 30th September, 2015

Time: 11:30 A.M.

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

(b) Financial Year: 2014-15 (1st April, 2014 to 31st March, 2015)

(c) Date of Book Closure: 24th September, 2015 to 30th September, 2015

(d) Dividend Payment Date: N.A.

Financial Calendar (Tentative):

- Financial reporting for the quarter ended 30th June, 2015 : Aug, 2015
- Financial reporting for the quarter ending 30th Sept, 2015 : Oct./Nov, 2015
- Financial reporting for the quarter ending 31st Dec, 2015 : Jan./Feb, 2016
- Financial reporting for the quarter/year ending 31st March, 2016 : May, 2016

Listing on stock Exchange

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2015-16 has been duly paid.

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

Stock Market Price Data

There was no trading of shares on CSE during the period from 1st April, 2014 to 31st March, 2015.

Distribution of shareholding as on 31st March, 2015

No. of Equity Shares held	No. of Share-holders	% of share-holders	No. of Shares held	% of Shareholding
Upto 5000	62	87.32	51000	7.02
5001 to 50000	3	4.23	106911	14.70
50001 to 100000	3	4.23	209900	28.87
100001 and Above	3	4.22	359201	49.41
Total	71	100.00	727012	100.00

Shareholding Pattern as on 31st March, 2015:

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

Dematerialization of shares

43.27% of total paid-up equity shares of the Company is in dematerialized form as on 31st March, 2015.

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.

Registrar and Transfer Agent**Alankit Assignment Limited**

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

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 here above.

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

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, 2015, 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

V.N. Khandelwal

Partner

Membership No. 52862

Place: Kolkata

Dated: 10th August, 2015

SUDHA APPARELS LIMITED

Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31st March, 2015

FORWARD LOOKING STATEMENTS

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

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

ECONOMIC ENVIRONMENT OVERVIEW

India started fiscal 2015 on a positive note as the strong electoral mandate bolstered sentiment. Prospectus of a stable government and significant reforms attracted foreign capital inflows into the Indian stock markets. The Indian stock market has gained 27% since April, 2014, the highest among the emerging markets.

Growth deceleration bottomed out during the year as the economy grew at 7.5% in fiscal 2015 up from 6.9% in fiscal 2014. Inflation also softened on the back of moderating food prices. The current account deficit improved considerably due to the sharp decline in crude oil prices and dip in gold imports. The fiscal deficit target of 4.1% was met largely aided by a sharp dip in oil prices and successful auction of natural resources.

Non Banking Financial Companies (NBFCs), continue to play a key role in the development of the Country, by being present in under banked and unbanked regions and participating in inclusive growth.

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.

BUSINESS OUTLOOK

The Indian economy is expected to achieve higher growth in fiscal 2016, while inflation is expected to be subdued due to weak commodity prices. In spite of the expectation of a rate hike in the US in fiscal 2016, global liquidity is expected to be sanguine given the on-going EQ in Eurozone and Japan, while monetary easing has led to surge in Chinese equity market over the last one year. Government focus on legislative reforms along with steps at reviving the investment cycle through higher allocation towards capital expenditure in the Union Budget 2015-16 will improve investor interest in Indian equities. The risk to the performance of equity markets arises out of weak corporate earnings growth in the second half of fiscal 2015, although it is expected to improve in fiscal 2016.

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

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 slowdown, coupled with inflationary pressure has the prospects of curtailing business growth, raise the delinquency rate and enhance credit costs. With multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

SEGMENT-WISE PERFORMANCE

The Company is engaged in the business of Finance/Investment activities and leasing of immovable properties.

RISKS AND CONCERNS

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

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total income of the Company during the year was Rs.3038.78 lacs as against Rs.4874.66 lacs in the previous year. The loss before tax during the year was Rs. 1533.58 lacs as against profit of Rs. 751.64 lacs in the previous year. The loss after tax was Rs. 1943.58 lacs as against profit of Rs. 346.64 lacs in the previous year.

HUMAN RESOURCES

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



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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s. SUDHA APPARELS LIMITED which comprise the Balance Sheet as at 31st March, 2015 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

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:: 2 ::

the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements read with Significant Accounting Policies give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its Loss and its Cash Flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. The company is registered with Reserve Bank of India as Non Banking Finance Company vide Registration No –B-05.02275 dated 16.05.1998. Additional Particulars as required by Reserve Bank of India under Non- Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 are attached, under separate Annexure –I
3. 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

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:: 3 ::

- c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act, and
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us. :
 - i) The Company has disclosed the impact of pending litigations as at March, 31, 2015 on its financial position in its financial statements (Refer Note 15.1 of the Standalone Financial Statements).
 - ii) The Company has made provision amounting to Rs.31,89,23,222/- as at March, 31 2015, as required under the applicable law or accounting standards, for material foreseeable losses, on long term contracts including derivative contracts.
 - iii) There has been no requirement of any amount to be transferred to the Investor Education and Protection fund by the Company during the year ended 31st March, 2015.

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

PLACE : KOLKATA

DATED : 29/05/2015

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

KHANDELWAL PRAJAPATI & CO.

Chartered Accountants



8, Ganesh Chandra Avenue

5th Floor, Room No. 33

Kolkata – 700 013

Phone – 2236 – 4634

2234 – 5110

E-mail – kpcaco@gmail.com

Re. : SUDHA APPARELS LIMITED(31.03.2015)

Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2015.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets are physically verified by the Management at reasonable intervals during the year and no material discrepancies have been noticed on such verification.
- ii) a) The inventory of the company consists only of shares/securities in demat form. As per information given to us, the demat statement is verified from time to time by management and in our Opinion the frequency of verification is reasonable.
- b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of Inventory and no Material discrepancies have been noticed.
- iii) a) The Company has granted unsecured loans to one company covered in the register maintained under section 189 of the Act.
- b) The receipt of the principal amount and interest are ***not regular***.
- c) In our opinion and according to the explanation given to us, the company is taking reasonable steps for recovery of the principal and interest.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control systems, commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of shares /securities and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

Cont...2

KHANDELWAL PRAJAPATI & CO.
Chartered Accountants



:: 2 ::

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

- v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi) In our opinion and according to the information and explanation given to us, the Company is not covered by Cost (Records & Audit) Rules, 2014.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues like Income tax, and other material statutory dues, as applicable, with the appropriate authorities.
- b) As explained to us and the records of the company examined by us, the details of disputed dues not paid towards income tax as on 31st March, 2015 are as follows:-

Nature of Dues	F.Y to which the matter pertains	Forum where disputes pending	Amount as per demand order (Rs. In lacs)	
			C.Y	P.Y
Income Tax under Income Tax Act, 1961	2008 – 09	Commissioner of Income Tax (Appeals)	4.53	4.53
	2009 – 10	Commissioner of Income Tax (Appeals)	0.08	0.08
	2010 – 11	Commissioner of Income Tax (Appeals)	275.62	340.16
	2011 – 12	Commissioner of Income Tax (Appeals)	231.43	-

- c) Besides above, without qualifying our opinion, we draw attention to Note No. 15.3 of Notes on Financial Statement regarding contingent liability of the company, not provided for on account of Service Tax Payable of Rs. 38,17,716/- pertaining to period from October 2010 to September 2011 (excluding interest applicable, if any) on rental income which has neither been received from the tenants nor deposited with the prescribed authority on account of legal dispute raised by the tenants, the final adjudication of which is pending before the Apex Court. The Company however, holds written commitment from the tenants for collection of entire liability arising upon the company on this account.

Cont...3

KHANDELWAL PRAJAPATI & CO.
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:: 3 ::

- viii) The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from Banks or Financial Institutions during the year.
- xi) Based on information and explanations given to us, the Company has not taken any term loan.
- xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

PLACE : KOLKATA

DATED : 29/05/2015

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

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

SUDHA APPARELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	NOTES	As At 31.03.2015 Rupees	As At 31.03.2014 Rupees
EQUITY AND LIABILITIES			
<u>Shareholders' Funds</u>			
Share Capital	2	7,270,120	7,270,120
Reserves and Surplus	3	2,315,559,543	2,509,917,151
		2,322,829,663	2,517,187,271
<u>Non-Current Liabilities</u>	4		
Long Term Borrowings	4.1	57,802,563	57,802,563
Long- Term Provisions	4.2	986,702	765,175
		58,789,265	58,567,738
<u>Current Liabilities - Unsecured</u>	5		
Short -Term Borrowings	5.1	195,792,691	-
Other Current Liabilities	5.2	632,618	246,116
Short-Term Provisions	5.3	403,724,637	104,686,474
Total Current Liabilities		600,149,946	104,932,590
Total Equity & Liabilities		2,981,768,874	2,680,687,599
ASSETS			
<u>Non- Current Assets</u>			
i. Fixed Assets - Tangible Assets	6		
- Fixed assets		849,970,482	867,960,924
- Capital Work in Progress		-	6,083,106
ii. Non-Current Investments	7	1,157,081,158	1,150,920,050
iii. Long Term Loans & Advances	8	120,417,257	120,417,257
		2,127,468,897	2,145,381,337
<u>Current Assets</u>	9		
Inventories	9.1	29,649,988	47,507,925
Trade Receivable	9.2	24,457,319	51,410,069
Cash and Cash Equivalents	9.3	795,222	5,789,126
Short-Term Loans and Advances	9.4	799,397,448	430,599,142
		854,299,977	535,306,262
Total Assets		2,981,768,874	2,680,687,599

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

The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

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

For & on Behalf of the Board

V.N. Khandelwal
Partner
Membership No. 52862

M.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SUDHA APPARELS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	NOTES	Year ended 31.03.2015 Rupees	Year ended 31.03.2014 Rupees
<u>INCOME</u>			
Revenue from Operations	10	177,101,533	359,778,333
Other Income	10	126,776,954	127,687,692
		303,878,487	487,466,025
<u>EXPENDITURE</u>			
Purchase of Stock in Trade	11	107,800,000	148,000,000
Decrease/(Increase) in Stock in Trade	11	17,857,937	164,736,686
Employees Benefit Expenses	11	3,561,058	866,221
Finance Cost	11	125,271	718,694
Depreciation / Amortization	6	26,626,562	28,376,797
Other Expenses	11	2,227,104	798,517
Contingent Provision against Standard Assets	5	792,594	90,513
		158,990,526	343,587,428
Profit / (Loss) before exceptional ,extraordinary items and tax		144,887,961	143,878,597
Exceptional Items			
Provision for Diminution in value of investment		318,923,222	55,726,131
Provision for Non Performing Assets		(20,677,653)	12,988,236
Profit / (Loss) after exceptional and extraordinary items and before		(153,357,608)	75,164,230
Tax Expense - Current Tax		41,000,000	40,500,000
Profit / (Loss) from Continuing Operation		(194,357,608)	34,664,230
Earning Per Share (Basic/ Diluted)		(267.34)	47.68

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

The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants

Firm Registration No. 313154E

For & on Behalf of the Board

V.N. Khandelwal
Partner
Membership No. 52862

M.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SUDHA APPARELS LIMITED

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2015**

		Year Ended 31.03.2015 Rs.	Year Ended 31.03.2014 Rs.
A. Cash Flow from Operating Activities			
Net Profit before tax and extraordinary items		144,887,961	143,878,597
Adjusted for:			
Depreciation		26,626,562	28,376,797
Contingent Provision for Standard Assets		792,594	90,513
(Profit)/ Loss on Sale of Fixed Assets		-	-
(Profit)/ Loss on Sale of Investments		-	(841,175)
Operating Profit before Working Capital Changes		172,307,117	171,504,732
Adjusted for:			
Trade & Other Receivables		(325,973,574)	(39,023,480)
Inventories		17,857,937	164,736,686
Trade Payables & Others		608,029	(5,637,678)
Cash Generated from operations		(135,200,491)	291,580,260
Direct taxes Paid		(56,871,982)	(30,981,885)
Cash Flow before extraordinary items		(192,072,473)	260,598,375
Extraordinary item		-	-
Net Cash From Operating Activities	A	(192,072,473)	260,598,375
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets		(2,553,014)	(2,137,302)
Sale of Fixed Assets		-	-
Purchase of Investments		(6,161,108)	(227,683,702)
Sale of Investments		-	7,677,952
Net Cash from Investing Activities	B	(8,714,122)	(222,143,052)
C. Cash Flow from Financing Activities			
Proceeds / (Reduction) of Short Term Borrowings		195,792,691	(49,006,353)
Net Cash from Financing Activities	C	195,792,691	(49,006,353)
Net increase in Cash & Cash Equivalents (A+B+C)		(4,993,904)	(10,551,030)
Opening Balances of Cash and Cash Equivalents		5,789,126	16,340,156
Closing Balances of Cash and Cash Equivalents		795,222	5,789,126
Change in Cash and Cash Equivalents		(4,993,904)	(10,551,030)

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.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

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

a. Basis of Preparation and Accounting

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 2013 and in compliance with the applicable accounting standards. The accounting policies, except otherwise stated, have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle of 12 months and other criteria set-out in Schedule-III of the Companies Act, 2013.

b. Use of Estimates

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

c. Revenue Recognition

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

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

d. Fixed Assets & Depreciation

Fixed Assets are stated at cost of acquisition, construction less accumulated depreciation. The cost comprises of purchase price and any other directly attributable cost of bringing the assets to working condition for its intended use. Depreciation on assets have been provided on pro-rata basis, for the period of use, on written down value method up to 31.03.2014, Depreciation is calculated at the rates prescribed under schedule XIV to the Companies Act, 1956. From 1.04.2014 depreciation is calculated by allocating the depreciable amount of each assets of its estimated useful life. Depreciation amount of asset is the cost of assets / W.D.V.as on 1.04.2014 less its residual value. Useful life on an asset is taking as prescribed under Schedule II of the Companies Act, 2013.

e. Investments

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

f. Inventories

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

g. Employees Benefits

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

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

h. Taxes on Income

Current Tax:

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

Deferred Tax:

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

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

i. Provisions, Contingent Liabilities and Contingent Assets

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

j. Event occurring after the Balance Sheet Date

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

k. Impairment of Assets

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

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

l. Borrowing Costs

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

m. Earning Per Share

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

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

n. Research and Developments

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

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

Particulars			
(1)	Liabilities side:		
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(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	907,912,768	
(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-posessed	-	
	(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	904,624,325
	(b) Preference	-
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity	57,456,833
	(b) Preference	155,000,000
	ii. Debentures and Bonds	40,000,000
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below	
	Category	Amount of net of provisions
	1. Related Parties**	Secured Unsecured 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	1,725,899,613	1,157,081,158
Total	1,725,899,613	1,157,081,158

** 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	7,048,156
	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	6,343,340
	(iii) Assets acquired in satisfaction of debts	-

SUDHA APPARELS LIMITED

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR
ENDED 31 ST MARCH, 2015

NOTES - 2 : SHARE CAPITAL

	As At 31.03.2015 Rupees	As At 31.03.2014 Rupees
Authorised		
1,000,000 Equity shares of Rs. 10 each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>

Issued, Subscribed and Paid up

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

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

SHARE CAPITAL

Equity Shares of Rs. 10 each fully paid up

Particulars	As at 31.03.2015		As at 31.03.2014	
	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 31.03.2015		As at 31.03.2014	
	Nos	%	Nos	%
1. Jindal Global Finance & Investment Ltd .	107,416	14.77	107,416	14.77
2. Flakt Dealcom Ltd.	38,761	5.33	35,761	4.92
3. Pushpanjali Investrade Pvt Ltd.	70,000	9.63	70,000	9.63
4. Dharam Pal Jindal	69,900	9.61	69,900	9.61
5. Savita Jindal	106,662	14.67	106,662	14.67
6. Saket Jindal	70,000	9.63	70,000	9.63
7. Raghav Jindal	145,123	19.96	145,123	19.96

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

NOTES - 3 : RESERVE & SURPLUS

Particulars	As At 31.03.15 Rupees	As At 31.03.14 Rupees
3.1 Capital Reserve		
As per last Balance Sheet	51,581,498	51,581,498
3.2 Other Reserves		
a) General Reserve		
As per last Balance Sheet	82,746,597	81,246,597
Add : Addition during the year	-	1,500,000
	<u>82,746,597</u>	<u>82,746,597</u>
b) Statutory Reserve		
As per last Balance Sheet	482,108,859	475,175,859
Add : Addition during the year	-	6,933,000
	<u>482,108,859</u>	<u>482,108,859</u>
3.3 Surplus in Statement of Profit & Loss A/c		
As per last Balance sheet	1,893,480,197	1,867,248,967
Profit during the Year	(194,357,608)	34,664,230
Less - Transfer to Statutory Reserve	-	6,933,000
	<u>(194,357,608)</u>	<u>27,731,230</u>
Less - Transfer to General Reserve	-	1,500,000
Current Year Surplus	(194,357,608)	26,231,230
Closing Surplus/(Deficit)	<u>1,699,122,589</u>	<u>1,893,480,197</u>
Total	<u>2,315,559,543</u>	<u>2,509,917,151</u>

NOTES - 4 : NON - CURRENT LIABILITIES

4.1 Long- Term Borrowings - Unsecured		
Security Deposit	57,802,563	57,802,563
4.2 Long- Term Provisions		
For Employees Benefits	986,702	765,175
	<u>58,789,265</u>	<u>58,567,738</u>

NOTES - 5 : CURRENT LIABILITIES

5.1 Short -Term Borrowings (Unsecured)		
From Bodies Corporate Repayable on Demand	195,792,691	-
5.2 Other Current Liabilities		
Liabilities for Expenses	609,487	169,124
Liabilities for Statutory Dues	23,131	76,992
5.3 Short Term Provisions		
5.3A Contingent Provision for Standarded Assets		
Opening Balance	1,207,248	1,116,735
Addition / (Adjusted) during the year	792,594	90,513
	<u>1,999,842</u>	<u>1,207,248</u>
5.3B Provision for Diminution in value of Investment	82,096,757	26,370,626
Addition / (Adjusted) during the year	318,923,222	55,726,131
	<u>401,019,979</u>	<u>82,096,757</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.		
5.3C Provision for Non Performing Assets	21,382,469	8,394,233
Addition / (Adjusted) during the year	(20,677,653)	12,988,236
	<u>704,816</u>	<u>21,382,469</u>
	<u>403,724,637</u>	<u>104,686,474</u>
Total Current Liabilities	<u>600,854,762</u>	<u>126,315,059</u>

SUDHA APPARELS LIMITED

NOTE : 6 FIXED ASSETS

TANGIBLE ASSETS

TANGIBLE ASSETS		GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
DESCRIPTION	AS AT 01.04.2014	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
Land - Gurgaon	31,768,200	-	-	31,768,200	-	-	-	-	31,768,200	31,768,200
Land - Hissar	84,462,306	8,636,120	-	93,098,426	-	-	-	-	93,098,426	84,462,306
Land - Kolkata	214,396,852	-	-	214,396,852	-	-	-	-	214,396,852	214,396,852
Building - Gurgaon	56,904,410	-	-	56,904,410	21,161,176	1,729,973	-	22,891,149	34,013,261	35,743,234
Building - Rented Mall	592,145,673	-	-	592,145,673	96,303,524	24,345,850	-	120,649,374	471,496,299	495,842,149
Building - Kolkata	6,305,558	-	-	6,305,558	1,022,166	259,415	-	1,281,581	5,023,977	5,283,392
Lift	3,363,486	-	-	3,363,486	2,912,974	282,338	-	3,195,312	168,174	450,512
Office Equipments	59,924	-	-	59,924	49,238	7,694	-	56,932	2,992	10,686
Furniture & Fixtures	46,016	-	-	46,016	42,423	1,292	-	43,715	2,301	3,593
Total	989,452,425	8,636,120	-	998,088,545	121,491,501	26,626,562	-	148,118,063	849,970,482	867,960,924
Previous Year	986,994,412	-	-	986,994,412	90,656,691	28,376,797	-	119,033,488	867,960,924	-

CAPITAL WORK IN PROGRESS

DESCRIPTION	OPENING	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2015
WIP - Land	6,083,106	440,264	6,523,370	-
Total	6,083,106	440,264	6,523,370	-

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

	As At 31.03.2015		As At 31.03.2014	
NOTES - 7 : NON - CURRENT INVESTMENT	Numbers	Rupees	Numbers	Rupees
(Fully paid up unless otherwise specified)				
NON - TRADE				
i) Quoted				
<u>Equity Shares</u>				
Rs. 5 each of Jindal Drilling & Industries L	5,335,000	439,202,514	5,335,000	439,202,514
Rs. 10 each of Haryana Capfin Limited	1,014,322	43,479,630	1,014,322	43,479,630
Rs. 10 each of Parsvnath Developers Lim	1,000	48,827	1,000	48,827
Rs. 10 each of Videocon Industries Limite	100	17,441	100	17,441
Rs. 10 each of Electrosteel Steels Limitec	9,164,842	57,821,656	8,287,592	52,578,545
Rs. 10 each of GOL Offshore Limited	1,500	622,765	1,500	622,765
Rs. 10 each of Uttam Value Steel Limited	59,944	965,552	59,944	965,552
Rs. 10 each of Monnet Ispat & Energy Lin	618,483	347,721,746	607,483	347,113,008
Rs. 5 each of Welspun Corporation Limite	2,800	164,364	2,800	164,364
Rs. 2 each of Aban Offshore Limited	100	47,233	100	47,233
Rs. 10 each of Hindustan Oil Exploration	2,000	470,786	2,000	470,786
Rs. 10 each of Selan Exploration Tecnolo	1,100	435,456	1,100	435,456
Rs. 1 each of Jindal Steel & Power Limite	18,466	9,873,849	17,466	9,564,590
Rs. 10 each of Shiv-vani Oil & Gas Explor	1,500	604,728	1,500	604,728
Rs. 10 each of Hexa Tradex Limited	2,600	95,156	2,600	95,156
Rs. 10 each of IDBI Bank Limited	3,000	358,085	3,000	358,085
Rs. 2 each of Jindal Saw Limited	6,000	758,939	6,000	758,939
Rs. 1 each of NMDC Limited	5,000	1,177,641	5,000	1,177,641
Rs. 10 each of Oil India Limited	875	444,373	875	444,373
Rs. 1 each of Sesa Sterlite Limited	300	82,081	300	82,081
Rs. 10 each of Welspun Enterprises Limit	140	231,503	140	231,503
ii) Un - Quoted				
a) <u>Equity Shares</u>				
Rs. 10 each of Crishpark Vincom Limited	81,600	818,020	81,600	818,020
Rs. 10 each of Dytop Commodeal Limited	85,700	861,240	85,700	861,240
Rs. 10 each of Jindal Global Finance & In	700,100	2,748,505	700,100	2,748,505
Rs. 10 each of Jindal Pipes Limited	3,741,740	14,060,798	3,741,740	14,060,798
Rs. 10 each of Sparlerk Dealcomm Limite	81,000	812,000	81,000	812,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	805,000	80,000	805,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Lin	100,000	1,000,000	100,000	1,000,000
Rs. 10 each of Jindal Explodrill Limited	9,500	95,000	9,500	95,000
Rs. 10 each of Neptune Builtech Pvt. Lim	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 P	1,195,000	36,059,450	1,195,000	36,059,450
b) <u>Preference Shares</u>				
Rs. 10 each of Global Jindal Fininvest Lin	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Crishpark Vincom Limited	775,000	120,000,000	775,000	120,000,000
Rs. 10 each of Jindal Global Finance & In	200,000	10,000,000	200,000	10,000,000
c) <u>NCD's</u>				
Antarctica Properties Co. Limited	8	40,000,000	8	40,000,000
		1,157,081,158		1,150,920,050
Aggregate Value of Unquoted Investments		212,456,833		212,456,833
Aggregate Value of Quoted Investments		904,624,325		898,463,217
Market Value of Quoted Investments		975,296,132		257,861,210

Notes :

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

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

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

	As At 31.03.2015 Rupees	As At 31.03.2014 Rupees
<u>NOTE - 8 : LONG TERM LOANS & ADVANCES</u>		
(Unsecured, Considered good)		
8.1 Capital Advances	119,828,187	119,828,187
8.2 Security Deposit	589,070	589,070
	120,417,257	120,417,257
<u>NOTES - 9 : CURRENT ASSETS</u>		
9.1 <u>INVENTORIES</u>		
<u>Stock in Trade</u>	29,649,988	47,507,925
	29,649,988	47,507,925
9.2 <u>TRADE RECEIVABLES</u>		
(Unsecured, Considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivable	24,457,319	51,410,069
	24,457,319	51,410,069
9.3 <u>CASH AND CASH EQUIVALENTS</u>		
Cash on hand	62,559	45,445
Balances with Banks		
- In Current Accounts	732,663	5,743,681
	795,222	5,789,126
9.4 <u>SHORT TERM LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Loans to Bodies Corporates	687,156,700	334,029,266
Other Short-Term Advances	100,356,980	100,558,090
Advance Income Tax	11,883,768	(3,988,214)
(Net of Provision Rs.213,789,161/-, Previous Year Rs 172,789,161/-)		
Total Short-Term Loans & Advances	799,397,448	430,599,142
Total Current Assets	854,299,977	535,306,262

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
31.03.2015
Rupees

Year ended
31.03.2014
Rupees

NOTES - 10 : INCOME

10.1 REVENUE FROM OPERATIONS

Sale of Mutual Fund Units Quantitative Details given separately	127,339,099	318,002,575
Dividend - on Non current Investment	7,884,995	7,661,665
Interest (TDS Rs. 4,244,838/-, Previous Year Rs.3,195,165/-)	41,877,439	33,272,918
Net Profit / (Loss) on Sale of Non-Current Investments	-	841,175
Total Revenue from operations	<u>177,101,533</u>	<u>359,778,333</u>

10.2 OTHER INCOME

Rent (TDS Rs. 12,673,807/-, Previous Year Rs.12,786,720/-)	126,776,954	127,687,692
Total other Income	<u>126,776,954</u>	<u>127,687,692</u>
Total Income	<u>303,878,487</u>	<u>487,466,025</u>

NOTE - 11 : EXPENSES

11.1 Purchases of Stock in Trade

Item - Mutual Fund Units	107,800,000	148,000,000
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11.2 Decrease/(Increase) in Stock in Trade

Item - Mutual Fund Units Opening Stock	47,507,925	212,244,611
Less - Closing Stock	29,649,988	47,507,925
Decrease/(Increase) in Stock in Trade	<u>17,857,937</u>	<u>164,736,686</u>

11.3 EMPLOYEES' BENEFIT EXPENSES

Salaries & Other Allowances	3,507,642	809,360
Staff Welfare Expenses	53,416	56,861
	<u>3,561,058</u>	<u>866,221</u>

11.4 INTEREST & FINANCE COSTS

Interest on Unsecured Short Term Loan	102,990	706,457
Bank Charges	22,281	12,237
	<u>125,271</u>	<u>718,694</u>

11.5 OTHER EXPENSES

D.P. Charges	2,809	5,152
Rent	195,000	195,000
Rates & Taxes	5,960	5,960
Postage & Telephone	37,966	30,877
Printing & Stationery	6,515	4,630
Fee & Subscription	29,798	15,298
Travelling & Conveyance	323,297	59,009
Repair & Maintenance- Others	196,652	92,721
Legal & Professional Charges	92,222	66,276
Insurance	175,840	177,118
CSR Expenses	1,000,000	-
Internal Audit Fee	10,000	10,000
Advertisement & Publicity	51,250	54,840
Auditors' Remuneration :		
- Audit Fee	39,326	39,326
- Tax Audit Fee	6,741	6,742
- Certification / others services	24,718	13,484
Miscellaneous Expenses	29,010	22,084
Total	<u>2,227,104</u>	<u>798,517</u>

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

Year ended
31.03.2015
Rupees

Year ended
31.03.2014
Rupees

NOTE : 12 - Earning Per Share

Net Profit after Tax	(194,357,608)	34,664,230
Total Number of Weighted Equity Shares	727,012	727,012
Earning Per Equity Share of Rs 10/- each	(267.34)	47.68

NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)

For WDV of Fixed Assets	13,380,638	4,705,051
For Expenses Allowable on Payment	320,135	248,261
Unabsorbed Capital Losses	23,328,920	23,328,920
Deferred Tax Asset/(Liability) on Balance Sheet Date	37,029,693	28,282,232
Less Opening Balance	27,915,806	27,915,806
Deferred Tax Income/(Expense) for the year	9,113,887	366,426

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

Mr. M.R. Garg - Wholetime Director
Mr. H.K. Khanna -CFO
Mr. Rajesh Gupta - Company Secretary

Other Related Party

Smt. Savita Jindal

Associate Company

Kushagra Infrastructure Pvt. Limited

Transactions with Related Party during the year

Payment for Other Services to Related Party		
Associate Party (Smt. Savita Jindal)	70,655	60,256
Rent Paid to Related Parties		
Associate Party (Smt. Savita Jindal)	195,000	195,000
Managerial Remuneration paid to Wholetime Director	731,849	-
Sitting Fee Paid	Nil	Nil
Balance Payable by the Company to Related Party		
Associate Party (Smt. Savita Jindal)	29,139	25,728
Loan Paid to related party		
Maximum amount involved (KushagraInfrastructure Pvt. Limited)	7,619,057	7,048,156

NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR

15.1 Disputed Income Tax Demand

A.Y. 2009-2010 F.Y. 2008-2009	453,410	453,410
A.Y. 2010-2011 F.Y. 2009-2010	7,480	7,480
A.Y. 2011-2012 F.Y. 2010-2011	27,562,193	34,016,030
A.Y. 2012-2013 F.Y. 2011-2012	23,142,590	-
Net Unpaid Amount (A.Y- 2009-10, 2010-11, 2011-12 & 2012- 13)	51,165,673	34,476,920

15.2 In respect of Bank Guarantee issued by Kotak Mahindra Bank Limited in favour of New Town Electric Supply Company Limited	13,684,350	13,684,350
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Notes forming part of the Financial Statements

15.3 Service Tax Liability

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

NOTE:- 16 NOTES ON CAPITAL ADVANCE

Capital Advances of Rs.119,828,187/- (Previous Year Rs. 119,828,187/-) under Note no. - 8 represent advances made to various parties for purchases of various plots of land at different locations for investment purpose. Although the company holds original title deeds in respect of all such land purchased & taken possession of the land properties, the final conveyance in favour of company is pending. Suitable appropriation of such capital advances would be made upon execution of conveyance deeds and settlement of accounts with all these parties.

NOTE:- 17 SEGMENT REPORTING

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

Segment Revenue, Results & other information

Rupees (in lac)				
Particulars	Finance & Investment	Renting of Property	Others	Total
Income from operations	51,443,596 (47,041,647)	- (-)	- (-)	51,443,596 (47,041,647)
Other operating Income	- (-)	126,776,954 (127,687,692)	- (-)	126,776,954 (-)
Segment Results	51,443,596 (47,041,647)	126,776,954 (127,687,692)	- (-)	178,220,550 (174,729,339)
Finance cost	124,132 (709,084)	1,139 (9,610)	- (-)	125,271 (718,694)
Other expenditure	6,463,745 (1,426,599)	26,743,573 (28,705,449)	- (-)	33,207,318 (30,132,048)
Profit / (Loss) before Tax	44,855,719 (44,905,964)	100,032,242 (98,972,633)	- (-)	144,887,961 (143,878,597)
Segment Assets	2,200,444,792 (1,755,233,500)	781,324,082 (925,454,099)	- (-)	2,981,768,874 (2,680,687,599)
Segment Liability	601,136,648 (105,697,765)	57,802,563 (57,802,563)	- (-)	658,939,211 (16,350,328)
Capital employed	1,599,308,144 (1,649,535,735)	723,521,519 (867,651,536)	- (-)	2,322,829,663 (2,517,187,271)

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

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

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

Additional particulars as required in terms of paragraph 13 of Non-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

731,849

-

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

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

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants

Firm Registration No. 313154E

For & on Behalf of the Board

V.N. Khandelwal

Partner

Membership No. 52862

M.R. Garg

Director

DIN - 00449709

Savita Jindal

Director

DIN - 00449740

Place : Kolkata

Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO



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

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **M/s. SUDHA APPARELS LIMITED** (hereinafter referred to as “the holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management’s Responsibility for the consolidated Financial Statements

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

Auditor’s Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



:: 2 ::

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated states of affairs of the Group and its associate as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

OTHER MATTER

8. We did not audit the financial statements of the Associate Company in which the share of Loss of the Group up to 31.03.2015 is Rs. 374510/-. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Financial Statements, in so far as it relates, to the amount and disclosures included in respect of the Associate company is based solely on the report of other auditors.
9. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on other Legal and Regulatory Requirements.

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary company and associate company we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Cont.....3

KHANDELWAL PRAJAPATI & CO.
Chartered Accountants



8, Ganesh Chandra Avenue
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:: 3 ::

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that :
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company as on 31st March, 2015 taken on record by the respective Board of Directors of these Companies and the reports of the statutory auditors of its associate company none of the directors of the Group companies and its associate company is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates in accordance with the generally accepted accounting practice – also refer Note 15 to the consolidated financial statements.
 - ii) The Group and its associates did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii) There has been amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and associate company .

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

PLACE : KOLKATA
DATED : 29/05/2014

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



Re. : SUDHA APPARELS LIMITED(31.03.2015)

Annexure to the Independent Auditors Report on the Consolidated Financial Statements

(Referred to in paragraph 10 under “Report on Other Legal and Regulatory Requirements section of our report of even date)

Our reporting on the Order includes one associate company, to which the Order is applicable, which have been audited by other auditors and our report in respect of this company is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- i) In respect of the fixed assets of the Holding Company and its subsidiary Company ;
 - (a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by Management of the respective companies at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
The associate Company does not have any Fixed Assets.
- ii) In respect of the inventories of the Holding Company, and associate company :-
 - (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective companies at reasonable intervals.
 - (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventory followed by the Management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business.
 - (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

The subsidiary company does not have any inventory during the year

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:: 2 ::

- iii) The Holding Company, has granted unsecured loans to one company covered in the register maintained under section 189 of the Act.
- a) The receipt of principal amount and interest *are not regular*.
- b) In our opinion and according to explanation given to us, the company is taking reasonable steps for recovery of the principal and interest.
The Subsidiary Company and associate company have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the holding Company, subsidiary company and associate company commensurate with the size of the respective company and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services as applicable to these companies. During the course of our and the other auditors audit, no major weakness in such internal control system has been observed.
- v) According to the information and explanations given to us and the other auditors, the Holding Company, subsidiary company, and associate company have not accepted any deposit during the year within the meaning of Sections 73 to 76 of the Companies Act, 2013 and rules framed there under to the extend notified. In respect of unclaimed deposits of the associate company, the associate company has complied with the provisions of Sections 74 and 75 or other relevant provisions of the Companies Act, 2013 and rules made thereunder.
- vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary company, and associate company are not covered by the Companies cost (Records & Audit) Rules 2014.
- vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary company, and associate company:-
- a) The respective companies have been regular in depositing undisputed statutory dues including Income-tax and other statutory dues applicable to the respective companies with the appropriate authorities.
- b) As at 31st March, 2015, the following are the particulars of dues on account of Income tax matters that have not been deposited on account of any disputes .

Cont.....3

KHANDELWAL PRAJAPATI & CO.
Chartered Accountants



:: 3 ::

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• **In respect of Holding Company :**

Nature of Dues	F.Y. to which the matter pertains	Forum where disputes pending	Amount as per demand order (Rs. in lacs)	
			Current Yr.	Previous yr.
Income Tax under Income Tax Act, 1961	2008 – 09	Commission or Income Tax (Appeals)	4.53	4.53
- Do -	2009 – 10	Commission of Income Tax (Appeals)	0.08	0.08
- Do -	2010 – 11	Commission of Income Tax (Appeals)	275.62	340.16
- Do -	2011 – 12	Commission of Income Tax (Appeals)	231.43	0.00
• <u>In respect of Subsidiary Company</u>				
Income Tax under Income Tax Act, 1961	2011 – 12	Commission or Income Tax (Appeals)	4.16	0.00
• <u>The Associate Company</u> has no undisputed dues in arrear as at 31 st March, 2015 for a period of more than 6 months from the date they became payable.				

Besides above, without qualifying our opinion, we draw attention to Note No. 15.3 of Notes on consolidated Financial Statements regarding contingent liability of the Holding company, not provided for on account of Service Tax Payable of Rs. 38,17,716/- pertaining to period from October 2010 to September 2011 (excluding interest applicable, if any) on rental income which has neither been received from the tenants nor deposited with the prescribed authority on account of legal dispute raised by the tenants, the final adjudication of which is pending before the Apex Court. The Company however, holds written commitment from the tenants for collection of entire liability arising upon the company on this account.

- c) There are no amounts that are due to be transferred to the Investors Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and Rules made thereunder :
- viii) The Group and its associates company do not have accumulated losses on consolidated basis at the end of the financial year and the Group and its associate have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

Cont.....4

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:: 4 ::

- ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and to other auditors, the Holding Company, subsidiary company and associate company have not defaulted in repayment of dues to financial institutions or banks. None of the Companies has issued any debentures .
- x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors none of the Holding Company, subsidiary company and associate company has given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
- xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, none of the Holding Company, subsidiary company and associate company has taken any term loan during the year.
- xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary company and associate company and no fraud on the Holding Company, its subsidiary company and associate company has been noticed or reported during the year.

PLACE : KOLKATA

DATED : 29/05/2014

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

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

SUDHA APPARELS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	NOTES	As At 31.03.2015 Rupees
EQUITY AND LIABILITIES		
<u>Shareholders' Funds</u>		
Share Capital	2	7,270,120
Minority Interest		(350,383)
Reserves and Surplus	3	2,193,690,483
		<u>2,200,610,220</u>
<u>Non-Current Liabilities</u>	4	
Long Term Borrowings	4.1	57,802,563
Long- Term Provisions	4.2	986,702
		<u>58,789,265</u>
<u>Current Liabilities - Unsecured</u>	5	
Short -Term Borrowings	5.1	644,130,727
Other Current Liabilities	5.2	3,369,423
Short-Term Provisions	5.3	577,509,042
Total Current Liabilities		<u>1,225,009,192</u>
Total Equity & Liabilities		<u><u>3,484,408,677</u></u>
ASSETS		
<u>Non- Current Assets</u>		
i. Fixed Assets - Tangible Assets	6	
- Fixed assets		870,268,750
ii. Non-Current Investments	7	1,944,587,221
iii. Long Term Loans & Advances	8	120,497,137
		<u>2,935,353,108</u>
<u>Current Assets</u>	9	
Inventories	9.1	29,649,988
Trade Receivable	9.2	24,457,319
Cash and Cash Equivalents	9.3	1,078,618
Short-Term Loans and Advances	9.4	493,869,644
		<u>549,055,569</u>
Total Assets		<u><u>3,484,408,677</u></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

For & on behalf of the Board

V.N. Khandelwal
Partner
Membership No. 52862

M.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SUDHA APPARELS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	NOTES	TOTAL Year ended 31.03.2015 Rupees
<u>INCOME</u>		
Revenue from Operations	10	180,709,289
Other Income	10	127,424,954
		<u>308,134,243</u>
<u>EXPENDITURE</u>		
Purchase of Stock in Trade	11.1	107,800,000
Decrease/(Increase) in Stock in Trade	11.2	17,857,937
Employees Benefit Expenses	11.3	3,564,202
Finance Cost	11.4	43,054,035
Depreciation / Amortization	6	27,992,071
Other Expenses	11.5	2,386,335
Contingent Provision against Standard Assets	5	792,300
		<u>203,446,880</u>
Profit / (Loss) before exceptional ,extraordinary items and tax		104,687,363
Exceptional Items		
Provision for Diminution in value of investment		483,797,627
Minority Interest		(69,971,591)
Share of Profit / (Loss) in Associated Enrerprises		(374,510)
Provision for Non Performing Assets		(20,677,653)
Profit / (Loss) after exceptional and extraordinary items and before tax		<u>(288,835,530)</u>
Tax Expense - Current Tax		41,000,000
Profit / (Loss) from Continuing Operation		<u>(329,835,530)</u>
Earning Per Share (Basic/ Diluted)		(453.69)

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

The Accompanying Notes are an Integral Part of Financial Statement.

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants

Firm Registration No. 313154E

For & on behalf of the Board

V.N. Khandelwal
Partner
Membership No. 52862

M.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SUDHA APPARELS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Year Ended
31.03.2015
Rs.

A. <u>Cash Flow from Operating Activities</u>		
Net Profit before tax and extraordinary items		104,687,363
Adjusted for:		
Depreciation		27,992,071
Contingent Provision for Standard Assets		792,300
		<hr/>
Operating Profit before Working Capital Changes		133,471,734
Adjusted for:		
Trade & Other Receivables		(10,576,982)
Inventories		17,857,937
Trade Payables & Others		(233,217,356)
		<hr/>
Cash Generated from operations		(92,464,667)
Direct taxes Paid		(57,244,172)
		<hr/>
Cash Flow before extraordinary items		(149,708,839)
Extraordinary item		-
Net Cash From Operating Activities	A	<hr/> <u>(149,708,839)</u>
B. <u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets		(2,553,014)
Purchase of Investments		(6,161,108)
		<hr/>
Net Cash from Investing Activities	B	<hr/> <u>(8,714,122)</u>
C. <u>Cash Flow from Financing Activities</u>		
Proceeds / (Reduction) of Short Term Borrowings		153,498,105
		<hr/>
Net Cash from Financing Activities	C	<hr/> <u>153,498,105</u>
Net increase in Cash & Cash Equivalents (A+B+C)		(4,924,856)
Opening Balances of Cash and Cash Equivalents		6,003,474
Closing Balances of Cash and Cash Equivalents		1,078,618
Change in Cash and Cash Equivalents		(4,924,856)

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.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

B. PRINCIPLES OF CONSOLIDATION

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

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

Sudha Apparels Limited

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

SUDHA APPARELS LIMITED

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR
ENDED 31 ST MARCH. 2015

NOTES - 2 : SHARE CAPITAL

As At
31.03.2015
Rupees

Authorised

1,000,000 Equity shares of Rs. 10 each

10,000,000

10,000,000

Issued, Subscribed and Paid up

Equity Capital

727,012 Equity Shares of Rs.10 each fully paid up

7,270,120

7,270,120

a) Of the above Shares 527,012 Equity Shares were allotted as fully paid up
pursuant to scheme of amalgamation without payment being received in cash

b) Reconciliation of Shares Outstanding at the beginning and end of the year

SHARE CAPITAL

Equity Shares of Rs. 10 each fully paid up

Particulars	As at 31.03.2015	
	Nos.	Rupees
At the beginning of Year	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

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 31.03.2015	
	Nos	%
1. Jindal Global Finance & Investment Ltd .	107,416	0.00
2. Flakt Dealcom Ltd.	38,761	0.00
3. Pushpanjali Investrade Pvt Ltd.	70,000	0.00
4 Dharam Pal Jindal	69,900	0.00
5. Savita Jindal	106,662	0.00
6. Saket Jindal	70,000	0.00
7. Raghav Jindal	145,123	0.00

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

NOTES - 3 : RESERVE & SURPLUS

As At
31.03.15
Rupees

3.1 Capital Reserve

As per last Balance Sheet	51,581,498
On account of consolidation	21,866,135

3.2 Other Reserves

a) General Reserve

As per last Balance Sheet	82,746,597
---------------------------	------------

b) Statutory Reserve

As per last Balance Sheet	482,108,859
---------------------------	-------------

3.3 Surplus in Statement of Profit & Loss A/c

As per last Balance sheet	1,893,480,197
Profit / (Loss) during the Year	(329,461,020)
Less - Profit/(Loss) of Subsidiary	(8,257,273)
Less - Profit/(Loss) of Associate Enterprises	(374,510)
Current Year Surplus / (Deficit)	(338,092,803)
Closing Surplus/(Deficit)	1,555,387,394
Total	2,193,690,483

NOTES - 4 : NON - CURRENT LIABILITIES

4.1 Long- Term Borrowings - Unsecured

Security Deposit	57,802,563
------------------	------------

4.2 Long- Term Provisions

For Employees Benefits	986,702
------------------------	---------

58,789,265

NOTES - 5 : CURRENT LIABILITIES

5.1 Short -Term Borrowings (Unsecured)

From Bodies Corporate Repayable on Demand	644,130,727
---	-------------

5.2 Other Current Liabilities

Liabilities for Expenses	631,656
Liabilities for Statutory Dues	23,131
Liabilities for other Finance	2,714,636

5.3 Short Term Provisions

5.3A Contingent Provision for Standard Assets

Opening Balance	1,207,542
Addition / (Adjusted) during the year	792,300
	1,999,842

5.3B Provision for Diminution in value of Investment

Addition / (Adjusted) during the year	91,006,757
	483,797,627
	574,804,384

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.

5.3C Provision for Non Performing Assets

Addition / (Adjusted) during the year	21,382,469
	(20,677,653)
	704,816
	577,509,042

Total Current Liabilities

1,222,999,372

SUDHA APPARELS LIMITED

NOTE : 6 FIXED ASSETS

TANGIBLE ASSETS		GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
DESCRIPTION	AS AT 01.04.2014	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2015	AS AT 31.03.2015
Land - Gurgaon	39,682,800	-	-	39,682,800	-	-	-	-	39,682,800
Land - Hissar	84,462,306	8,636,120	-	93,098,426	-	-	-	-	93,098,426
Land - Kolkata	214,396,852	-	-	214,396,852	-	-	-	-	214,396,852
Building - Gurgaon	71,496,838	-	-	71,496,838	22,004,427	3,095,482	-	25,099,909	46,396,929
Building - Rented Mall	592,145,673	-	-	592,145,673	96,303,524	24,345,850	-	120,649,374	471,496,299
Building - Kolkata	6,305,558	-	-	6,305,558	1,022,166	259,415	-	1,281,581	5,023,977
Lift	3,363,486	-	-	3,363,486	2,912,974	282,338	-	3,195,312	168,174
Office Equipments	59,924	-	-	59,924	49,238	7,694	-	56,932	2,992
Furniture & Fixtures	46,016	-	-	46,016	42,423	1,292	-	43,715	2,301
Total	1,011,959,453	8,636,120	-	1,020,595,573	122,334,752	27,992,071	-	150,326,823	870,268,750

CAPITAL WORK IN PROGRESS

DESCRIPTION	OPENING	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2015
WIP - Land	6,083,106	440,264	6,523,370	-
Total	6,083,106	440,264	6,523,370	-

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

As At 31.03.2015

NOTES - 7 : NON - CURRENT INVESTMENTS

(Fully paid up unless otherwise specified)

NON - TRADE

In Associated Enterprises

Cost of Acquisition of 1195000 Eq. share of Rs 10 each of Kushagra Infrastructure Pvt. Ltd.
Including Goodwill of Rs.2,43,33,528/-

36,059,450

Add/Less: Group Share of Profit or Loss

(374,510)

35,684,940

i) Quoted

Equity Shares

Rs. 5 each of Jindal Drilling & Industries Limited	9,533,850	1,305,139,735
Rs. 10 each of Haryana Capfin Limited	1,016,059	43,606,316
Rs. 10 each of Parsvnath Developers Limited	1,000	48,827
Rs. 10 each of Videocon Industries Limited	100	17,441
Rs. 10 each of Electrosteel Steels Limited	9,164,842	57,821,656
Rs. 10 each of GOL Offshore Limited	1,500	622,765
Rs. 10 each of Uttam Value Steel Limited	59,944	965,552
Rs. 10 each of Monnet Ispat & Energy Limited	618,483	347,721,746
Rs. 5 each of Welspun Corporation Limited	2,800	164,364
Rs. 2 each of Aban Offshore Limited	100	47,233
Rs. 10 each of Hindustan Oil Exploration Co. Limited	2,000	470,786
Rs. 10 each of Selan Exploration Tecnology Limited	1,100	435,456
Rs. 1 each of Jindal Steel & Power Limited	18,466	9,873,849
Rs. 10 each of Shiv-vani Oil & Gas Exploration Services Limited	1,500	604,728
Rs. 10 each of Hexa Tradex Limited	2,600	95,156
Rs. 10 each of IDBI Bank Limited	3,000	358,085
Rs. 2 each of Jindal Saw Limited	6,000	758,939
Rs. 1 each of NMDC Limited	5,000	1,177,641
Rs. 10 each of Oil India Limited	875	444,373
Rs. 1 each of Sesa Sterlite Limited	300	82,081
Rs. 10 each of Welspun Enterprises Limited	140	231,503
Rs. 5 each of ISMT Limited	10	464
Rs. 10 each of JSW STEEL Limited	1	1,111

ii) Un - Quoted

a) Equity Shares

Rs. 10 each of Crishpark Vincom Limited	81,600	-
Rs. 10 each of Dytop Commodeal Limited	85,700	861,240
Rs. 10 each of Jindal Global Finance & Investment Limited	700,100	2,748,505
Rs. 10 each of Jindal Pipes Limited	5,301,740	44,447,909
Rs. 10 each of Sparlerk Dealcomm Limited	81,000	812,000
Rs. 10 each of Whitepin Tie -Up Limited	80,000	805,000
Rs. 10 each of Jindal Pe-x Tubes Pvt. Limited	200,000	2,000,000
Rs. 10 each of Jindal Explodrill Limited	19,000	190,000
Rs. 10 each of Neptune Builtech Pvt. Limited	9,810	98,405
Rs. 10 each of Sigma Infrastructure Pvt. Limited	9,800	98,415
Rs. 10 each of Kushagra Infrastructure Pvt. Limited	1,195,000	-
Rs. 10 each of Jaguar International Limited	198,000	1,251,000
Rs. 10 each of JCO Gas Pipe Limited	990,000	9,900,000

SUDHA APPARELS LIMITED

As At 31.03.2015

	Numbers	Rupees
b) Preference Shares		
Rs. 10 each of Global Jindal Fininvest Limited	250,000	25,000,000
Rs. 10 each of Crishpark Vincom Limited	775,000	-
Rs. 10 each of Jindal Global Finance & Investment Limited	200,000	10,000,000
c) NCD's		
Antarctica Properties Co. Limited	8	40,000,000
		1,944,587,221
Aggregate Value of Unquoted Investments		255,089,944
Aggregate Value of Quoted Investments		1,770,689,807
Market Value of Quoted Investments		2,369,289,826

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 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
31.03.15
Rupees

NOTE - 8 : LONG TERM LOANS & ADVANCES

(Unsecured, Considered good)

8.1 Capital Advances	119,828,187
8.2 Security Deposit	668,950
	<u>120,497,137</u>

NOTES - 9 : CURRENT ASSETS

9.1 INVENTORIES

Stock in Trade

29,649,988

29,649,988

9.2 TRADE RECEIVABLES

(Unsecured, Considered good)

Outstanding for a period exceeding six months
Other Receivable

24,457,319

24,457,319

9.3 CASH AND CASH EQUIVALENTS

Cash on hand

72,482

Balances with Banks

- In Current Accounts

1,006,136

1,078,618

9.4 SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Loans to Bodies Corporates

372,010,413

Other Short-Term Advances

100,356,980

Advance Income Tax

21,502,251

(Net of Provision Rs.213,789,161/-, Previous Year Rs 172,789,161/-)

Total Short-Term Loans & Advances

493,869,644

Total Current Assets

549,055,569

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

31.03.2015

Rupees

NOTES - 10 : INCOME

10.1 REVENUE FROM OPERATIONS

Sale of Mutual Fund Units	127,339,099
Quantitative Details given separately	
Dividend - on Non current Investment	11,544,181
Interest	41,877,439
Total Revenue from operations	<u>180,760,719</u>

10.2 OTHER INCOME

Rent	127,424,954
Total other Income	<u>127,424,954</u>
Total Income	<u>308,185,673</u>

NOTE - 11 : EXPENSES

11.1 Purchases of Stock in Trade

Item - Mutual Fund Units	107,800,000
--------------------------	-------------

11.2 Decrease/(Increase) in Stock in Trade

Item - Mutual Fund Units	
Opening Stock	47,507,925
Less - Closing Stock	29,649,988
Decrease/(Increase) in Stock in Trade	<u>17,857,937</u>

11.3 EMPLOYEES' BENEFIT EXPENSES

Salaries & Other Allowances	3,510,711
Staff Welfare Expenses	53,491
	<u>3,564,202</u>

11.4 INTEREST & FINANCE COSTS

Interest on Unsecured Short Term Loan	43,083,184
Bank Charges	22,281
	<u>43,105,465</u>

11.5 OTHER EXPENSES

D.P. Charges	4,775
Rent	196,348
Rates & Taxes	9,960
Postage & Telephone	38,276
Printing & Stationery	9,055
Fee & Subscription	36,998
Travelling & Conveyance	323,297
Repair & Maintenance- Others	281,252
Legal & Professional Charges	126,841
Insurance	175,840
CSR Expenses	1,000,000
Internal Audit Fee	10,000
Advertisement & Publicity	51,250
Auditors' Remuneration :	
- Audit Fee	56,180
- Tax Audit Fee	6,741
- Certification / others services	29,212
Miscellaneous Expenses	30,310
Total	<u>2,386,335</u>

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

Year ended
31.03.2015
Rupees

NOTE : 12 - Earning Per Share

Net Profit after Tax	(329,835,530)
Total Number of Weighted Equity Shares	727,012
Earning Per Equity Share of Rs 10/- each	(453.69)

NOTE : 13 - DEFERRED TAX ASSETS/(LIABILITIES)

For WDV of Fixed Assets	12,890,195
For Expenses Allowable on Payment	320,135
Unabsorbed Capital Losses	23,328,920
Deferred Tax Asset/(Liability) on Balance Sheet Date	36,539,250
Less Opening Balance	27,915,806
Deferred Tax Income/(Expense) for the year	8,623,444

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

SUDHA APPARELS LIMITED

NOTE : 14 - RELATED PARTY DISCLOSURE

Related Parties with whom Transactions have taken place during the Year

Name of Key Managerial Person

Mr. M.R. Garg - Wholetime Director

Mr. H.K. Khanna -CFO

Mr. Rajesh Gupta - Company Secretary

Other Related Party

Smt. Savita Jindal

Subsidiary Company

Crishpark Vincom Limited

Associated Company

Kushagra Infrastructure Pvt. Limited

Transacactions with Related Party during the year

Payment for Other Services to Related Party

Key Management Personeel	70,655
--------------------------	--------

Rent Paid to Related Parties

Key Management Personeel	1,95,000
--------------------------	----------

Remuneration Paid to Related Parties

Key Management Personeel	Nil
--------------------------	-----

Balance Payable by the Company to Related Party

Key Management Personnel	29,139
--------------------------	--------

Loan Paid to related party

Maximum amount involved	76,19,057
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NOTE - 15 CONTINGENT LIABILITIES NOT ACCOUNTED FOR

15.1 Disputed Income Tax Demand

A.Y. 2009-2010 F.Y. 2008-2009	4,53,410
A.Y. 2010-2011 F.Y. 2009-2010	7,480
A.Y. 2011-2012 F.Y. 2010-2011	275,62,193
A.Y. 2012-2013 F.Y. 2011-2012	231,42,590
A.Y. 2012-2013 F.Y. 2012-2013	4,16,800
Net Unpaid Amount (A.Y- 2009-10, 2010-11, 2011-12 & 2012- 13)	<u>515,82,473</u>

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

	136,84,350
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Notes forming part of the Financial Statements

15.3 Service Tax Liability

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

NOTE:- 16 NOTES ON CAPITAL ADVANCE

Capital Advances of Rs. 119,828,187/- (Previous Year Rs. 119,828,187/-) under Note no. - 7 represent advances made to various parties for purchases of various plots of land at different locations for investment purpose. Although the company holds original title deeds in respect of all such land purchased & taken possession of the land properties, the final conveyance infavour of company is pending. Suitable appropriation of such capital advances would be made upon execution of conveyance deeds and settlement of accounts with all

NOTE:- 17 SEGMENT REPORTING

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

Segment Revenue, Results & other information

Particulars	Rupees			
	Finance & Investment	Renting of Property	Others	Total
Income from operations	55,051,352	-	-	55,051,352
Other operating Income	-	127,424,954	-	127,424,954
Segment Results	55,051,352	127,424,954	-	182,476,306
Finance cost	43,052,896	1,139	-	43,054,035
Other expenditure	6,625,826	28,109,082	-	34,734,908
Profit / (Loss) before Tax	5,372,630	99,314,733	-	104,687,363
Segment Assets	2,682,786,327	801,622,350	-	3,484,408,677
Segment Liability	1,225,995,894	57,802,563	-	1,283,798,457
Capital employed	1,456,790,433	743,819,787	-	2,200,610,220

SUDHA APPARELS LIMITED

Notes forming part of the Financial Statements

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

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

NOTE - 19

This is the first year of consolidation, hence previous year's figures do not arise.

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

As per our report of even date attached

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

For & on behalf of the Board

V.N. Khandelwal
Partner
Membership No. 52862

M.R. Garg
Director
DIN - 00449709

Savita Jindal
Director
DIN - 00449740

Place : Kolkata
Dated : 29-05-2015

Rajesh Gupta
Company Secretary

H.K. Khanna
CFO

SUDHA APPARELS LIMITED

CIN: L17299WB1981PLC033331

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

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

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

NOTICE

Notice is hereby given that 34th Annual General Meeting of Sudha Apparels Limited will be held on Wednesday the 30th September, 2015 at 11.30 A.M. at the Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - (a) the Audited financial statement for the year ended 31st March, 2015 together with the Reports of Directors and Auditors thereon; and
 - (b) the Audited Consolidated financial statement for the year ended 31st March, 2015 together with the Reports of Auditors thereon;
2. To appoint a Director in place of Shri Mangat Ram Garg, who retires by rotation and being eligible, offers himself for reappointment and in this regard to pass the following resolution as an ordinary resolution:

“RESOLVED that Shri Mangat Ram Garg (DIN: 00449709), who retires by rotation be and is hereby re-appointed as Director of the Company and such appointment would not have any effect on the continuity of his tenure as Whole-time Director of the Company.”
3. To appoint M/s. Khandelwal Prajapati & Co., Chartered Accountants (Firm Registration No. 313154E) as Auditors of the Company to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to Clause 49 of the Listing Agreement, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include any Committee of the Board, constituted to exercise its powers including the powers conferred by this resolution) for related party transaction(s) with Sigma Infrastructure Private Ltd. for giving Loan, as detailed in the explanatory statement to the Notice.”

By Order of the Board

Place: Gurgaon
Dated: 10th August, 2015

Rajesh Gupta
Company Secretary

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

Item No. 4:

The Company has given loans as per the details provided hereinbelow to support Sigma Infrastructure Private Limited. Since the aggregate value of such loans is material, as defined under revised Clause 49 of the Listing agreement, shareholders' approval is being sought under the same. The Audit Committee has approved Related Party Transactions, which were 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- Member: Sigma Infrastructure Private Limited
- (d) Nature of transaction- Loan
- (e) Material terms and Particulars of the transactions:
During the year ended 31st March, 2015, the Company had given loans of Rs. 4.68 crores to Sigma Infrastructure Private Limited for general corporate purposes.
- (f) Monetary value-estimated value of transaction- Total value of loan given upto Rs. 5 crores.
- (g) Any other information relevant for the members to make a decision on the transaction- None

Your Directors commend the resolution for your approval.

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

By Order of the Board

Place: Gurgaon
Dated: 10th August, 2015

Rajesh Gupta
Company Secretary

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

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

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

2. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting and also the Attendance Slip duly filled in for attending the meeting.
3. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at its Registered Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 24th September, 2015 to Wednesday 30th September, 2015 (both days inclusive) for the purpose of ascertaining the shareholders entitled to attend Annual General Meeting.
5. Details under Clause 49 of the Listing agreement with the Stock Exchange in respect of Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.
6. Details of the Director seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

Name of the Director	Shri Mangat Ram Garg
Age	59 Years
Qualification	B.Com., CA
Experience	Extensive experience in the field of Corporate finance, Taxation & Administration
Date of appointment as Director of the company	01.07.2014
Directorship of other Companies	<ol style="list-style-type: none"> 1. Jindal Global Finance & Investment Limited 2. Crishpark Vincom Limited 3. Odd & Even Trades & Finance Limited 4. Marine Oil & Gas Private Limited
Chairman/ Member of Committee of the other Companies	Nil
No. of shares held	Nil
Inter-se relation-ship with other Directors	None

7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names recorded in the Register of Members will be entitled to vote.
8. Relevant documents referred to in the accompanying notice and the Explanatory Statement are open by the members for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day upto the date of the Annual General Meeting and also at the meeting.
9. **Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.**

10. Voting through electronic means:

- I. In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide Members a facility to exercise their right to vote on the resolutions proposed to be passed at the Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). E-Voting is optional. Please read carefully the following instructions/procedures on E-Voting.
- II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate the AGM but shall not be entitled to cast their vote again.
- IV. Mr. Sandeep Agarwal, Chartered Accountant (Membership No. 065643), has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- V. The remote e-voting period commences on Sunday, 27th September, 2015 (9.00 A.M. IST) and ends on Tuesday, 29th September, 2015 (5.00 P.M. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut -off date of 23rd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- VI. The manner and process of remote e-Voting are as under:
 - A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-Voting Event Number) of "Sudha Apparels Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.

- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashmico@icai.org with a copy marked to evoting@nsdl.co.in

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

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

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

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

- VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2015.
- X. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Transfer Agent (RTA) of the Company.
- XI. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company <http://www.sudhaapparels.com> and on the website of NSDL` immediately after the declaration of result by the Chairman or a person authorized by him in writing.

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

SUDHA APPARELS LIMITED

CIN: L17299WB1981PLC033331

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

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

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

ATTENDANCE SLIP

Folio No

DP Id*

Client Id*

I hereby record my presence at the 34th Annual General Meeting of the Company held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 at 11.30 A.M on Wednesday 30th September, 2015.

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

CIN: L17299WB1981PLC033331

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

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

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

PROXY FORM

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

Name of the member(s):

.....

Registered address

.....

E-mail ID:

.....

Folio No. / DP ID and Client ID:

.....

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

1) Name:

Address:.....

Email:.....

Signature.....or failing him/her

2) Name:

Address:.....

Email:.....

Signature.....or failing him/her

3) Name:

Address:.....

Email:.....

Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General meeting of the Company, to be held on Wednesday, 30th September, 2015 at 11.30 a.m. at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolutions		For	Against
1.	To receive, consider and adopt (a) the Audited financial statement for the year ended 31st March, 2015 together with the Reports of Directors and Auditors thereon; and (b) the Audited Consolidated financial statement for the year ended 31st March, 2015 together with the Reports of Auditors thereon;		
2.	Re-appointment of Shri Mangat Ram Garg who retires by rotation		
3.	Appointment of Auditors and fixing their remuneration		
4.	Approval of related party transaction(s) with Sigma Infrastructure Private Limited		

*Applicable for investors holding shares in electronic form.

Signed this Day of 2015

Affix a
Revenue
Stamp

Signature of shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

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

Notes:

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