



**SUPER SALES INDIA LIMITED**

SSIL / SEC / 173.

Saturday, August 5<sup>th</sup> 2017

Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street, Fort,  
Mumbai – 400 001.  
Fax No.022-22658121

Dear Sir,

**Sub: 35<sup>th</sup> Annual report – req.**

As per Regulation 34 (1) of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the 35<sup>th</sup> Annual report of the Company for the financial year ended 31<sup>st</sup> March, 2017 which was approved by the Shareholder at the Annual General Meeting of the Company held on 4<sup>th</sup> August, 2017 for your records.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,  
For Super Sales India Limited

S.c. 

S K Radhakrishnan  
Company Secretary

Encl. As above



# **SUPER SALES INDIA LIMITED**

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**COIMBATORE**

**35TH ANNUAL REPORT 2016-17**

# SUPER SALES INDIA LIMITED

CIN : L17111TZ1981PLC001109

Registered Office : 34-A, Kamaraj Road, Coimbatore - 641 018.

Phone : 0422-2222404-405 Fax : 0422-2221427

Email : [ssil@vaamaa.com](mailto:ssil@vaamaa.com) Website : [www.supersales.co.in](http://www.supersales.co.in)

## **BOARD OF DIRECTORS**

Sri. Sanjay Jayavarthanavelu (Chairman) - DIN 00004505

Sri. Ravi Sam - DIN 00007465

Sri. J. Raghupathy - DIN 00003351

Sri. S. Venkataraman - DIN 02538050

Sri. S. K. Najmul Hussain - DIN 02723029

Smt. Vijayalakshmi Narendra - DIN 00412374

Sri. N. R. Selvaraj (Managing Director) - DIN 00013954

## **CHIEF FINANCIAL OFFICER**

Sri. S. Ravindran

## **COMPANY SECRETARY**

Sri. S.K. Radhakrishnan

## **AUDITORS**

### **Statutory Auditors**

M/s. S. Krishnamoorthy & Co.,  
Chartered Accountants

M/s. Subbachar & Srinivasan  
Chartered Accountants

### **Secretarial Auditor**

Sri. M.R.L. Narasimha  
Practising Company Secretary

### **Cost Auditor**

Sri. G. Sivagurunathan  
Practising Cost and Management Accountant

## **BANKERS**

Indian Overseas Bank  
Indian Bank  
IDBI Bank Limited

## **REGISTRARS AND SHARE TRANSFER AGENTS**

SKDC Consultants Limited,  
"Kanapathy Towers", 3<sup>rd</sup> Floor,  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore- 641 006.

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Email : ssil@vaamaa.com Website : www.supersales.co.in

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 35<sup>th</sup> Annual General Meeting of the shareholders of Super Sales India Limited, Coimbatore - 641 018 will be held at 2.45 P.M on Friday, the 4<sup>th</sup> August, 2017 at 'Nani Kalai Arangam', Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 including Balance Sheet as at 31<sup>st</sup> March, 2017, Statement of Profit and Loss and Cash Flow statement for the year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a director in the place of Sri. Sanjay Jayavarthanavelu (DIN 00004505), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Subbchar & Srinivasan, Chartered accountants as Statutory Auditors for the Financial year 2017-18.

RESOLVED that pursuant to the provisions of first proviso to Section 139 (1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the appointment of M/s. Subbchar & Srinivasan, Chartered Accountants (Firm Registration No. 004083S, who were appointed as Statutory Auditors of the Company at the 34<sup>th</sup> AGM for a period of five years commencing from Financial year 2016-17 to 2020-21 and to hold office up to the conclusion of the AGM to be held in the year 2021) be and is hereby ratified for the Financial year 2017-18 at a remuneration as may be decided by the Board of Directors.

**SPECIAL BUSINESS**

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendments or modification(s) thereof), the remuneration payable to Sri. G. Sivagurunathan, Cost Accountant, who has been appointed by the Board of Directors on the basis of the recommendation of the Audit Committee to conduct the cost audit in respect of the Textile division for the financial year ending 31<sup>st</sup> March, 2018, amounting to Rs. 50,000/- and reimbursement of out of pocket expenses incurred by him in connection with the Audit plus taxes as applicable be and is hereby approved.

By Order of the Board

Coimbatore  
23<sup>rd</sup> May, 2017

**S. K. Radhakrishnan**  
Company Secretary

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) or holding in aggregate not more than ten percent of the total share capital of the Company.
2. The instrument of Proxy in order to be effective, should be duly completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 29<sup>th</sup> July, 2017 to Friday, 4<sup>th</sup> August, 2017 (both days inclusive). The dividend as recommended by the Board, if sanctioned at the annual general meeting will be paid to the shareholders whose names appear in the Register of Members as on 28<sup>th</sup> July, 2017 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of the business hours on 28<sup>th</sup> July, 2017.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out details relating to Special Business at the meeting, is provided hereto.
5. Pursuant to Section 125 of the Companies Act, 2013, all unclaimed dividends shall be transferred to the "Investor Education and Protection Fund" of the Central Government after a period of 7 years from the date of declaration. Shareholders, who have not encashed their dividend warrants for the years 2009 - 10, 2010 - 11, 2012 - 13, 2013 - 14, 2014 -15 and 2015-16 are requested to write to the Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006 for claiming the dividend.
6. Brief resume, details of shareholding and inter-se relationship of director seeking election/re-election are provided in the notice.
7. Members are requested to communicate their change of address, if any, quoting their folio numbers to the Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006. Similarly members holding shares in Demat form shall intimate the change of address, if any, to their respective Depository Participants.
8. Shareholders holding shares in the physical form and wish to avail National Electronic Clearing Services (NECS) facility may authorize the Company with NECS mandate in the prescribed form (enclosed) and the same should be lodged with the Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited for payment of dividend in future through NECS, if eligible.
9. Members who require any clarifications on the accounts or operations of the Company are requested to write to the Company Secretary so as to reach him at least one week before the meeting. The queries will be answered accordingly.
10. In view of the Green Initiative adopted by MCA, the Company proposes to send the Annual Reports, Notices and its annexures in electronic form to the email addresses of the members. In order to serve the documents in electronic mode, members holding shares in physical form are requested to communicate their e-mail address quoting their folio numbers to the Registrars and Share Transfer Agents. Similarly members holding shares in Demat form shall intimate their e-mail address to their respective Depository Participants at the earliest.

11. Electronic copy of the Annual Report for the year 2016-17 is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copy of the Annual Report for the year 2016-17 is being sent in the permitted mode.
12. Electronic copy of the Notice of the 35<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of voting along with Attendance Slip and Proxy Form are being sent to all the members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
13. Members may also note that the Notice of the 35<sup>th</sup> Annual General Meeting and the Annual Report for the year 2016-17 will also be available in the Company's website [www.supersales.co.in](http://www.supersales.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post at free of cost.
14. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company. They will also be made available for inspection at the venue of the Annual General Meeting.
15. The results of the e-voting and Ballot to be conducted at the Annual General Meeting will be announced by the Chairman or person authorised by the Chairman within 2 days from the date of conclusion of the Annual General Meeting at the Registered office of the Company. A copy of which will be posted on the Company's website and forwarded to Stock Exchanges.
16. Pursuant to Rule 6 of the Investor Education and Protection Fund Authority (Accounting , Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer all shares in respect of which dividends are not claimed for the last 7 consecutive years to the demat account of Investor Education and Protection Fund Authority. (IEPF Authority).
  - a. All the underlying shares in respect of which dividends are not claimed for the last 7 years from the year 2009-10 have to be transferred to the demat account of IEPF Authority.
  - b. The Company will send individual notices through Post to the latest available addresses of the shareholders whose dividends are lying unclaimed for the last 7 years, advising them to claim the dividends expeditiously.
  - c. The statement containing the details of name, folio number, demat account number and number of shares due for transfer etc will be made available in our website [www.supersales.co.in](http://www.supersales.co.in) for information and necessary action by the shareholders.
  - d. Shareholders who have not claimed their dividends from the year 2009-10 can write to our Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited for further details and for making a valid claim for the unclaimed dividends. In case no valid claim has been made, the shares in respect of which the dividends are lying unclaimed for the last 7 years will be transferred to the demat account of IEPF Authority.

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT:**

**Sri. Sanjay Jayavarthanavelu**

Sri. Sanjay Jayavarthanavelu is born on 15.06.1968. He is a Post Graduate in Business Administration from Philadelphia college of Textiles and Science, USA and Specialised in Management and Finance. He is a past Chairman of Textile Machinery Manufacturers Association (India) and International Textile Machinery Exhibition Society. He is a Vice Chairman of The South India Textile Research Association (SITRA). He is a member of CII - Southern Regional Council and the executive committee of FICCI. He is also one of the trustees in some charitable trusts contributing to promotion of health and education.

Experience: More than two decades of experience in the areas of Textiles, Textile Engineering, Financial Management and Administration.

Other Directorships held :

1). Lakshmi Machine Works Limited 2). Lakshmi Electrical Control Systems Limited 3). The Lakshmi Mills Company Limited 4). Carborundum Universal Limited 5). Quattro Engineering India Limited 6). Lakshmi Life Sciences Limited 7). Lakshmi Cargo Company Limited 8).Lakshmi Technology & Engineering Industries Limited 9). Lakshmi Ring Travellers (Coimbatore) Limited 10). Alampara Hotels & Resorts P Limited.

Membership of Committees of Companies:

Share Transfer Committees	Audit Committees	CSR Committees
Lakshmi Machine Works Limited Super Sales India Limited	Lakshmi Cargo Company Limited Carborundum Universal Limited	Lakshmi Machine Works Limited Lakshmi Cargo Company Limited Lakshmi Life Sciences Limited

Share holding : 2,16,288 equity shares of Rs. 10/- each constituting 7.04% of the paid up capital.  
He is not related to any other director.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 5**

Pursuant to Section 148 read with the Companies (Audit and Auditors) Rules, 2014, your company is required to appoint a cost auditor to conduct audit of the cost records maintained by the Company in respect of the Textile Division. Accordingly the Board of Directors of the Company, on the basis of the recommendation of the Audit Committee, appointed Sri. G. Sivagurunathan as Cost Auditor having the relevant qualification to conduct audit in respect of the Textile Division. Rule 14 of the Companies (Audit and Auditors) Rules, 2014 requires that the remuneration payable to the cost auditor is required to be approved by the shareholders. Accordingly the remuneration payable to the cost auditor is placed to the shareholders for approval.

Board of Directors recommends the ordinary resolution set out in the Item No. 5 of the notice for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 5.

By Order of the Board

Coimbatore  
23<sup>rd</sup> May, 2017

**S. K. Radhakrishnan**  
Company Secretary

**VOTING THROUGH ELECTRONIC MEANS**

In compliance with the provisions of Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members the facility to exercise their votes for all the resolutions detailed in the Notice of the 35<sup>th</sup> Annual General Meeting scheduled to be held on Friday, the 4<sup>th</sup> August, 2017 at 2.45 PM by electronic means and the business may be transacted through remote e-voting and by Poll at the meeting.

The Company has engaged the services of CDSL as the authorized agency to provide the remote e-voting facilities as per instructions below.

**Vote by Remote e-Voting and by Poll at the meeting**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), the Members can exercise the right to vote on the resolutions at the Annual General Meeting venue by being present in person/proxy. Kindly note that members can opt for only one mode of voting i.e., either by remote e-voting or by poll at the Annual General meeting. The members who opt for remote e-voting can not vote in other mode.

However, in case of Members casting their vote in remote e-voting and poll at the Annual General Meeting, then voting done through remote e-voting shall prevail and voting done in other mode will be treated as invalid.

The instructions to the shareholders for remote e-voting are as under:

- (i) The voting period begins on 1<sup>st</sup> August, 2017 at 9.00 AM and ends on 3<sup>rd</sup> August, 2017 at 5.00 PM. The e-voting module shall be disabled by CDSL for voting thereafter. During this period shareholders' of the Company who are holding shares, either in physical form or in dematerialized form, as on the cut-off date (record date) of 28<sup>th</sup> July, 2017 may cast their vote electronically.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first 2 letters of their name and the 8 digits of sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat account holders for voting on the resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant to Super Sales India Limited.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- H Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - H A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - H After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - H The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - H A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board

Coimbatore  
23<sup>rd</sup> May, 2017

**S. K. Radhakrishnan**  
Company Secretary

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report of the Company together with audited accounts of the Company for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

Financial results for the year under review are summarized below:

<b>Particulars</b>	<b>2016-17 (Rs. in Lakhs)</b>	2015-16 (Rs. in Lakhs)
Income from operations	<b>25150.59</b>	22928.51
Other Income	<b>608.62</b>	667.75
Profit before Interest and Depreciation	<b>4285.69</b>	4565.93
Less: Interest	<b>574.39</b>	677.10
Profit/(Loss) before Depreciation	<b>3711.30</b>	3888.83
Less: Depreciation	<b>1635.13</b>	1372.80
Profit/(Loss) before Tax	<b>2076.17</b>	2516.03
Less: Exceptional item	-	65.26
(Add)/Less: Provision for Taxes	<b>481.59</b>	711.47
Profit/(Loss) after Tax	<b>1594.58</b>	1739.30
Add: Balance in Profit & Loss Account	<b>3545.18</b>	2898.30
Balance carried over to balance sheet	<b>5139.76</b>	4637.60

### DIVIDEND

Your Directors recommend a dividend of Rs. 2.50 per equity share of Rs.10/- each for the financial year ended 31<sup>st</sup> March, 2017, which if approved at the forthcoming Annual General Meeting, will be paid to those equity shareholders whose names appear in the Register of Members as on 28<sup>th</sup> July, 2017 in respect of shares held in physical form and in respect of shares held in dematerialized form, the dividend shall be paid on the basis of the beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on 28<sup>th</sup> July, 2017.

### SEGMENT WISE PERFORMANCE

#### Agency Division

Disparity between cotton and yarn prices, slow movement of yarn both in the domestic and export markets and un-remunerative prices forced the textile mills to postpone their capital spending which affected the performance of the division.

The total revenue of this division during 2016-17 was Rs. 1939.37 Lakhs. PBT was Rs. 1049.48 Lakhs compared to Rs. 1465.41 Lakhs during the previous year.

#### Textile Division

The sudden upward movement of cotton prices during the season due to demonitisation and lower exports of yarn out of the country have affected the margins.

This division incurred a net loss of Rs. 201.22 Lakhs compared to profit of Rs. 164.83 Lakhs during the previous year.

#### Wind Energy Division

Due to implementation of the scheduling and forecasting of wind generation and better wind velocity during the year under review resulted in better performance of the division.

This division has earned a PBT of Rs. 1234.41 Lakhs during the year under review compared to Rs. 652.21 Lakhs during the previous year.

**Engineering Division**

Lesser off take of the capital goods by various industries have affected the performance of the division. Gear boxes sale is yet to pick up.

This division earned a PBT of Rs. 8.47 Lakhs as against Rs. 159.94 Lakhs during the previous year.

**EXPORTS**

In view of the slowdown in China and Europe the yarn export was sluggish. Vietnam is emerging as a major yarn supplier to China which also affects India's exports to China. We could achieve an export turnover of Rs. 2323.65 Lakhs only during the year under review.

**PROSPECTS**

On account of severe competition from the countries like China, Bangladesh, Pakistan and Vietnam, our apparel exports are not growing as expected. More over the cotton prices are very volatile where as yarn prices are not keeping pace and hence spinning mills are operating with either thin margins or losses. The prospects for the current year do not indicate major changes. However a silver line is that a bumper cotton crop is expected in view of the normal monsoon and remunerative prices for cotton. This may help in keeping the cotton prices under check and improve margins.

The Engineering division is expected to perform better and the wind energy division may also repeat the performance of the previous year. Implementation of GST will also help us to reduce cost of inputs.

**DIRECTORS**

Sri. Sanjay Jayavarthanavelu, Director (DIN : 00004505) retires by rotation at the ensuing Annual General Meeting, being eligible, offers himself for re-appointment.

**INDUSTRIAL RELATIONS**

Industrial relations are cordial and your Directors appreciate the co-operation extended by the employees.

**LISTING**

Your Company's shares are listed in BSE Limited. The listing fee to the BSE has been duly paid. The Madras Stock Exchange is in the process of winding up and the Company has not received any Bill for the listing fee. The shares are regularly traded in BSE Limited and were not suspended at any time during the year.

**AUDITORS****Statutory Auditors:**

The Company's Auditors, M/s. S. Krishnamoorthy & Co., and M/s. Subbachar & Srinivasan, Chartered Accountants hold the office till the conclusion of the ensuing Annual General Meeting.

Out of the statutory Auditors, M/s. S. Krishnamoorthy & Co., Chartered Accountants can hold office till the conclusion of the ensuing Annual General Meeting in terms of 3<sup>rd</sup> proviso to subsection (2) of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Hence the re-appointment is not being brought up.

The other statutory Auditor, M/s. Subbachar & Srinivasan, Chartered Accountants were appointed as Statutory Auditors for a term of five years commencing from the financial year 2016-17 who will retire at the conclusion of the Annual General Meeting to be held in the year 2021 and ratification of the appointment for the financial year 2017-18 is placed before the shareholders.

The auditors, M/s. Subbachar & Srinivasan, Chartered Accountants have confirmed their eligibility for continuing as Statutory Auditors of the Company.

**Cost Auditor:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has appointed Sri. G. Sivagurunathan, Practising Cost and Management Accountant, as the Cost Auditor of the Company for the financial year 2017-18.

**Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Sri. M.R.L.Narasimha, Practising Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2017-18.

The secretarial audit report for the financial year 2016-17 is enclosed as Annexure 2.

**Extract of the annual return as per the provisions of the Companies Act, 2013 is enclosed as Annexure 1**

The details of the meetings of the Board and Committees and attendance of directors are given in the Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of Section 134 of the Companies Act, 2013, the Directors of your Company confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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 the financial year and of the profit and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DISCLOSURES**

Independent Directors have met all the criteria of an Independent Director and they have given a declaration to the effect that they have met all the criteria of an independent director as prescribed in Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Policy is enclosed to this annual report.

Directors are eligible to get only sitting fee for attending the Board or Committee or other meetings of Directors. Outstation directors are entitled to get reimbursement of out of pocket expenses incurred by them in connection with the attending of the Board or Committee or other meetings.

There is no qualification, reservation or adverse remarks by the Statutory Auditors in their audit report or Practising Company Secretary in his secretarial audit report. The auditors have not reported any fraud to the Audit Committee or to the Board during the year 2016-17.

Company has not provided any loans, guarantees, security under Section 186 of the Companies Act, 2013 during the year under review. However the Company has made an investment of Rs. 9.93 Crores for purchase of 25000 equity shares of M/s. Lakshmi Machine Works Limited.

All the transactions entered by the Company during the financial year 2016-17 with the related parties are in the ordinary course of business and at Arm's length. The details of material related party transactions are given in form AOC -2 as Annexure 3.

There is no material change and commitment which have occurred between the end of the financial year and to the date of the report which affect the financial position of the Company.

**(A) Conservation of Energy**

i. the steps taken or impact of conservation of energy	The Energy efficient motors and replacement of tube lights with LED bulbs are in progress to reduce energy consumption.
ii. the steps taken by the Company for utilizing alternate source of energy	The Company has utilized 76.53% of its energy requirement through wind power.
iii. the Capital investment on energy conservation equipments	Rs.8.42 Lakhs

**(B) Technology absorption**

- i. Efforts made towards technology absorption : --
- ii. Benefits derived like product improvement, cost reduction, product development, import substitution, etc., : Ring spinning machines are replaced with latest compact spinning machines in a phased manner for product improvement.
- iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) : --
  - (a) Details of technology imported. : --
  - (b) Year of import.
  - (c) Whether the technology been fully absorbed?
  - (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.
- iv. The expenditure incurred on Research and Development : --

**(C) Foreign Exchange Earnings and out go**

The Foreign Exchange earnings and outgo during the year under review were as follows:

Foreign Exchange Earned	: Rs. 849.61 Lakhs
Foreign Exchange Outgo	
Raw Material imports	: Rs. 800.02 Lakhs
Stores and Spares imports (including advances)	: Rs. 131.98 Lakhs
Capital Imports	: Rs. 702.02 Lakhs
Others	: Rs. 3.28 Lakhs
	<u>: Rs. 1637.30 Lakhs</u>

**RISK MANAGEMENT**

The Company has established a risk management frame work to identify, evaluate the business risks and opportunities. The main object of the framework is to minimise the adverse impact of the risks by taking effective mitigation measures to retain the business advantages. The identified risks and mitigation measures are reviewed by the concerned Heads and all the risks identified and mitigation measures are placed before the Board. The Board is of the opinion that there is no risk which affects the existence of the Company.

**CSR ACTIVITIES**

The CSR Committee consists of three directors out of which two are independent directors. The Board has approved the CSR Policy and the same is posted in the website of the Company. The Company has spent the entire amount required to be spent during the financial year 2016-17. Annual Report on CSR activities is enclosed as Annexure 4.

**DISCLOSURE UNDER RULE 8**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out annual evaluation of its own performance, that of its committees and individual directors for the financial year 2016-17. The Chairman of the Board has sent a list of criteria, as approved by the Nomination and Remuneration Committee, for evaluation of the Board's performance, that of its committees and individual directors to all the Directors. Each Director has evaluated based on the criteria and communicated the results of the evaluation to the Chairman.

There is no change in the nature of business. There is no appointment of Director, Key Managerial Personnel during the year and there is no change in the Key Managerial Personnel. However the Wholetime director has been re-designated as Managing Director.

There is no addition or cessation of Subsidiaries, Joint ventures or Associates during the year 2016-17. The Company has not accepted or holds any deposit from the public or directors or shareholders. There is no significant material order passed by the regulators or courts or tribunals which affects the going concern status or operations in future.

The Company has established adequate internal control system which is commensurate with its nature and volume of operations. All the independent directors are in the first term of appointment. There is no resignation of the Directors during the year 2016-17.

The Composition of the Audit committee is given in the Corporate Governance Report. Board has accepted all the recommendations made by the Audit Committee during the year 2016-17.

Particulars pursuant to Section 197(12) and the relevant rules are given in the Annexure 5

**VIGIL MECHANISM**

The Company has established vigil mechanism and adopted whistle blower policy which protects persons who uses the mechanism from victimization and allows direct access to the Chairman of the Audit Committee if required. The Policy is posted in the website of the Company.

**REMUNERATION POLICY**

Based on the recommendation of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy of the Company for selection and appointment of Directors and senior management personnel, their remuneration, policy on succession plans, Board diversity and the same is enclosed as Annexure 6 to this report.

A certificate from the Statutory Auditors of the Company regarding the compliance of conditions of Corporate Governance is enclosed as Annexure 7 to this report.

**Information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014**

In terms of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the Company has no employee drawing salary exceeding Rs. 102 Lakhs per annum or Rs. 8.50 Lakhs per month during the year under review. No employee has drawn remuneration in excess of the remuneration drawn by the Wholetime / Managing Director and holds by himself or along with his spouse and dependent children not less than two percent of equity share capital of the Company.

List of top 10 employees based on salary drawn in enclosed as Annexure 8 to this report.

Company is not paying any commission to the Directors and Whole time Director/Managing Director.

**Disclosures under the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013**

Company has not received any complaint under the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013 during the year 2016-17.

**ADDITIONAL DISCLOSURES**

In line with the requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report, Corporate Governance Report, Related Party disclosures are made part of the Annual Report.

A certificate from CEO/CFO, interalia, confirming the correctness of the financial statements is also made part of the Annual Report.

**GENERAL**

The Directors place on record their sincere thanks to all the Principals for their whole hearted co-operation and to the bankers of the Company for their financial assistance. Directors also wish to thank the customers for their support and confidence reposed in the Company and to the employees at all levels for their co-operation and dedication.

For and on behalf of the Board

(Sd.) **SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN: 00004505

Coimbatore  
23<sup>rd</sup> May, 2017



**ANNEXURE - 1**

**MGT - 9**

**Extract of the Annual Return**

**I. REGISTRATION AND OTHER DETAILS**

i) CIN	L17111TZ1981PLC001109
ii) Registration Date	18 <sup>th</sup> September, 1981
iii) Name of the Company	Super Sales India Limited
iv) Category / Sub-Category of the Company	Public Limited Company, Limited by shares
v) Address of the Registered office and contact details	34-A, Kamaraj Road, Coimbatore - 641 018, Tamilnadu. Tel.: 0422- 2222404 - 405 Fax : 0422 -2221427 E-mail: investorscell@vaamaa.com, ssil@vaamaa.com
vi) Whether listed company Yes/ No	Yes
vii) Name, Address and Contact details of Registrars and Shares Transfer Agent, if any	M/s. SKDC Consultants Limited, "Kanapathy Towers", 3 <sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641006. CIN: U74147TZ1998PLC008301 Tel.: 0422 - 4958995, 2539835 Fax: : 0422 - 2539837 E-mail: info@skdc-consultants.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 (NIC Code 2008)	% to total turnover of the company
1.	Textile Division : Manufacturing of Yarn	13111	73.05
2.	Engineering Division : Manufacturing of Gears, Gear boxes	28140	11.39

**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
NA					

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

**(i) Shareholding Pattern**

Category of shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of change during the year	
	Demat	Physical	Total	Demat	Physical	Total		% of Total Shares
(A) Promoters								
(1) Indian								
a) Individuals/ Hindu Undivided Family	400288	-	400288	400288	-	400288	13.032	
b) Central Government/ State Governments	-	-	-	-	-	-	-	
c) Bodies Corporate	1226912	-	1226912	1376912	-	1376912	44.829	
d) Financial Institutions/ Banks	-	-	-	-	-	-	-	
e) Any Others(Specify)	-	-	-	-	-	-	-	
<b>Sub Total(A)(1)</b>	1627200	-	1627200	1777200	-	1777200	57.861	
(2) Foreign								
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	
b) Bodies Corporate	-	-	-	-	-	-	-	
c) Institutions	-	-	-	-	-	-	-	
d) Qualified Foreign Investors	-	-	-	-	-	-	-	
e) Any Others(Specify)	-	-	-	-	-	-	-	
<b>Sub Total(A)(2)</b>	-	-	-	-	-	-	-	
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1627200	-	1627200	1777200	-	1777200	57.861	
(B) Public shareholding								
(1) Institutions								
a) Mutual Funds/ UTI	-	500	500	-	500	500	0.016	
b) Financial Institutions / Banks	-	103	103	-	103	103	0.003	
c) Central Government/ State Governments	-	-	-	-	-	-	-	
d) Venture Capital Funds	-	-	-	-	-	-	-	
e) Insurance Companies	-	-	-	-	-	-	-	
f) Foreign Institutional Investors	-	-	-	-	-	-	-	
g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	
h) Qualified Foreign Investors	-	-	-	-	-	-	-	
i) Any Other (specify)	-	-	-	-	-	-	-	
FOREIGN PORTFOLIO INV ( CORP.CAT )	-	603	603	-	603	603	0.019	
<b>Sub-Total (B)(1)</b>	-	603	603	-	603	603	0.019	

(i) Shareholding Pattern (contd.)

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	386011	3032	389043	12.666	190031	3032	193063	6.286	-6.380
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	641435	260094	901529	29.352	730288	249998	980286	31.917	2.565
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	107770	-	107770	3.509	45054	-	45054	1.467	-2.042
c) Others (specify)									
Directors & their Relatives	1600	-	1600	0.052	1600	-	1600	0.052	0.000
Trusts	550	-	550	0.018	350	-	350	0.011	-0.007
Non-Resident Indians	16473	389	16862	0.549	14829	389	15218	0.495	-0.054
Clearing Members	3337	-	3337	0.109	23466	-	23466	0.764	0.655
Hindu Undivided Families	23006	-	23006	0.749	34660	-	34660	1.128	0.379
Sub-Total (B)/(2)	1180182	263515	1443697	47.004	1040278	253419	1293697	42.120	-4.884
<b>Total Public Shareholding (B)= (B)/(1)+(B)/(2)</b>	<b>1180182</b>	<b>264118</b>	<b>1444300</b>	<b>47.023</b>	<b>1040278</b>	<b>254022</b>	<b>1294300</b>	<b>42.139</b>	<b>-4.884</b>
(C) Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2807382</b>	<b>264118</b>	<b>3071500</b>	<b>100.000</b>	<b>2817478</b>	<b>254022</b>	<b>3071500</b>	<b>100.000</b>	<b>-</b>

(ii) Shareholding of Promoters as of 31<sup>st</sup> March, 2017

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% of change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sri. Sanjay Jayavarthanavelu	216288	7.04	-	216288	7.04	-	-
2	Smt. D. Thayarammal	25500	0.83	-	25500	0.83	-	-
3	Smt. J. Rajyalakshmi	104400	3.40	-	104400	3.40	-	-
4	Smt. Nethra J.S. Kumar	16300	0.53	-	16300	0.53	-	-
5	Smt. R. Uttara	24400	0.79	-	24400	0.79	-	-
6	Sri. R. Venkatrangappan	12400	0.40	-	12400	0.40	-	-
7	Sri. Ravi Sam	1000	0.03	-	1000	0.03	-	-
8	M/s. Eshaan Enterprises Ltd.	64400	2.10	-	64400	2.10	-	-
9	M/s. Lakshmi Electrical Drives Ltd.	2100	0.07	-	2100	0.07	-	-
10	M/s. Titan Paints and Chemicals Ltd.	150	0.00	-	150	0.00	-	-
11	M/s. Lakhsmi Cargo Company Ltd.	480295	15.64	-	-	-	-	(15.64)
12	M/s. Revantha Services Ltd*	130672	4.25	-	130672	4.25	-	-
13	M/s. Lakshmi Life Sciences Ltd.	399295	13.00	-	879590	28.64	-	15.64
14	M/s. Lakshmi Machine Works Ltd.	150000	4.88	-	300000	9.77	-	4.88
	Total	1627200	52.98	-	1777200	57.86	-	4.88

\* formerly known as M/s. Lakshmi Vignesh Security Services(P)Ltd

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Date	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
31/03/2016	M/s. Lakshmi Machine Works Ltd	150000	4.88	150000	4.88
30/09/2016	Purchases through open market	150000	4.88	300000	9.77
31/03/2017	At the end of the year			300000	9.77
31/03/2016	M/s. Lakshmi Life Sciences Ltd	399295	13.00	399295	13.00
20/03/2017	Interse transfer from M/s. Lakshmi Cargo Company Ltd	480295	15.64	879590	28.64
31/03/2017	At the end of the year			879590	28.64
31/03/2016	M/s. Lakshmi Cargo Company Ltd	480295	15.64	480295	15.64
20/03/2017	Interse transfer to M/s. Lakshmi Life Sciences Ltd	480295	15.64	0	0.00
31/03/2017	At the end of the year			0	0.00

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

BENPOS Date	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
01/04/2016	GAGANDEEP CREDIT CAPITAL PRIVATE LIMITED	211740	6.89	211740	6.89
01/04/2016	GAGANDEEP CREDIT CAPITAL PRIVATE LIMITED	29804	0.97	29804	0.97
30/09/2016	Sold	150000	4.88	91544	2.98
31/03/2017	Purchased	30000	0.98	121544	3.96
31/03/2017	At the end of the year			121544	3.96
01/04/2016	HRIDAYNATH CONSULTANCY PRIVATE LIMITED	45961	1.50	45961	1.50
12/08/2016	Sold	5000	0.16	40961	1.33
19/08/2016	Sold	5304	0.17	35657	1.16
26/08/2016	Sold	11970	0.39	23687	0.77
02/09/2016	Sold	11454	0.37	12233	0.40
30/09/2016	Sold	1100	0.04	11133	0.36
07/10/2016	Sold	4411	0.14	6722	0.22
14/10/2016	Sold	4712	0.15	2010	0.07
21/10/2016	Sold	251	0.01	1759	0.06
28/10/2016	Sold	100	0.00	1659	0.05
31/03/2017	At the end of the year			1659	0.05
01/04/2016	MINAL B. PATEL	28000	0.91	28000	0.91
26/08/2016	Sold	28000	0.91	0	0
31/03/2017	At the end of the year			0	0.00
01/04/2016	MINAL BHARAT PATEL	2177	0.07	2177	0.07
31/03/2017	At the end of the year			2177	0.07
01/04/2016	HITEN ANANTRAI SHETH	30000	0.98	30000	0.98
24/03/2017	Sold	30000	0.98	0	0
31/03/2017	At the end of the year			0	0

## SUPER SALES INDIA LIMITED

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

BENPOS Date	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
01/04/2016 31/03/2017	PRESCIENT SECURITIES PRIVATE LIMITED At the end of the year	30000	0.98	30000 30000	0.98 0.98
01/04/2016 23/09/2016 30/09/2016 14/10/2016 21/10/2016 10/02/2017 17/02/2017 31/03/2017	BHARAT JAYANTILAL PATEL Purchased Sold Purchased Sold Purchased Sold At the end of the year	26443 904 904 150 150 388 388	0.86 0.03 0.03 0.00 0.00 0.01 0.01	26443 27347 26443 26593 26443 26831 26443 26443	0.86 0.89 0.86 0.87 0.86 0.87 0.86 0.86
01/04/2016 15/04/2016 29/04/2016 06/05/2016 13/05/2016 20/05/2016 27/05/2016 07/10/2016 31/03/2017	PAT FINANCIAL CONSULTANTS PVT. LTD. Sold Sold Sold Sold Sold Sold Sold At the end of the year	12990 1700 571 816 2390 11 280 7222	0.42 0.06 0.02 0.03 0.08 0.00 0.01 0.24	12990 11290 10719 9903 7513 7502 7222 0 0	0.42 0.37 0.35 0.32 0.24 0.24 0.24 0.00 0.00
01/04/2016 31/03/2017	MEHTA VAKIL & CO. PVT. LTD. At the end of the year	12676	0.41	12676 12676	0.41 0.41
01/04/2016 31/03/2017	MILI CAPITAL MANAGEMENT PVT. LTD. - INV. At the end of the year	11567	0.38	11567 11567	0.38 0.38
01/04/2016 22/04/2016 29/04/2016 20/05/2016 03/06/2016 30/06/2016 01/07/2016 08/07/2016 12/08/2016 26/08/2016 30/09/2016 11/11/2016 02/12/2016 09/12/2016 16/12/2016 23/12/2016 30/12/2016 06/01/2017 13/01/2017 31/03/2017	KISHAN GOPAL MOHTA Purchased Purchased Purchased Purchased Sold Sold Sold Sold Purchased Purchased Sold Purchased Sold Sold Sold Sold Sold Sold Sold At the end of the year	11112 400 620 309 11 40 50 250 10000 2000 500 4500 4510 1501 509 506 1026 955 13	0.36 0.01 0.02 0.01 0.00 0.00 0.00 0.01 0.33 0.07 0.02 0.15 0.15 0.05 0.02 0.02 0.03 0.03 0.00	11112 11512 12132 12441 12452 12412 12362 12112 2112 4112 4612 112 4622 3121 2612 2106 1080 125 112 112	0.36 0.37 0.39 0.41 0.41 0.40 0.40 0.39 0.07 0.13 0.15 0.00 0.15 0.10 0.09 0.07 0.04 0.00 0.00 0.00

## SUPER SALES INDIA LIMITED

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

BENPOS Date	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
01/04/2016	SHEHAL PRADIP CHOKSEY	0	0.00	0	0.00
26/08/2016	Purchased	2000	0.07	2000	0.07
02/09/2016	Purchased	850	0.03	2850	0.09
09/09/2016	Purchased	1695	0.06	4545	0.15
16/09/2016	Purchased	1005	0.03	5550	0.18
23/09/2016	Purchased	9061	0.30	14611	0.48
30/09/2016	Purchased	4000	0.13	18611	0.61
31/03/2017	At the end of the year			18611	0.61
01/04/2016	VARSHA AGARWAL	9949	0.32	9949	0.32
31/03/2017	At the end of the year			9949	0.32
01/04/2016	ANIL BHAVANJI SHAH	9000	0.29	9000	0.29
31/03/2017	At the end of the year			9000	0.29
01/04/2016	JANAK KISHOR SANGHAVI	0	0.00	0	0.00
12/08/2016	Purchased	9160	0.30	9160	0.30
19/08/2016	Purchased	840	0.03	10000	0.33
02/09/2016	Sold	2500	0.08	7500	0.24
31/03/2017	At the end of the year			7500	0.24
01/04/2016	VIJAY GUPTA	7472	0.24	7472	0.24
31/03/2017	At the end of the year			7472	0.24

### (v) Shareholding of Directors and Key Managerial Personnel:

Date	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
01/04/2016	Sri. SANJAY JAYAVARTHANAVELU	216288	7.042	216288	7.042
31/03/2017	At the end of the year			216288	7.042
01/04/2016	Sri. J. RAGHUPATHY	1500	0.049	1500	0.049
31/03/2017	At the end of the year			1500	0.049
01/04/2016	Sri. RAVI SAM	1000	0.033	1000	0.033
31/03/2017	At the end of the year			1000	0.033
01/04/2016	Sri. N.R. SELVARAJ	100	0.003	100	0.003
31/03/2017	At the end of the year			100	0.003

**V. INDEBTEDNESS : Indebtedness of the Company including interest outstanding/accrued but not due for payment** (Rs. in Lakhs)

Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4751.49	494.44	---	5245.93
ii) Interest due but not paid	7.34	--	---	7.34
iii) Interest accrued but not due	--	--	---	--
<b>Total (i+ii+iii)</b>	<b>4758.83</b>	<b>494.44</b>	<b>---</b>	<b>5253.27</b>
<b>Change in the indebttness during the financial year</b>				
Addition	400.00	--	---	400.00
Reduction	118.49	7.88	---	126.37
Net Change	281.51	7.88	---	273.63
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5023.51	486.56	---	5510.07
ii) Interest due but not paid	16.83	--	---	16.83
iii) Interest accrued but not due	--	--	---	--
<b>Total (i+ii+iii)</b>	<b>5040.34</b>	<b>486.56</b>	<b>---</b>	<b>5526.90</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Wholetime Director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD & CEO Sri. N.R. Selvaraj - Managing Director	Total Amount Rs. in Lakhs
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	36.87	36.87
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	-as % of profit	Nil	Nil
	-others, specify...		
5.	Others, please specify		
	Gratuity	1.73	1.73
	Leave travel Assistance	2.00	2.00
	Medical Reimbursement	2.02	2.02
	<b>Total (A)</b>	<b>42.62</b>	<b>42.62</b>



**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount Rs. in Lakhs
1.	Independent Directors	Sri. J. Raghupathy	3.00
	Fee for attending Board /	Sri. S. Venkataraman	2.00
	Committee/ other meetings of Directors	Sri. S. K. Najmul Hussain	3.25
		Smt. Vijayalakshmi Narendra	0.75
	- Commission		Nil
	- Others, please specify		Nil
	<b>Total (1)</b>		<b>9.00</b>
2.	Other Non-Executive Directors	Sri. Sanjay Jayavarthanavelu	1.25
	Fee for attending Board/Committee/other meetings of Directors	Sri. Ravi Sam	1.75
	- Commission		Nil
	- Others, please specify		Nil
	<b>Total (2)</b>		<b>3.00</b>
	<b>Total (B)=(1+2)</b>		<b>12.00</b>
	<b>Total Managerial Remuneration (A+B)</b>		<b>54.62</b>

**C. Remuneration to Key Managerial Personnel other than Managing Director, Wholetime Director and/or Manager**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total Amount Rs. in Lakhs
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	15.83	10.26	26.09
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	- as % of profit			
	- others, specify...			
5.	Others, please specify			
	Employer's contribution to PF	0.21	0.21	0.42
	Gratuity	0.29	0.22	0.51
	Leave Travel Assistance	0.37	0.24	0.61
	Medical Reimbursement	0.35	0.23	0.58
	<b>Total (A)</b>	<b>17.05</b>	<b>11.16</b>	<b>28.21</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			Nil		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			Nil		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			Nil		
Compounding					

**ANNEXURE - 2**

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members of SUPER SALES INDIA LIMITED (CIN : L17111TZ1981PLC001109)

I have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. Super Sales India Limited (here in after called "the Company"). I have conducted the Secretarial Audit in a manner that provided me a reasonable basis for evaluating the Company's corporate conducts/statutory compliances and expressing my opinion thereon.

I am issuing this report based on my verification of the books, papers, minutes books and other records maintained by the Company, forms and returns filed, compliance related action taken by the Company, during the financial year ended 31<sup>st</sup> March, 2017 and also after 31<sup>st</sup> March, 2017 but before the issue of this report and the information provided by the Company, its officers, agents and authorized representatives during my conduct of secretarial audit.

I hereby report that in my opinion, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 (hereinafter referred to as "the year"), the Company has complied with the statutory provisions listed hereunder and also has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made here in after. The members are requested to read this report along with my letter of even date annexed to this report as Annexure- A.

1. I have examined the books, papers, minutes books and other records maintained by the Company and the forms and returns filed during the year according to the applicable provisions of:
  - i. The Companies Act, 2013(the Act),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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; and
    - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - vi. The following laws, that are specifically applicable to the Company:

Essential Commodities Act, 1955, with reference to "Hank Yarn Packing Notification 2003" (No.2/TDRO/8/2003 dated 17<sup>th</sup> April, 2003).
2. I am informed that, during the year the Company was not required to maintain any books, papers, minutes books or other records or to file any forms / returns according to the provisions of:

The following Regulations and Guidelines prescribed under the SEBI Act:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
3. I am also informed that for the year, there were no other laws specifically applicable to the Company, the books, papers, minutes books, forms and returns of which were required to be examined by me for the purpose of this report.
4. i) I have also examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. During the period under review, and also considering the compliance related action taken by the Company after 31<sup>st</sup> March, 2017 but before the issue of this report, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.
6. I further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. 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.
  - (ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent at least seven days in advance.
  - (iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
  - (iv) There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Coimbatore  
23<sup>th</sup> May, 2017

**M. R. L. Narasimha**  
Practising Company Secretary  
Membership No:2851  
Certificate of Practice:799

**Annexure - A to Secretarial Audit Report of even date**

To  
The Members of SUPER SALES INDIALIMITED (CIN:L17111TZ1981PLC001109)

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31<sup>st</sup> March, 2017 is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, I have also taken in to consideration the compliance related action taken by the Company after 31<sup>st</sup> March, 2017 but before the issue of this report.
4. I have verified the records to see whether the correct facts are reflected in the secretarial records. I also examined the compliance procedures followed by the Company. I believe that the processes and practices I followed provide a reasonable basis for my opinion. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. My Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Coimbatore  
23<sup>th</sup> May, 2017

**M. R. L. Narasimha**  
Practising Company Secretary  
Membership No:2851  
Certificate of Practice:799

**ANNEXURE - 3**

**FORM AOC - 2**

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

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

<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/ arrangements/ transactions</p> <p>(c) Duration of the contracts / arrangements/ transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Justification for entering into such contracts or arrangements or transactions</p> <p>(f) Date(s) of approval by the Board</p> <p>(g) Amount paid as advances, if any:</p> <p>(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188</p>	<p>All the transactions are at arm's length basis</p> <p style="text-align: center;">NA</p>
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2. Details of material contracts or arrangement or transactions at arm's length basis

<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/ arrangements/ transactions</p> <p>(c) Duration of the contracts / arrangements/ transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any:</p> <p>(e) Date(s) of approval by the Board, if any:</p> <p>(f) Amount paid as advances, if any:</p> <p>Form shall be signed by the persons who have signed the Board's report.</p>	<p>M/s. Lakshmi Machine Works Limited, one of the related party.</p> <p>Purchase or sale of materials and goods and rendering and availing of services.</p> <p>01.04.2015 to 31.03.2020</p> <p>Price charged for the above transactions was competitive, based on the prevailing market price and not be less than the price charged for such transactions to unrelated third party customers having such dealings or transactions with them. Total value of the transactions were Rs. 6989.83 Lakhs.</p> <p>20.05.2015</p> <p>Nil</p> <p>(Sd.) Sri. Sanjay Jayavarthanavelu Chairman (DIN : 00004505)</p>
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**ANNEXURE - 4**

**Annual report on Corporate Social Responsibility activities:**

1 a) Brief outline of the Company's CSR Policy	Company believes that CSR is a process with the aim to increase the responsibility for the company's actions and encourage a positive impact through its activities on the environment, education, healthcare, drinking water, infrastructure development, promoting sports, interests of customers, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders. Company has constituted a CSR Committee to identify the CSR activities to be under taken, approve budget and establish monitoring mechanism for the spending.
b) Overview of project or programmes proposed to be undertaken	To provide fund for improving Educational Institutions' infrastructure facilities
c) Weblink of CSR policy	<a href="http://www.supersales.co.in/policies.html">http://www.supersales.co.in/policies.html</a>
2 The Composition of CSR Committee	The Committee consists of three directors out of which two are independent directors.
3 Average Net profit of the Company for the last three financial years	Rs. 2133.65 Lakhs
4 Prescribed CSR Expenditure (2% of the above)	Rs. 42.67 Lakhs
5 Details of CSR Spent during the financial year	
a) Total amount to be spent for the year	Rs. 42.75 Lakhs
b) Amount unspent, if any	Nil
c) Manner in which the amount spent during the financial year detailed below:	The amount was contributed to a trust having an established track record for spending for the above projects.

**Annual report on Corporate Social Responsibility activities:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR Project or activity undertaken	The sector in which the projects covered	Project or Programs (1) Local area or other area (2) Specify the state and District where projects or Programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the project or programs Sub heads: (1) Direct expenditure on projects or programs (2) Over heads	Cumulative expenditure up to the reporting period	Amount spent Direct or implementing agency
1	Provide fund for improving Educational Institutions' infrastructure facilities	Promoting education, enhancing vocation skills	(1) other area (2) State: Tamilnadu and District: Coimbatore	Rs. 42.75 Lakhs	NA	Rs. 42.75 Lakhs	Through implementing agency. GKD Charity Trust, 34-A, Kamaraj Road, Coimbatore

6. In case the company failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

7. The 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

NA

The Committee is monitoring the implementation of the CSR policy, approve the budget for the spending on one or more activities specified in the policy and recommended to the Board for approval.

(Sd.) **N.R. Selvaraj**  
 Managing Director and  
 Chairman of CSR Committee  
 DIN : 00013954

**ANNEXURE - 5**

**Particulars pursuant to Section 197(12) and the relevant rules :**

<p>(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;</p>	<p>411.98 : 1 For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.</p>
<p>(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;</p>	<p>Managing Director - Increase was 6.99%, CFO - Increase was 4.27% Company Secretary - Increase was 6.75%. Other Directors are entitled to receive only sitting fees for attending Board/ Committee/Other meetings of Directors.</p>
<p>(iii) the percentage increase in the median remuneration of employees in the financial year;</p>	<p>Increase of the median employee remuneration was 5.17%.</p>
<p>(iv) the number of permanent employees on the rolls of company;</p>	<p>1011 employees.</p>
<p>(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</p>	<p>Average percentage of increase in the salaries of employees other than managerial personnel was 5.87%. Average percentage of increase in the salaries of managerial personnel was 5.80%. The average increase in the salaries of the managerial and other than managerial personnel are almost equal.</p>
<p>(vi) affirmation that the remuneration is as per the remuneration policy of the company</p>	<p>Managing Director affirmed that the remuneration paid to the employees were as per the remuneration policy of the Company.</p>



**ANNEXURE - 6****NOMINATION AND REMUNERATION POLICY**

## Introduction:

Company believes that the human resources are one of the most important valuable assets of the company. As per the requirement of the provisions of the Companies Act and SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 to meet and attract the valuable asset and harmonize the payment to Directors, Key Managerial Personnel and other employees of the Company in line with the mission, vision and values of the Company this policy has been formulated by the Nomination and Remuneration Committee for the Directors, Key Managerial Personnel, Senior Management Personnel and approved by the Board of Directors.

## Objective of the Policy:

The objective and purpose of this policy are:

- | To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors and persons who may be appointed in Senior Management and Key Managerial positions.
- | To lay down guiding principle for remuneration payable to Executive Directors, Non-Executive Directors, Senior Management Personnel and Key Managerial Personnel.
- | To recommend remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- | To provide them reward linking to their effort, performance, dedication and achievement in the Company's operations/performance.
- | To design suitable remuneration package to attract, retain, motivate and promote best caliber directors and employees, create strong performance orientated environment and reward, achievement of meaningful targets over the short and long-term and create competitive advantage.
- | Determine the criteria for qualifications, positive attributes and independence of Directors.
- | Devising criteria for board diversity.
- | Develop succession plan for the Board, Senior Management and Key Managerial Personnel.

Based on the above parameters, the following policy has been formulated by the Nomination and Remuneration Committee for adoption of the Board of Directors.

## Effective Date:

This policy shall be effective from 1<sup>st</sup> April, 2014.

The Board has the power to reconstitute the Committee according to the Company's policy and applicable statutory requirement.

- | Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- | Key Managerial Personnel (KMP) means-
  - (i) Executive Chairman and / or Managing Director/ CEO;
  - (ii) Whole time Director;
  - (iii) Chief Financial Officer;
  - (iv) Company Secretary;
  - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- | Senior Management means personnel of the Company one level below the Whole time Director or functional heads.

The Policy is applicable to

- | Directors (Executive and Non-Executive)
- | Key Managerial Personnel
- | Senior Management Personnel

**General****I. APPOINTMENT CRITERIA AND QUALIFICATIONS**

The Committee identifies persons with high educational qualification, rich experience and expertise, integrity, desirable personal traits & leadership qualities and recommend to the Board for appointment as Director, KMP or at Senior Management level. The appointee should possess appropriate skills, knowledge, experience in one or more fields of finance, accounts, audit, law, management, sales, marketing, administration, research, corporate governance, technical operation or other disciplines related to the Company's business. The Committee has the discretion to decide on the age, qualification, expertise and experience to be possessed by the appointee for the concerned position depending up on the circumstances of each case.

**i) Managing Director/Whole-time Director:**

The Company should appoint or re-appoint any person as its Managing Director or Wholetime Director for a term not exceeding five years at a time. No re-appointment should be made earlier than one year before the expiry of the original term of appointment.

The Company should appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of 21 years and not attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion should indicate the justification for extension of appointment beyond seventy years.

**ii) Non-Executive Independent Directors:**

An Independent Director could hold office for a term up to five consecutive years on the Board of the Company and would be eligible for re-appointment on passing of a special resolution by the Company and the Board's report should disclose the justification for such appointment.

No Independent Director should hold office for more than two consecutive terms, but such Independent Director would be eligible for appointment as Independent Director after expiry of three years of ceasing to be an Independent Director. Provided that an Independent Director should not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Managing Director /Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**iii) Non-Executive Non-Independent Directors:**

The qualification criteria as stated above is applicable for the Non-Executive Non-Independent Directors also including Nominee Directors, however such Directors are liable for retirement by rotation.

**iv) Senior Management Personnel and KMPs not covered above:**

The Committee will fix and recommend the age, qualification and experience for persons to be appointed to the Senior Management positions depending up on the functional area where he/she is going to be appointed. Keeping in view of the specific requirement of the position to be filled up, the Committee would select the appointees in line with the recruitment policy of the Company and recommend to the Board for appointment.

**II. BOARD DIVERSITY**

The Committee should always review the constitution of the Board and recommend for reconstitution of the Board, whenever required, so as to ensure that the Board always consists of members with diversified skill, knowledge, experience and expertise to meet the changing requirements of the Company's business. The Committee should always ensure a balanced Board, consisting of members, each of them are experts in one or more functions of management.

**III. EVALUATION**

The Committee will devise suitable evaluation criteria and carry out evaluation of performance of every Director, KMP and Senior Management Personnel every year. The evaluation criteria shall include measures to test the skill, competencies, diligence, leadership, attendance, commitment, counselling, loyalty and contribution.

**IV. REMOVAL**

Where any Director, Senior Management Personnel or KMP attract any disqualification mentioned in the Act or under any other applicable Law, Rules or Regulations made thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules or Regulations.

**V. RETIREMENT**

The Non Independent Non-Executive Directors are liable to retire by rotation as per the provisions of the Act. The KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing employees' retirement policy of the Company. The Board will have the discretion to retain the Director (other than an independent Director), KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, if it is felt essential for the benefit of the Company.

**VI. SUCCESSION**

The Committee should plan in advance and recommend constitution of the Board of Directors, Senior Management Personnel & KMPs of the Company in such a way that it consists of a combination of members of all age group so as to ensure smooth succession at all times.

**VII. POLICY RELATING TO THE REMUNERATION****A. Remuneration of Executive Directors.**

The remuneration / compensation / commission etc. payable to the Managing Director and Wholetime Director, should be determined by the Committee and recommended to the Board for approval. The remuneration package to be recommended for the Managing Director and Wholetime Director should be in accordance with the provisions of Section 197 and Schedule-V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the shareholders of the Company. Where the proposed remuneration is not in line with the said provisions, it shall also be approved by the Central Government.

**i) Fixed pay:**

The Managing Director and Wholetime Director are eligible for a fixed monthly salary and perquisites as may be recommended by the Committee and approved by the Board. The breakup of the pay scale and quantum of perquisites including, salary, house rent allowance, leave travel assistance, employer's contribution to P.F, Gratuity fund, medical expenses, club fees, Company car with driver & telephone for official purposes etc. shall be decided by the Board on the recommendation of the Committee and approved by the shareholders.

**ii) Variable Pay - Commission on net profits:**

In addition to the fixed salary and perquisites as stated above, the Managing Director and Wholetime Directors are also entitled to a variable pay viz. commission on the net profits of the Company at the rates recommended by the Committee subject to the overall limits prescribed in the Act. On the recommendation of the Committee and at the absolute discretion of the Board of Directors the payment of variable pay may be made applicable to all or any of the Executive Directors and at different rates to different Executive Directors.

**iii) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company should pay remuneration to its Managing Director and Wholetime Director in accordance with the provisions of Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014. If the minimum remuneration proposed is in excess of the said provisions prior approval of the Central Government should be obtained.

**iv) Provisions for excess remuneration:**

If the Managing Director and Wholetime Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**v) Others:**

The Company is not offering sitting fees, stock option scheme, severance fees or any other perquisites, other than those stated above, for the Managing Director and Wholetime Directors.

**B. Remuneration of Non - Executive Directors:**

Non-Executive Directors' compensation include, payment of a fixed amount as sitting fees for attending the meeting of the Board, Committees or any other meeting of Directors and a Commission on the net profits.

**i) Sitting Fees:**

The Non- Executive Directors, both independent and Non-independent are entitled to receive remuneration by way of sitting fees for attending meetings of Board, Sub-Committees of the Board, separate meetings of Independent Directors and any other meetings of the Directors as may be approved by the Board within the limits prescribed by the Central Government from time to time.

Payment of sitting fees to Directors for attending the meetings of the Board, meetings of Committees of the Board, separate meetings of Independent Directors and any other meetings of the Directors at the rate of Rs.25,000/- per meeting.

**i) Commission**

The Non-Executive Directors are also entitled to a Commission on the net profits of the Company at a fixed amount whenever approved by the shareholders. The overall commission payable to all the Non-Executive Directors should not exceed the limit of 1% of the net profits per annum as provided under Section 197 of the Act.

**iii) Reimbursement of Expenses:**

The Company should reimburse to the Directors, all the travelling and other out of pocket expenses incurred by them for attending the Board meetings, Meetings of Board Committees or other meeting of Directors and the General Body meetings.

**iv) Stock Options:**

The Company is not offering any stock option to the Non-Executive Directors of the Company.

**C. Remuneration for the Senior Management and KMPs not covered above:**

The remuneration to the Senior Management Personnel and KMPs not covered under the above categories are determined by the Management on the recommendation of the Committee. It includes monthly, quarterly and annual payments. The categories of such payment include Basic salary, dearness allowance, house rent allowance, special allowance, additional special allowance, ad-hoc, conveyance reimbursement, annual leave travel assistance, leave encashment, contribution to provident fund and gratuity fund. The package also includes, performance linked payments like annual ex-gratia, monthly profit sharing.

**D. Providing loan to employees:**

Company may provide loan to its employees on such terms and conditions as may be applicable in accordance with the prevailing rules of the Company.

**VIII. DIRECTORS AND OFFICERS LIABILITY INSURANCE**

The Company should arrange for Directors' and Officers' Liability Insurance policy to protect from the statutory liability, to the Managing Director and Whole-time Director, Key Managerial Personnel and Senior Management Personnel. The premium payable on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance should be treated as part of the remuneration.

**IX. DEVIATION FROM THE POLICY**

Deviation from any element of this policy in extra-ordinary circumstances, when deemed necessary in the interest of the Company by the Committee and on the recommendation of the Committee, may be accepted in specific cases by Board of Directors.

**X. AMENDMENTS**

The policy is subject to change, if warranted consequent upon any change, modification, amendment to the applicable Act, Rules and Regulations.

**ANNEXURE - 7**

**Certificate on compliance of conditions of Corporate Governance  
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of SUPER SALES INDIA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by SUPER SALES INDIA LIMITED ("the Company"), for the year ended on March 31<sup>st</sup>, 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period April 01, 2016 to March 31<sup>st</sup>, 2017:
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the 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.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations during the year ended March 31, 2017.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S.Krishnamoorthy & Co.**  
Chartered Accountants  
Registration No.001496S

**K.N.Sreedharan**  
Partner, Auditor  
Membership No.012026

**For Subbachar & Srinivasan**  
Chartered Accountants  
Registration No.004083S

(Sd.) **T.S.V. Rajagopal**  
Partner, Auditor  
Membership No: 200380

Place: Coimbatore  
Date: 23.05.2017

**ANNEXURE - 8**

Name	Designation	Remuneration received	Name of employment Contract or otherwise	Qualification	Experience (years)	Date of commencement of employment	Age
Sri. Selvaraj. N.R.	Managing Director	40.89	Permanent	B.Com., ACA.,	46	01/02/2014	69
Sri. Joseph Muthaiyan.L	GM Marketing and Service	21.02	Permanent	B. Tech., MBA.,	24	18/04/2015	46
Sri. Ravindran.S.	Chief Financial Officer	16.76	Permanent	B.Com., DMM.,	41	19/10/2001	62
Sri. Gobu.A.M.	DGM - HR	15.45	Permanent	B.Sc., BL., MBA, M.Phil.,	30	18/10/2012	55
Sri. Balasubramanian.N	General Manager	14.81	Permanent	DTT, B.Com.,	31	07/11/2014	52
Sri. Mukuntharajan.S.	General Manager - MKTG	14.15	Permanent	DTT, B.Tech.,	30	23/03/2015	48
Sri. Radhakrishnan.S.K	Company Secretary	10.94	Permanent	M.Com., ACS., BGL., ACMA.,	16	03/03/2006	38
Sri. Saravanakumar.R.	Manager - Sales	9.62	Permanent	DTT, B.Tech.,	23	11/03/2003	41
Sri. Srinivasan.A.	Head - Sales	8.73	Permanent	DTT.,	24	12/01/1993	47
Sri. Ramasamy.V.	DGM - Costing	8.45	Permanent	M.Sc., ACMA., MBA.,	30	04/01/1998	57

Name	Last employment	% of equity shares held	Whether he is relative to any Director
Sri. Selvaraj.N.R.	Lakshmi Machine Works Ltd.	0	No
Sri. Joseph Muthaiyan.L.	Blue Mercury Apparels Pvt Ltd, Bangalore.	0	No
Sri. Ravindran.S.	Ramakrishna Group.	0	No
Sri. Gobu.A.M.	Lakshmi Technology & Engg Industries Ltd.	0	No
Sri. Balasubramanian.N.	Leeds Spinning Mills, Erode.	0	No
Sri. Mukuntharajan.S.	Rajapalayam Mills Ltd.	0	No
Sri. Radhakrishnan.S.K.	Elgi Electric & Industries Ltd.	0	No
Sri. Saravanakumar.R.	Coimbatore Pioneer Mills Ltd.	0	No
Sri. Srinivasan.A.	NIL (First employment in SSIL)	0	No
Sri. Ramasamy.V.	Sri Ramakrishna Mills Ltd.	0	No

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMY OVER VIEW:****Growth in 2016 and outlook for 2017**

The global GDP growth for the year 2016 was 3.1 percent which was atpar with the estimates made by the IMF. There has been a stronger-than-expected pickup in growth in advanced economies, due to some recovery in manufacturing output, better movement of inventories and jobless claims. Among the advanced economies, activities rebounded strongly in the United States after a weak first half of 2016 and the economy is approaching full employment. Output remains below potential in a number of other advanced economies, notably in the Euro area. In contrast, activities are weaker and an unexpected slowdown in some emerging market economies.

Economic activities in both advanced economies and Emerging Market economies are forecast to accelerate in 2017-18. Advanced economies are now projected to grow by 1.9 percent in 2017 and 2.0 percent in 2018. Emerging Market economies are projected to reach 4.5 percent for 2017 and further pickup in growth to 4.8 percent is projected for 2018.

India's real GDP growth was 6.5 percent in 2016-17 as against the estimated value of more than 7 percent due to demonitisation, slow down in other emerging markets and Euro area. The Survey forecasts a growth rate of 7.2 percent for FY18.

**OPPORTUNITIES AND THREATS:****Opportunities:**

1. 15% more area is estimated for cotton cultivation and hence cotton prices may be stabilised at lower levels in the 2017-18 season.
2. Make in India campaign may open up new opportunities for our Engineering Division.
3. Good evacuation of wind power is expected to continue during the current year also.
4. The benefit of GST may accrue during the later part of the current year.

**Threats:**

1. Slow down in the export is continuing in the current year also and hence supply of yarn will be higher than demand in the domestic market.
2. Non - availability of skilled man power.

**SEGMENT WISE PERFORMANCE:****Agency Division**

Disparity between cotton and yarn prices, slow movement of yarn both in the domestic and export markets and un-remunerative prices forced the textile mills to postpone their capital spending which affected the performance of the division.

The total revenue of this division during 2016-17 was Rs. 1939.37 Lakhs. PBT was Rs.1049.48 Lakhs compared to Rs. 1465.41 Lakhs during the previous year.

**Textile Division**

The sudden upward movement of cotton prices during the season due to demonitisation and lower exports of yarn out of the country have affected the margins.

This division incurred a net loss of Rs. 201.22 Lakhs compared to profit of Rs. 164.83 Lakhs during the previous year.

**Wind Energy Division**

Due to implementation of the scheduling and forecasting of wind generation and better wind velocity during the year under review resulted in better performance of the division.

This division has posted a PBT of Rs. 1234.41 Lakhs during the year under review compared to Rs. 652.21 Lakhs during the previous year.

**Engineering Division**

Lesser off take of the capital goods by various industries have affected the performance of the division. Gear boxes sale is yet to pick up.

This division earned a PBT of Rs. 8.47 Lakhs as against Rs. 159.94 Lakhs during the previous year.

**EXPORTS:**

In view of the slowdown in China and Europe the yarn export was sluggish. Vietnam is emerging as a major yarn supplier to China which also affects India's exports to China. We could achieve an export turnover of Rs. 2323.65 Lakhs only during the year under review.

**PROSPECTS:**

On account of severe competition from countries like China, Bangladesh, Pakistan and Vietnam, our apparel exports are not growing as expected. More over the cotton prices are very volatile where as yarn prices are not keeping pace and hence spinning mills are operating with either thin margins or losses. The prospects for the current year do not indicate major changes. However a silver line is that a bumper cotton crop is expected in view of the normal monsoon and remunerative prices for cotton. This may help in keeping the cotton prices under check and improve margins.

The Engineering division is expected to perform better and the wind energy division may repeat the performance of the previous year. Implementation of GST will also help us to reduce cost of inputs.

**CONCERN:**

High volatility in the cotton and yarn prices is a major concern for the spinning industry. Cotton prices are linked to the global market and any change in the New York futures market affects the cotton price in the domestic market irrespective of supply and demand here. Most of the times the yarn prices are not moving along with the cotton prices which results in disparity.

**INTERNAL CONTROL SYSTEM AND ADEQUACY:**

The Company has an adequate internal control system commensurate with its size and nature of its business. Management has overall responsibility for the Company's internal control system to safeguard the assets and to ensure reliability of financial records.

The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decision taken accordingly.

Internal audit programme covers all areas of activities and periodical reports are submitted to the Management. Audit Committee reviews all financial statements and ensures adequacy of internal control systems. The Company has a well-defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.



**FINANCIAL PERFORMANCE AND ANALYSIS :**

(Amount Rs. in Lakhs)

Particulars	2016-17	2015-16	Change	Percentage
Income from Operations	25150.59	22928.51	2222.08	9.69
Other Income	608.62	667.75	(59.13)	(8.86)
Profit before Interest & Depreciation	4285.69	4565.93	(280.24)	(6.14)
Interest	574.39	677.10	(102.71)	(15.17)
Profit before Depreciation	3711.30	3888.83	(177.53)	(4.57)
Less: Depreciation	1635.13	1372.80	262.33	19.11
Profit before Tax and exceptional item	2076.17	2516.03	(439.86)	(17.48)
Profit after Tax	1594.58	1739.30	(144.72)	(8.32)

**HUMAN RESOURCES:**

The Company's HR objectives aim to develop and train each individual to perform to his fullest capacity, achieving individual excellence and company's Goals. The shortage of man power in the Textile division has become a severe problem and efforts have already been initiated to recruit employees to meet the requirements.

**CAUTION:**

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be considered as "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. The factors that might influence the operations of the Company are demand-supply conditions, finished goods prices, raw material costs & availability, change in the government regulations, WTO and natural calamities over which the Company has no control.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

For and on behalf of the Board

(Sd.) **SANJAY JAYAVARTHANEVELU**  
Chairman  
DIN: 00004505

Coimbatore  
23<sup>rd</sup> May, 2017

## **CORPORATE GOVERNANCE REPORT**

### **1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company is committed to ensure a good practice of Corporate functioning, maximizing the customer satisfaction by offering quality service & products (in least possible time) at reasonable cost and ensure compliance with all regulations as applicable with adequate transparency and accountability.

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

In order to enable the Board to discharge its responsibilities effectively all statutory, significant and material informations are placed before the Board on quarterly basis.

#### **(A) Board Composition**

The composition of the Board of Directors is:

Name	DIN	Category	Number of Other Directorships	No of committees in which he is Member/ Chairman
Sri. Sanjay Jayavarthanelu	00004505	Non-Executive, Chairman, Promoter, Non Independent	10	7/4
Sri. Ravi Sam	00007465	Non-Executive, Promoter, Non Independent	10	5/0
Sri. J. Raghupathy	00003351	Non-Executive, Independent	2	3/3
Sri. S. Venkataraman	02538050	Non-Executive, Independent	1	3/0
Sri. S. K. Najmul Hussain	02723029	Non-Executive, Independent	4	4/0
Smt. Vijayalakshmi Narendra	00412374	Non-Executive, Independent, Woman Director	2	--
Sri. N. R. Selvaraj	00013954	Executive, Non Independent	6	4/1

Number of Membership/Chairmanship in committees of all Directors is within the Limits specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **(B) Board Meeting and Attendance**

Four Board Meetings were held during the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017, on 25.05.2016, 01.08.2016, 26.10.2016, and 06.02.2017. Details of attendance of each Director at the Board meetings and Last AGM during the financial year ended 31<sup>st</sup> March, 2017 are given below :

Name of the Director/ Date of Meetings	25.05.2016	01.08.2016	26.10.2016	06.02.2017	AGM 01.08.16
Sri. Sanjay Jayavarthanelu	✓	✓	✓	✓	✓
Sri. Ravi Sam	✓	✓	✗	✓	✗
Sri. J. Raghupathy	✓	✓	✓	✓	✓
Sri. S. Venkataraman	✓	✓	✗	✓	✓
Sri. S. K. Najmul Hussain	✓	✓	✓	✓	✓
Smt. Vijayalakshmi Narendra	✓	✓	✓	✗	✓
Sri. N. R. Selvaraj	✓	✓	✓	✓	✓

No Director is related to other Directors

Non- Executive Directors' share holding:

Sri. Sanjay Jayavarthanavelu	: 216288 shares
Sri. Ravi Sam	: 1000 shares
Sri. J. Raghupathy	: 1500 shares
Sri. S. Venkataraman	: Nil
Sri. S. K. Najmul Hussain	: Nil
Smt. Vijayalakshmi Narendra	: Nil

The familiarisation programmes were held on 27<sup>th</sup> March, 2017 at Jay Textiles Unit I & II. All the independent directors were present for the above two programmes except Smt. Vijayalakshmi Narendra.

In addition to the above all the improvements and major changes in the operations or functions of the Company are updated to the Directors in the Board and its Committee meetings. The details of the familiarisation programmes are available at <http://www.supersales.co.in/directors.html>

**Retirement of Directors by rotation and being eligible, offer him self for re- appointment**

Sri. Sanjay Jayavarthanavelu, Director (DIN 00004505) is retiring at the ensuing annual general meeting. He is eligible and offers himself for re- appointment.

Brief profile, other directorships, Committees in which he is member/ Chairman, Details of his shareholding and inter-se relationships are given in the Notice of the Annual General Meeting.

**3. AUDIT COMMITTEE**

Audit Committee has been constituted on 28.06.2002. The broad terms of reference to the Committee are compliance of adequate internal control system, financial disclosures and other issues confirming to the requirements specified in the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Committee has been reconstituted on 20.01.2014 and at present, the Committee consists of the following Directors as its Members:

- |                             |   |          |
|-----------------------------|---|----------|
| 1. Sri. J. Raghupathy       | - | Chairman |
| 2. Sri. Ravi Sam            | - | Member   |
| 3. Sri. S. Venkataraman     | - | Member   |
| 4. Sri. S.K. Najmul Hussain | - | Member   |
| 5. Sri. N. R. Selvaraj      | - | Member   |

The Committee has met 4 times during the financial year ended 31<sup>st</sup> March, 2017.

Sri. S.K. Radhakrishnan, Company Secretary is the Secretary of the Committee.

The details of attendance of each member at the Audit Committee meetings held during the year 2016-17 are given below:

Name of the Director\ Date of Audit Committee Meetings	25.05.16	01.08.16	26.10.16	06.02.17
Sri. J. Raghupathy	✓	✓	✓	✓
Sri. Ravi Sam	✓	✓	✗	✓
Sri. S. Venkataraman	✓	✓	✗	✓
Sri. S. K. Najmul Hussain	✓	✓	✓	✓
Sri. N. R. Selvaraj	✓	✓	✓	✓

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Committee has been formed to determine the Company's policy on remuneration package to the Directors, Key Managerial Personnel and other Employees and identify suitable person for the directorship and senior management. The Committee has been reconstituted on 20.01.2014 and the reconstituted Committee consists of the following Directors as its Members.

1. Sri. J. Raghupathy - Chairman
2. Sri. Ravi Sam - Member
3. Sri. S. Venkataraman - Member
4. Sri. S.K. Najmul Hussain - Member

There is only one Nomination and Remuneration Committee meeting held during the financial year ended 31<sup>st</sup> March, 2017 on 25.05.2016 and all the members were present in the meeting.

Performance evaluation criteria for independent directors: Securities Exchange Board of India has issued a guidance note for evaluation of the Directors for evaluation of Board as a Whole, Individual directors (including Independent Directors and Chairman) and various Committees. Based on the guidance note, Nomination and Remuneration Committee has adopted criteria to evaluate the independent directors. Criteria are : Qualification, experience, knowledge & competency, ability to fulfill allotted functions/rolls, ability to function as a team, pro-activeness, participation and attendance, commitments, contribution, integrity, independence from Company, ability to articulate independent views and judgment. Based on these Criteria, the evaluations have been carried out.

**5. REMUNERATION OF DIRECTORS**

The Company does not have any pecuniary relationship or transactions with its Non- Executive Directors during the financial year ended 31<sup>st</sup> March, 2017.

At present, the Company pays only sitting fees to all the Non-Executive Directors.

Remuneration and sitting fee paid to the Directors during the financial year ended 31<sup>st</sup> March, 2017 are as follows:

Name	(Amount in Rupees) Sitting fee
Sri. Sanjay Jayavarthanavelu	1,25,000
Sri. Ravi Sam	1,75,000
Sri. J. Raghupathy	3,00,000
Sri. S.Venkataraman	2,00,000
Sri. S. K. Najmul Hussain	3,25,000
Smt. Vijayalakshmi Narendra	75,000

Remuneration paid to Sri. N.R. Selvaraj, Managing Director during the year 2016-17

Particulars	(Amount in Rupees)
Basic Salary	24,00,000
HRA	12,00,000
Special Allowance	72,000
Medical Reimbursement	2,16,667
Leave travel assistance	2,00,000

Other Benefits:

Company has provided a car with Driver and Telephone for official use.

He is entitled to gratuity and encashment of leave as per the rules of the Company. All the payments mentioned above to the Whole time Director/Managing Director are fixed in nature and there is no performance linked payment to him.

Sri. N. R. Selvaraj has been appointed as Whole time Director of the Company with effect from 1<sup>st</sup> February, 2014 to 31<sup>st</sup> January, 2017 and he has been appointed as Managing Director of the Company with effect from 1<sup>st</sup> February, 2017. He is not entitled to sitting fee for attending the Board and Committee meetings.

Criteria for making payment to the Non-executive Directors were uploaded in the website and the same is available at <http://www.supersales.co.in/policies.html>.

No other remuneration, Benefit, other than the above, Bonus, Stock Option, Performance linked incentives, Severance fee and Pension are given to any Directors.

## **6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Committee has been formed to specifically look into Shareholders / Investors complaints, if any, on transfer of shares, non-receipt of dividends, balance sheet, etc., and also the action taken by the Company on the above matters.

The Committee has been reconstituted on 20.01.2014 and the reconstituted Committee consists of the following Directors as its Members

1. Sri. J. Raghupathy - Chairman
2. Sri. S. K. Najmul Hussain - Member
3. Sri. N. R. Selvaraj - Member

Sri. S. K. Radhakrishnan, Company Secretary is the Compliance Officer.

During the financial year the Company has not received any complaint from the investors. The outstanding complaint as on 31<sup>st</sup> March, 2017 was Nil. The Committee has met 2 times during the financial year ended 31<sup>st</sup> March, 2017.

Particulars of Stakeholder Relationship Committee Meeting and attendance of the members present at the meetings are given below:

Name of the Director \Date of Meetings	01.08.2016	06.02.17
Sri. J. Raghupathy	✓	✓
Sri. S.K. Najmul Hussain	✓	✓
Sri. N.R. Selvaraj	✓	✓

## **7. GENERAL BODY MEETINGS**

Information regarding last 3 years' General Body meetings are given below:

Location	AGM / EGM	Day	Date	Time
Nani Kalai Arangam, Mani Higher Sec. School, Coimbatore - 641 037	AGM	Wednesday	27.08.2014	3.00 PM
-- do --	AGM	Wednesday	12.08.2015	3:30 PM
-- do --	AGM	Monday	01.08.2016	12:05 PM

1. During 2013-14 two special resolutions were passed -

- At the 32<sup>nd</sup> AGM held on 27.08.2014 two special resolutions were passed. One is for altering the Articles of Association of the Company and other one is for borrowing in excess of paid up share capital and free reserves as per the new Companies Act, 2013

2. During 2014-15 one special resolution was passed -

- At the 33<sup>rd</sup> AGM held on 12.08.2015 one special resolution was passed to approve the material related party transactions with M/s. Lakshmi Machine Works Limited as per clause 49 of the Listing agreement entered with the Stock Exchanges.

3. During 2014-15 one special resolution was passed-

- At the 34<sup>th</sup> AGM held on 01.08.2016 one special resolution was passed to appoint Sri. N.R. Selvaraj as Managing Director of the Company.

The Company has not conducted any business by postal ballot as provided in Rule 22 of the Companies (Management and Administration) Rules, 2014 during the year 2016-17.

There is no proposal to conduct any business through postal ballot at the ensuing Annual General Meeting.

## **8. MEANS OF COMMUNICATION**

The quarterly results were published in leading Newspapers viz., Financial Express [English] and Dinamalar (Tamil). The corporate information, shareholding pattern, financial statements are posted in the Company's web-site [www.supersales.co.in](http://www.supersales.co.in). There is no official release and presentation to institutional investors or analyst during the year 2016-17.

## **9. GENERAL SHAREHOLDERS INFORMATION**

### **(a) Annual General Meeting**

Day & Date	: Friday, the 4 <sup>th</sup> August, 2017
Time	: 2.45 PM
Venue	: 'Nani Kalai Arangam' Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore – 641 037.

### **(b) Financial year 2016 - 17**

#### Financial Calendar (2017-18)

Results for the financial year 2016-17	: 23 <sup>rd</sup> May, 2017
Posting of Annual Report	: On or before 5 <sup>th</sup> July, 2017
Last date of receipt of proxy forms	: 2 <sup>nd</sup> August, 2017
Announcement of Quarterly Results	: August, 2017 October, 2017 January, 2018 & May, 2018

(c) Dividend Payment Date : on or before 04.09.2017

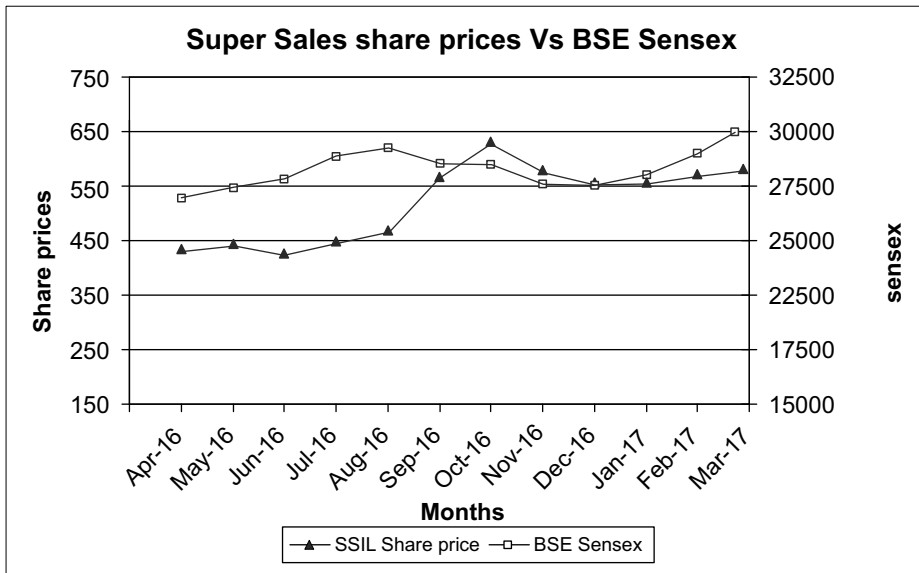
(d) Listing on Stock Exchanges and Market Price

The shares of the Company are listed in BSE Limited. The Company has paid the listing fee for the year 2016-17 and 2017-18.

- (e) Scrip Code at Bombay Stock Exchange : 512527  
International security identification number (ISIN) : INE091C01017
- (f) Market Price data: Monthly High and Low Prices: (BSE)  
The market price data of High and Low during each month in the last financial year at BSE Limited, Mumbai is given below:

Month	High Price (Rs.)	Low Price (Rs.)	Sensex
April, 2016	500.0	379.5	25606.62
May, 2016	508.9	400.0	26667.96
June, 2016	455.0	375.0	26999.72
July, 2016	496.0	396.7	28051.86
August, 2016	575.8	370.0	28452.17
September, 2016	625.0	519.0	27865.96
October, 2016	674.8	582.0	27930.21
November, 2016	639.0	532.0	26652.81
December, 2016	595.0	525.1	26626.46
January, 2017	590.0	544.0	27655.96
February, 2017	610.0	540.1	28743.32
March, 2017	627.0	555.0	29620.50

- (g) Super Sales Share prices Vs BSE Sensex



- (h) The shares are regularly traded in BSE Limited and trading was not suspended at any time during the year.
- (i) Registrars and Share Transfer / Demat Agents

Company's share transfer work and dematerialization are done by M/s. SKDC Consultants Limited, "Kanapathy Towers", 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore- 641 006. (Phone: 0422-4958995, 2539835-836 Fax : 0422-2539837 and Email: info@skdc-consultants.com). The shareholders can contact them for all matters relating to their shareholdings in the Company.

(j) Share Transfer System

The share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are in order. The share transfers are approved by the Share Transfer Committee.

(k) Distribution of Shareholding as on 31.03.2017

No. of equity shares held		No. of shareholders	No. of shares held	% held
Upto	500	4,996	5,32,738	17.34
501 to	1000	182	1,38,508	4.51
1001 to	2000	81	1,18,488	3.86
2001 to	3000	26	62,281	2.03
3001 to	4000	8	28,348	0.92
4001 to	5000	13	63,073	2.05
5001 to	10000	20	1,33,273	4.34
10001 and	above	17	19,94,791	64.95
<b>Total</b>		<b>5,343</b>	<b>30,71,500</b>	<b>100.00</b>

(l) Dematerialization of Shares

As on 31.03.2017, 28,13,769 shares constituting 91.61% of the total paid up capital of the Company have been dematerialized with CDSL and NSDL. In view of the numerous advantages offered by the depository system, members are requested to avail the facility of dematerialization of the Company's shares.

(m) Outstanding GDR/ADR

The Company has not issued any GDR/ADR.

(n) The Company has not entered into any forward cover or hedging to cover the Commodity price risk or foreign exchange risk.

(o) Plant Locations

The Company is having Four Divisions viz., Agency Division, Textile Division, Wind Energy Division and Engineering Division.

The Agency Division is functioning at Perumal Complex, 69, Nethaji Road, Pappanaickanpalayam, Coimbatore-641 037 and Other Divisions are functioning at the following locations:

**Textile Division**

Jay Textiles - Unit I                      Ayyampalayam, Pollachi - 642 005

Jay Textiles - Unit II                      Othakkalmandapam, Coimbatore - 641 032

**Wind Energy Division**

Kethanur, Vavipalayam and Elavanthi villages in Palladam Taluk, Tirupur (Dt), Vadavedampatti, Vadambachery and Kammalappatti villages in Suler Taluk, Coimbatore (Dt), Thungavi village, Udumalpet Taluk, Tirupur (Dt) and Poomalaikundu and Thappukundu villages in Theni (Dt).

**Engineering Division**

Thekkampatti  
Mettupalayam - 641 113



(p) Address for Correspondence

Company Secretary,  
Super Sales India Limited,  
Registered Office :  
34-A, Kamaraj Road,  
Coimbatore - 641 018.  
Investor grievances : investorscell@vaamaa.com

**10. OTHER DISCLOSURES**

- a. There is no material significant related party transaction that would have been a potential conflict with the interests of the Company at large.
  - b. No penalty or strictures have been imposed on the Company by any Regulatory Authority for non-compliance of any law during the last three years.
  - c. The Company has adopted Vigil mechanism, whistle blower policy and no person has been denied access to the Audit Committee.
  - d. The Company has complied with all applicable mandatory compliance requirements and not adopted any of the non-mandatory requirements given in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
  - e. The Company has no subsidiary and hence there is no policy for deciding the material subsidiary.
  - f. Policy for dealing with related parties is available at <http://www.supersales.co.in/policies.html>.
  - g. The Company has not entered into any forward cover or hedging to cover the Commodity price risk.
11. The Company has complied with all the requirements as specified in sub para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in the Corporate Governance report to the extent applicable.
12. The Company has not adopted any of the non-mandatory requirements given in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
13. The Company has complied with all the requirements as specified in Regulation 17 to 27 and has uploaded all the details in the website of the Company as per clauses (b) to (i) of 46 (2) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 except Policy for deciding the material subsidiary.

For and on behalf of the Board

Coimbatore  
23<sup>rd</sup> May, 2017

(Sd.) **SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN : 00004505

## **CHIEF EXECUTIVE'S CERTIFICATE ON CODE OF CONDUCT**

The Board has adopted a Code of conduct for the Board members and Senior Management Personnel of the Company and the same has also been posted in the website of the Company.

The requisite certificate affirming the compliance with the Code of conduct has also been obtained from the Board members and Senior Management Personnel to whom this code of conduct is applicable.

**(Sd.) N. R. Selvaraj**  
Managing Director  
DIN:00013954

## **CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

Certificate from the Statutory Auditors confirming the compliance with all applicable conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms part of the Directors report.

## **DISCLOSURES RELATING TO UNCLAIMED SUSPENSE ACCOUNT**

In terms of the schedule VI of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, intimations have been sent to the shareholders to claim the unclaimed shares. Even after the reminders some of the shares had not been claimed by the Shareholders and as per schedule VI of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 these shares have been kept in a separate demat account opened for this purpose.

- a. Number of cases and number of shares unclaimed at the beginning of the year : 3 and 75 respectively.
- b. Number of shareholders claimed during the year : Nil
- c. Number of shares transferred to the shareholders: Nil
- d. Number of cases and number of shares unclaimed at the end of the year : 3 and 75 respectively.
- e. Voting rights of the unclaimed shares remain frozen.

The shareholders who have not claimed their shares are requested to contact the Registrars and share transfer agent for claiming the shares.

**CEO & CFO CERTIFICATE**

To  
The Board of Directors  
Super Sales India Limited

- (a) We hereby certify that we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2016-17, which are fraudulent, illegal or violate any of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that the same have been evaluated for the effectiveness of the internal control system of the Company pertaining to financial reporting and the same have been disclosed to the Auditors and Audit Committee. We are of the opinion that the design or operations of internal controls are in order. There is no deficiency in the design or operation of internal controls of which we are aware.
- (d) We have indicated to the auditors and the Audit committee that there is no significant
- (i) change in internal control over financial reporting during the year;
  - (ii) change in accounting policies during the year; and
  - (iii) fraud of which we are aware of and there is no involvement of the management or an employee having a significant role in the company's internal control system over financial reporting.

Coimbatore  
15<sup>th</sup> May, 2017

(Sd.) **N.R. SELVARAJ**  
Managing Director  
DIN : 00013954

(Sd.) **S. RAVINDRAN**  
CFO

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of Super Sales India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Super Sales India Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2017, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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 the 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness for 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 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 the 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of Statement of Profit and Loss, the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid 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 as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a) The Company does not have any pending litigations which would impact its financial position.
    - b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - d) the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company;

**For S.Krishnamoorthy & Co.**  
Chartered Accountants  
Registration No.001496S

**K.N.Sreedharan**  
Partner, Auditor  
Membership No.012026

Place: Coimbatore  
Date: 23.05.2017

**For Subbachar & Srinivasan**  
Chartered Accountants  
Registration No.004083S

(Sd.) **T.S.V. Rajagopal**  
Partner, Auditor  
Membership No: 200380

## **ANNEXURE TO THE AUDITORS' REPORT**

The Annexure A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

In terms of the information and explanations sought by us and given by the Company and the books examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As per the information and explanations given to us, the fixed assets of the Company have been physically verified by the management during the year at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties of the Company shown under the Fixed Assets schedule are held in the name of the Company.
- (ii) The stocks of finished goods, stores, spares and raw materials of the Company have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed.
- (iii) The Company has 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) The Company has not granted any loan to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by the director or such other person. The Company has also not given any loan and in respect of investment made, the same is in accordance with the Section 186 of the Act.
- (v) The Company has not accepted any deposits to which the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under and the directions issued by the RBI are applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the central government for the maintenance of cost records u/s. 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or not.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.
  - (b) According to the information and explanations given to us, there are no dues of Sales tax, Wealth tax, Customs Duty, Excise Duty, Cess save and except the disputed service tax as detailed below:

Name of statute	Nature of the dues	As on 31.03.2017 (Rs in Lakhs)	Period to which the amt. relates	Forum where the dispute is pending	Remarks
Service Tax	Service Tax on Erection Charges	12.66	Prior to 01.07.2003	CESTAT, Chennai	-

- (viii) Based on our audit procedure, we are of the opinion that the Company has not defaulted in the repayment of dues to its bank, financial institution, Government or Debenture holders.
- (ix) The Company has not availed any term loan or raised money by initial public offer or further public offer (including debt instruments) during the year.
- (x) Based upon the audit procedures performed and information and explanation given by the management, no material frauds by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, and based on our examination of records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.
- (xiii) In our opinion and based on our examination of records of the company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act. Details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, and based on our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For S.Krishnamoorthy & Co.**  
Chartered Accountants  
Registration No.001496S

**K.N.Sreedharan**  
Partner, Auditor  
Membership No.012026

Place: Coimbatore  
Date: 23.05.2017

**For Subbachar & Srinivasan**  
Chartered Accountants  
Registration No.004083S

(Sd.) **T.S.V. Rajagopal**  
Partner, Auditor  
Membership No: 200380

## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Super Sales India Limited ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for



external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

**For S.Krishnamoorthy & Co.**  
Chartered Accountants  
Registration No.001496S

**K.N.Sreedharan**  
Partner, Auditor  
Membership No.012026

Place: Coimbatore  
Date: 23.05.2017

**For Subbachar & Srinivasan**  
Chartered Accountants  
Registration No.004083S

(Sd.) **T.S.V. Rajagopal**  
Partner, Auditor  
Membership No: 200380

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017**

(Rs. in Lakhs)

Particulars	Note Nos.	31.03.2017	31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	307.15	307.15
(b) Reserves and Surplus	2	<u>13,419.78</u>	<u>11,825.20</u>
		<u>13,726.93</u>	<u>12,132.35</u>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities	4	<u>1,026.21</u>	<u>1,171.94</u>
		<u>1,026.21</u>	<u>1,171.94</u>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	5,600.72	5,194.62
(b) Trade payables	6		
Due to Micro, small, medium enterprises		76.07	123.53
Due to Others.		667.28	691.84
(c) Other current liabilities	7	992.77	865.45
(d) Short-term provisions	8	<u>78.56</u>	<u>174.74</u>
		<u>7,415.40</u>	<u>7,050.18</u>
<b>Total</b>		<u>22,168.54</u>	<u>20,354.47</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	9		
(i) Tangible assets		11,047.40	11,387.10
(ii) Intangible assets		4.43	7.88
(iii) Capital work-in-progress		621.07	47.90
(b) Non-current investments	10	1,080.26	86.91
(c) Long term loans and advances	11	<u>481.80</u>	<u>323.33</u>
		<u>13,234.96</u>	<u>11,853.12</u>
<b>(2) Current assets</b>			
(a) Inventories	12	4,363.19	3,784.17
(b) Trade receivables	13	3,467.55	3,718.04
(c) Cash and cash equivalents	14	591.00	235.77
(d) Short-term loans and advances	15	466.35	705.66
(e) Other current assets	16	<u>45.49</u>	<u>57.71</u>
		<u>8,933.58</u>	<u>8,501.35</u>
<b>Total</b>		<u>22,168.54</u>	<u>20,354.47</u>

For and on behalf of Board of Directors.

See accompanying notes to financial statements as per report annexed.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**N.R. SELVARAJ**  
Managing Director  
DIN 00013954

For **S. KRISHNAMOORTHY & CO**  
Registration No. 001496 S  
Chartered Accountants

For **SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

**K.N. SREEDHARAN**  
Partner, M.No .12026

**T.S.V. RAJAGOPAL**  
Partner, M.No.200380

Coimbatore  
23<sup>rd</sup> May, 2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(Rs. in Lakhs)

Particulars	Note Nos.	31.03.2017	31.03.2016
<b>Revenue :</b>			
Revenue from operations	17	25,150.59	22,928.51
Other Income	18	608.62	667.75
<b>Total Revenue</b>		<b>25,759.21</b>	<b>23,596.26</b>
<b>Expenses:</b>			
Cost of materials consumed	19	11,448.32	10,227.39
Purchase of Stock-in-Trade		438.27	82.30
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(132.60)	(251.41)
Employee benefit expenses	21	2,971.08	2,834.77
Financial costs	22	574.39	677.10
Depreciation and amortization expenses		1,635.13	1,372.80
Corporate Social Responsibility expenses		42.75	38.25
Other expenses	23	6,705.70	6,099.03
<b>Total Expenses</b>		<b>23,683.04</b>	<b>21,080.23</b>
Profit before tax & exceptional Items		2,076.17	2,516.03
Exceptional Item		-	65.26
Profit after Exceptional Items but before tax		2,076.17	2,450.77
<b>Tax expenses</b>			
(1) Current tax		635.00	808.00
(2) Excess Tax Provision Reversed (Tax Paid)		7.68	6.30
(3) Deferred Tax		(145.73)	(92.81)
(4) Dividend Tax paid		-	2.58
Profit(Loss) for the period from continuing operations		1,594.58	1,739.30
Profit/(Loss) for the period		1,594.58	1,739.30
<b>Earning per equity share: - Face Value Rs.10/-</b>			
(1) Basic		51.92	56.63
(2) Diluted		51.92	56.63

For and on behalf of Board of Directors.

See accompanying notes to financial statements as per report annexed.

**SANJAY JAYAVARTHANEVELU**  
Chairman  
DIN 00004505

**N.R. SELVARAJ**  
Managing Director  
DIN 00013954

For **S. KRISHNAMOORTHY & CO**  
Registration No. 001496 S  
Chartered Accountants

For **SUBBACHAR & SRINIVASAN**  
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**S. RAVINDRAN**  
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Company Secretary

**K.N. SREEDHARAN**  
Partner, M.No .12026

**T.S.V. RAJAGOPAL**  
Partner, M.No.200380

Coimbatore  
23<sup>rd</sup> May, 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**(Rs. in Lakhs)**

Particulars	31.03.2017	31.03.2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary items	2,076.17	2,516.03
Adjustments for:		
Depreciation	1,635.13	1,372.80
Loss on sale of Asset	0.25	-
Interest paid	574.39	677.10
Interest / Dividend	(120.61)	(114.55)
Profit on sale of asset	(115.70)	(107.18)
Investment Fluctuation Reserve	-	(63.77)
Exceptional item	-	(65.26)
Operating profit before working capital changes	4,049.63	4,215.17
Adjustments for:		
Trade & other receivables	591.89	117.52
Inventories	(579.02)	(946.97)
Trade Payable & Other Liabilities	397.86	51.99
Cash generated from operations	4,460.36	3,437.71
Direct Taxes paid	800.32	634.14
Cash Flow before extraordinary items	3,660.04	2,803.57
Net cash from Operating activities	3,660.04	2,803.57
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,908.60)	(1,314.87)
Sale of Fixed Assets	158.91	108.98
Investment Written Off	-	80.64
Purchase of Investment	(993.35)	-
Interest Received	33.25	46.33
Dividend Received	71.79	67.31
Net Cash used in investing activities	(2,638.00)	(1,011.61)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term borrowings	-	(1,108.60)
Dividend paid (Incl Dividend Tax)	(92.42)	(92.42)
Interest paid	(574.39)	(677.10)
Net cash used in financing activities	(666.81)	(1,878.12)
Net increase in Cash and Cash equivalents	355.23	(86.16)
Cash and Cash Equivalents (Opening Balance)	235.77	321.93
Cash and Cash Equivalents (Closing Balance)	591.00	235.77

For and on behalf of Board of Directors.

See accompanying notes to financial statements as per report annexed.

**SANJAY JAYAVARTHANEVELU**  
Chairman  
DIN 00004505

**N.R. SELVARAJ**  
Managing Director  
DIN 00013954

For **S. KRISHNAMOORTHY & CO**  
Registration No. 001496 S  
Chartered Accountants

For **SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
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**S. RAVINDRAN**  
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Company Secretary

**K.N. SREEDHARAN**  
Partner, M.No .12026

**T.S.V. RAJAGOPAL**  
Partner, M.No.200380

Coimbatore  
23<sup>rd</sup> May, 2017

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>(1) SHAREHOLDER'S FUNDS</b>		
<b>1. Share Capital</b>		
<b>(a) Authorised Share Capital:</b>		
50,00,000 Equity Shares of Rs.10/- each	<u>500.00</u>	<u>500.00</u>
<b>(b) Issued, Subscribed and Paid up Share Capital:</b>		
30,71,500 Equity Shares of Rs.10/- each fully paid	<u>307.15</u>	<u>307.15</u>
 (c) The total number of shares at the year ended 31.03.2016 & 31.03.2017 are same.		
<b>(d) Share holders holding more than 5% of total shares</b>		
	No. of shares	No. of shares
Lakshmi Cargo Company Ltd.	-	4,80,295
Lakshmi Life Sciences Ltd.	8,79,590	3,99,295
Gagandeep Credit Capital Pvt. Ltd.	1,21,544	2,41,544
Lakshmi Machine Works Ltd.	3,00,000	1,50,000
Sri. Sanjay Jayavarthanavelu	<u>2,16,288</u>	<u>2,16,288</u>
 (e) Equity share holders are entitled to one vote per equity share. The Dividend proposed by the Board of Directors is subject to approval by the shareholders at the Annual General Meeting.		
<b>2. Reserves and Surplus</b>		
<b>(a) Securities Premium Reserve</b>	<b>718.60</b>	718.60
<b>(b) General Reserve</b>	7,561.42	6,561.42
Add: Transferred from P & L Account	-	<u>1,000.00</u>
	<b>7,561.42</b>	7,561.42
<b>(c) Surplus in Profit and Loss account</b>		
Opening Balance	3,545.18	2,898.30
Add: Profit / (Loss) for the Year	1,594.58	1,739.30
Less: Transferred to General Reserve	-	1,000.00
Less: Proposed Dividend	-	76.79
Less: Proposed Corporate Dividend Tax	-	<u>15.63</u>
Closing Balance	<u>5,139.76</u>	<u>3,545.18</u>
	<b>13,419.78</b>	<b>11,825.20</b>
<b>(2) NON CURRENT LIABILITIES</b>		
<b>3. Long - Term Borrowings</b>		
Term Loan - Secured	-	-
<b>4. Deferred Tax Liabilities</b>		
Opening Balance	1,171.94	1,264.75
Add / (Less): Provided / (Reversed) during the Year	<u>(145.73)</u>	<u>(92.81)</u>
Closing Balance	<u>1,026.21</u>	<u>1,171.94</u>

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>(3) CURRENT LIABILITIES</b>		
<b>5. Short Term Borrowings</b>		
(a) Loan repayable on demand		
(i) Secured - From Banks		
(a) Indian Overseas Bank - Cash Credit	1,691.01	1,748.62
(1) Limit - Rs. 17.50 Crores		
(b) Indian Bank - Cash Credit	1,460.33	1,464.74
(1) Limit - Rs.15 Crores		
(c) IDBI Bank - Demand Loan	-	647.93
(1) Limit - Rs.7.50 Crores		
(d) IDBI Bank - Cash Credit	1,472.17	750.00
(1) Limit - Rs.15 Crores		
(All the above working capital loans Secured on hypothecation of entire current assets of the company as 1 <sup>st</sup> paripasu charge and on the fixed assets (Except those exclusively secured for term loans earlier) as 2 <sup>nd</sup> paripasu		
(e) Indian Bank - short term loan	400.00	
(1) Limit - Rs. 4 Crores		
	<b>5,023.51</b>	4,611.29
(ii) Unsecured - From Bank		
Purchase bills discounted with Yes Bank	<b>486.56</b>	494.44
Limit - Rs. 7.50 Crores		
(b) Others		
Advance from Customers	<b>90.65</b>	88.89
	<b><u>5,600.72</u></b>	<b><u>5,194.62</u></b>
<b>6. Trade Payables</b>		
Due to Micro, Small, Medium Enterprises	76.07	123.53
Due to Others	667.28	691.84
	<b><u>743.35</u></b>	<b><u>815.37</u></b>

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>7. Other Current Liabilities</b>		
(a) Current Maturities of Long Term debt	-	140.20
(b) Interest accrued and due on borrowings	<b>16.83</b>	7.34
(c) Unpaid Dividends	<b>27.67</b>	26.09
(d) Others		
Statutory Liabilities Payable	88.25	66.97
Payable to employees	66.99	70.67
Expenses Payable	<u>793.03</u>	<u>554.18</u>
	<b><u>948.27</u></b>	<b><u>691.82</u></b>
	<b><u>992.77</u></b>	<b><u>865.45</u></b>
<b>8. Short Term Provisions</b>		
(a) Provision for Employee Benefits		
Leave Encashment	<b>18.78</b>	22.71
Gratuity	-	59.61
(b) Others		
Provision for Income Tax	59.78	-
Provision for Dividend	-	76.79
Provision for Corporate Dividend Tax	-	15.63
	<u>59.78</u>	<u>92.42</u>
	<b><u>78.56</u></b>	<b><u>174.74</u></b>

**(1) NON - CURRENT ASSETS**

**9. Fixed Assets**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	COST UPTO 31.03.2016	ADDITIONS / SALES	COST UPTO 31.03.2017	UPTO 31.03.2016	FOR THE PERIOD	UPTO 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
<b>I. Tangible Assets</b>								
Land	503.63	-	503.63	-	-	-	503.63	503.63
Buildings	2,409.22	48.37	2,457.59	1,007.55	66.27	1,073.82	1,383.77	1,401.67
Plant & Machinery	22,623.48	1,081.20 (78.83)	23,625.85	13,465.78	1,479.31 (68.03)	14,877.06	8,748.79	9,157.71
Electrical Equipments	687.50	8.64	696.14	540.16	36.53	576.69	119.45	147.34
Furniture & Fittings	82.97	2.15	85.12	54.22	5.46	59.68	25.44	28.75
Office Equipments	24.47	6.88 (0.80)	30.55	18.02	2.74 (0.76)	20.00	10.55	6.45
Vehicles	220.21	152.90 (66.83)	306.28	99.10	28.15 (34.21)	93.04	213.24	121.11
Computers	127.53	35.32 (6.76)	156.09	107.10	13.22 (6.76)	113.56	42.53	20.43
<b>II. Intangible Assets</b>								
ERP & Software	46.03	-	46.03	38.15	3.45	41.60	4.43	7.88
<b>III. Work-in-Progress</b>	47.90	596.08 (22.91)	621.07	-	-	-	621.07	47.90
<b>Grand Total</b>	26,772.94	1,931.54 (176.13)	28,528.35	15,330.08	1,635.13 (109.76)	16,855.45	11,672.90	11,442.87
<b>Previous Year</b>	25,693.67	1,336.83 (257.56)	26,772.94	14,191.07	1,372.80 (233.79)	15,330.08	11,442.87	11,502.61

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>10. Non Current Investments</b>		
Other Investments		
(a) Investments in Equity Instruments		
Quoted		
(I) M/s. Lakshmi Machine Works Ltd. (2,04,480 Equity shares of Rs.10/-each Fully paid) (PY 1,79,480 Equity shares of Rs.10/-each Fully paid)	1,076.50	83.15
(ii) M/s. Indian Overseas Bank Ltd. (36,100 Equity shares of Rs.10/-each Fully paid)	3.61	3.61
	<b>1,080.11</b>	86.76
Aggregate amount of quoted investments		
Cost	1,080.11	86.76
Market Value	<u>8,637.09</u>	<u>5,996.96</u>
(b) Investment in Government or Trust Securities		
National Savings Certificate - 7 Years	<b>0.15</b>	0.15
	<u><b>1,080.26</b></u>	<u>86.91</u>
<b>11. Long - Term Loans &amp; Advances</b>		
Unsecured, Considered good		
(a) Capital Advances	<b>16.24</b>	-
(b) Security Deposits	<b>451.68</b>	312.92
(c) Other Loans and Advances		
Other Advances	<b>13.88</b>	10.41
	<u><b>481.80</b></u>	<u>323.33</u>
<b>(2) CURRENT ASSETS</b>		
<b>12. Inventories</b>		
(a) Raw Materials at Cost	2,906.90	2,362.53
(b) Work - in - Progress at estimated average cost	528.04	448.25
(c) Finished Goods - Partly at Cost & Partly at Realisable Value	579.23	534.72
(d) Stores and Spares at Weighted Average Cost	337.64	435.59
(e) Waste at Net Realisable Value	11.38	3.08
	<u><b>4,363.19</b></u>	<u>3,784.17</u>
<b>13. Trade Receivables - Unsecured, Considered good</b>		
(a) Outstanding for a period exceeding six months	24.88	147.46
(b) Others	3,442.67	3,570.58
	<u><b>3,467.55</b></u>	<u>3,718.04</u>



**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>14. Cash and Cash Equivalents</b>		
(a) Balance with banks	21.70	133.70
(b) Cash on Hand	2.18	2.99
(c) Others		
(i) Unpaid Dividend account	27.67	26.09
(ii) Fixed Deposit	500.00	-
(ii) In Margin Deposit Account	39.45	72.99
	<u>567.12</u>	<u>99.08</u>
	<u>591.00</u>	<u>235.77</u>
<b>15. Short - Term Loans &amp; Advances Unsecured, Considered Good</b>		
Others		
Advance to suppliers	215.55	347.83
Rent Advance	2.27	0.83
Staff Advance	0.59	1.14
VAT Receivables	155.82	105.66
CENVAT Receivables	9.58	86.54
Advance Tax, TDS & Refund Due	-	131.95
Prepaid Expenses	82.54	31.71
	<u>466.35</u>	<u>705.66</u>
<b>16. Other Current Assets</b>		
Interest Receivables	16.64	1.07
Income Receivables	28.85	56.64
	<u>45.49</u>	<u>57.71</u>
<b>17. Revenue from Operations</b>		
(a) Sale of Products		
Export Sales		
Yarn - Direct Export	849.61	1,593.05
Yarn - Merchant Export	1,464.68	2,245.42
Gears - Direct Export	9.36	5.06
	<u>2,323.65</u>	<u>3,843.53</u>
Domestic Sales		
Yarn & Fabric	14,486.65	11,749.13
Gears	3,057.72	3,102.90
Cotton Waste	1,168.84	918.72
Trading Sales	440.97	84.25
	<u>19,154.18</u>	<u>15,855.00</u>
(b) Sale of Services		
Commission Receipts	1,236.54	1,440.25
Wind Energy Receipts	2,053.74	1,333.93
Erection Charges Receipts	622.94	682.68
Job Receipts	112.25	122.30
	<u>4,025.47</u>	<u>3,579.16</u>
	25,503.30	23,277.69
(c) Less: Excise Duty	352.71	349.18
	<u>25,150.59</u>	<u>22,928.51</u>

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>18. Other Income</b>		
Interest Income	48.82	47.24
Dividend Income	71.79	67.31
Profit on Sale of assets	115.70	107.18
Other Non-Operating Income	<u>372.31</u>	<u>446.02</u>
	<b><u>608.62</u></b>	<b><u>667.75</u></b>
<b>19. Cost of Materials Consumed</b>		
Opening Stock	2,362.53	1,615.61
Add: Purchase	<u>12,430.96</u>	<u>11,056.61</u>
	14,793.49	12,672.22
Less: Closing Stock	<u>2,906.90</u>	<u>2,362.53</u>
	<b><u>11,886.59</u></b>	<b><u>10,309.69</u></b>
<b>20. Changes in Inventories of Finished Goods, Work - in - Progress &amp; Waste</b>		
Opening Stock of WIP	448.25	314.74
Less: Closing stock of WIP	<u>528.04</u>	<u>448.25</u>
	<b>(79.79)</b>	(133.51)
Opening stock of Finished Goods	534.72	418.22
Less: Closing stock of Finished Goods	<u>579.23</u>	<u>534.72</u>
	<b>(44.51)</b>	(116.50)
Opening Stock of Waste	3.08	1.68
Less: Closing stock of Waste	<u>11.38</u>	<u>3.08</u>
	<b>(8.30)</b>	(1.40)
	<b><u>(132.60)</u></b>	<b><u>(251.41)</u></b>
<b>21. Employee Benefit Expenses</b>		
Salaries, Wages & Bonus	2,574.05	2,439.01
Contribution to Provident Fund & Other Funds	144.99	143.17
Gratuity	-	24.35
Staff Welfare Expenses	<u>252.04</u>	<u>228.24</u>
	<b><u>2,971.08</u></b>	<b><u>2,834.77</u></b>
<b>22. Finance Costs</b>		
Interest on Term Loans	7.62	75.51
Interest on Working Capital Loans	487.50	513.80
Interest on Others	46.61	44.24
Bank Charges	<u>32.66</u>	<u>43.55</u>
	<b><u>574.39</u></b>	<b><u>677.10</u></b>

**Notes to the Financial Statements**

(Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
<b>23. Other Expenses</b>		
Stores Consumed		
Opening Stock	435.59	486.95
Add: Purchase	<u>1,035.58</u>	<u>990.79</u>
	1,471.17	1,477.74
Less: Closing Stock	<u>337.64</u>	<u>435.59</u>
	1,133.53	1,042.15
Power & Fuel	3,060.07	2,966.04
Rent	34.36	25.60
Repairs to Buildings	77.55	104.56
Repairs to Machinery	1,041.79	842.36
Repairs to Others	26.59	3.64
Insurance	32.27	28.37
Rates & Taxes, excluding taxes on income	43.17	73.62
Payment to the Auditors		
For Statutory Audit	3.24	1.74
Fabric conversion/Outside process	500.12	359.83
Miscellaneous Expenses	<u>753.01</u>	<u>651.12</u>
	<b><u>6,705.70</u></b>	<b><u>6,099.03</u></b>

For and on behalf of Board of Directors.

See accompanying notes to financial statements as per report annexed.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**N.R. SELVARAJ**  
Managing Director  
DIN 00013954

For **S. KRISHNAMOORTHY & CO**  
Registration No. 001496 S  
Chartered Accountants

For **SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

**K.N. SREEDHARAN**  
Partner, M.No .12026

**T.S.V. RAJAGOPAL**  
Partner, M.No.200380

Coimbatore  
23<sup>rd</sup> May, 2017

## 24. SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical Costing Convention, with revenues recognized and expenses accounted on their accrual including provisions/adjustments for committed obligations and amounts determined as receivable or payable during the year as a going concern basis.

### 2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 3. Inventories

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

- a. The raw materials are valued using identifiable lot cost.
- b. Value of finished goods is inclusive of excise duty wherever applicable
- c. Cost of finished goods is determined as cost of raw materials and other manufacturing cost. In respect of semi – finished goods cost is taken as cost of the materials and estimated Conversion cost, up to completed stage.
- d. Stores, Spares and Components are valued at weighted average cost.
- e. By- Products and waste are valued at net realizable value.

### 4. Cash and cash equivalents (for the purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 5. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 6. Depreciation and amortisation

Depreciation has been provided on the straight-line method based on estimated useful lives prescribed in Schedule II to the Companies Act, 2013:

Intangible assets are amortised over their estimated useful life as follows:

The computer software will be amortised over a period of 3 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

## 7. Revenue recognition

### a) Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

### b) Sale of Services

1. **Commission:** The commission receivable is recognized on completion of delivery of the machines to the customer directly by our principals and billing is done on a monthly basis.
2. **Wind Energy:** Income from sale of wind Energy is recognized on the strength of the statements received from Tamilnadu Generation and Distribution Company Ltd.
3. **Erection Charges:** Revenue from Erection charges and repair services are recognized on completion of erection / repairs of the machinery at customers mill as per the specifications given by the principals and billing is done to the customers immediately after completion.

## 8. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## 9. Fixed Assets

Tangible fixed assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## 10. Foreign currency transactions and translations

Initial recognition:

Foreign currency transactions are recorded at the prevailing exchange rates at the time of initial recognition.

On Settlement :

Exchange difference arising on final settlement are adjusted and recognised as income or expense in the statement of Profit and Loss. Outstanding balances of monetary items denominated in foreign currency are restated at closing exchange rates and the difference accounted in the statement of profit and loss.

The Company has exercised the option available under the amended AS 11 in respect of Foreign currency loans availed for acquisition of capital assets and capitalized the exchange rate fluctuation during the year.

**11. Investments**

Investments being long term are stated at cost inclusive of all expenses incidental to acquisition. Provision for diminution in their market value is made only if such decline is other than temporary.

**12. Employee benefits**

Short term employee benefits (other than termination benefits) which are payable within twelve months after the end of the period in which the employees render the service are accounted on accrual basis.

Defined contribution plans:

Company's contribution paid/ payable during the year to provident fund is recognized in the statement of profit and loss.

Defined benefit plan:

The gratuity payable to the employees is covered by a Master policy taken out with Life Insurance Corporation of India under its Group Gratuity Scheme and the company has opted for the Cash Accumulation Method. Earned leave provision has been made as per AS 15.(Revised).

**13. Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**14. Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**15. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**16. Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### **17. Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

### **18. Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

### **19. Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### **20. Input credit**

The input credit on Central Excise, Service Tax and TNVAT are accounted for in the books in the period in which the underlying service/goods received are accounted and when there is no uncertainty in availing / utilising the credits. Out of the credits available on capital goods, 50 % of the amount is taken in the financial year in which capital goods are received and balance 50% in the subsequent year.

### **25. NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT MARCH 31, 2017**

1. Provision for all liabilities including depreciation is neither inadequate nor more than what is necessary.
2. The opinion of the Board is that the current assets, loans and advances will fetch the amounts stated if realised in the ordinary course of business.
3. a) The Company has not given any guarantee on behalf of the Directors or other Officers.  
b) Amounts due from the Directors or other Officers of the Company either severally or jointly with any other person is Rs. Nil (Previous year Nil).

		<b>(Rs. in Lakhs)</b>	
Particulars		31.03.2017	31.03.2016
c) i) a) Amounts due at the end of the year from Private Companies in which the Directors are interested as Directors are			
		0.19	Nil
b) Amounts due at the end of the year from Firms in which the Directors are Partners are			
		Nil	Nil
ii) Maximum amount due from the above companies at any time during the currency of the year is			
		0.20	0.23
4. Value of Raw Materials Consumed:			
		31.3.2017	31.3.2016
a) Raw material for Yarn & Fabrics	Rs. in Lakhs	10687.94	8873.16
b) Raw material for Gears	Rs. in Lakhs	1198.65	1407.45
c) Material for Trading Sales	Rs. in Lakhs	Nil	29.08
CIF Value of Imports :			
a) Raw Materials	Rs. in Lakhs	806.90	321.44
b) Stores and Spares	Rs. in Lakhs	132.54	71.98
c) Capital Goods	Rs. in Lakhs	711.75	Nil

5. The Value and percentage of raw materials, components and spare parts consumed / issued

Particulars	Indigenous		Imported		
	Value	%	Value	%	
a) Raw Materials	Rs. in Lakhs	10941.57	92.05	945.02	7.95
(Previous year)	Rs. in Lakhs	9862.05	95.66	447.64	4.34
b) Components & Spares	Rs. in Lakhs	962.49	84.91	171.03	15.09
(Previous year)	Rs. in Lakhs	982.46	94.27	59.69	5.73

6. Expenditure in Foreign Currency:

Particulars		31.03.2017	31.03.2016
Travelling expenses & Subscription	Rs. in Lakhs	3.28	9.93

7. Earnings in Foreign Exchange :

FOB Value of export - Cotton Yarn : Rs.842.74 Lakhs (Previous year- Rs. 1576.08 Lakhs )

8. Income tax assessment upto assessment year 2014-2015 (year ending 31.03.2014) has been completed.

9. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Rs. in Lakhs

S.No.	Particulars	31.03.2017	31.03.2016
1.	The Principal amount and the interest due there on remaining unpaid to any supplier as at the end of the year		
	a. Principal Amount unpaid	76.07	123.53
	b. Interest Due	Nil	Nil



S.No.	Particulars	31.03.2017	31.03.2016
2.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSME Development Act, 2006	Nil	Nil
4.	The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

10. Commitments pending on Capital Goods purchase as on 31<sup>st</sup> March 2017: Rs. 59.42 Lakhs (Previous year Rs. 811.99 Lakhs)

11. Provision of Rs. 128.04 Lakhs for Self Generation Tax towards Wind Energy Generation has been made.

12. Contingent liability not provided for in the accounts is:

Particulars	31.03.2017	31.03.2016
i) Service Tax appeals	Rs. in Lakhs 12.66	156.99
ii) Central Excise duty	Rs. in Lakhs Nil	19.79
iii) Export obligation under EPCG licenses is to be fulfilled by or before the end of following financial years including Annual Average:		

Financial Year	2017-18	2018-19	Total
<b>Rs. in Lakhs</b>	<b>5560</b>	<b>1382</b>	<b>6942</b>

The Company has applied for extension of time for fulfillment of the Export Obligation upto 31.03.2018.

13. Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016

(Amount in Rs.)

Particulars	SBN	Other denomination	Total
Closing cash in hand as on 08.11.2016	58,33,500.00	25,04,359.56	83,37,859.56
(+) Permitted Receipts	-	56,00,361.00	56,00,361.00
(-) Permitted Payments	-	72,72,867.50	72,72,867.50
(-) Amount deposited in banks	58,33,500.00	-	58,33,500.00
Closing cash in hand as on 30.12.2016	Nil	8,31,853.06	8,31,853.06

14. Deferred Tax:

- i. Deferred tax has been provided in accordance with Accounting Standard 22 - Accounting for Taxes on Income.
- ii. The break-up of deferred tax assets / liabilities for the current year is as under: Rs. in Lakhs

Particulars	Opening Balance	Addition	Reversed	Closing Balance
<b>Deferred tax Liability</b>				
On Difference between book & Income tax Depreciation	1171.94	-	145.73	1026.21

15. Corporate Social Responsibility Expenditure: Rs. in Lakhs  
As per Section 135 of the Companies Act, 2013

- a) Gross Amount required to be spent by the Company during the year 2016-17 42.67
- b) Amount spent during the year 2016-17 42.75

<b>Purpose</b>	<b>In Cash</b>	<b>Yet to be paid</b>	<b>Total</b>
Amount contributed to a fund for improving infrastructure facilities of educational institutions.	42.75	--	42.75

16. Related party disclosure (As identified by the Management) as per AS 18

i. Related party Relationships:

- a) Key Management personnel : Sri. N.R.Selvaraj, Managing Director
- b) Other Related Parties : Adwaith Lakshmi Industries Ltd  
Adwaith Textiles Ltd  
Harshini Textiles Ltd  
Lakshmi Caipo Industries Ltd  
Lakshmi Cargo Company Ltd  
Lakshmi Electrical Control Systems Ltd  
Lakshmi Electrical Drives Ltd  
Lakshmi Life Sciences Ltd  
Lakshmi Machine Works Ltd  
Lakshmi Precision Tools Ltd  
Lakshmi Ring Travellers (Coimbatore) Ltd  
Lakshmi Technology and Engineering Industries Ltd  
LCC Cargo Holdings Ltd  
Quattro Engineering India Ltd  
Revantha Services Ltd  
SKDC Consultants Ltd  
Starline Travels Ltd  
The Lakshmi Mills Co. Ltd  
Titan Paints and Chemicals Ltd  
Veejay Syntex Pvt. Ltd  
Veejay Yarns and Fabrics Pvt. Ltd

ii) Transaction with Related Parties for the period ended 31.03.2017

Rs. in Lakhs

Name of the Related Party	Purchase of goods		Purchase of Fixed Assets		Sale of goods		Sale of Fixed Assets		Services Received		Services Provided		Lease Charges Paid		Agency Arrangement		Remuneration to KMP		Outstanding	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Adwath Lakshmi Industries Ltd	23.59	40.54	0.81	-	5.77	24.04	-	-	-	-	-	-	-	-	5.94	8.83	-	-	3.17	2.51
Adwath Textiles Ltd	-	-	-	-	0.53	1.50	-	-	-	-	10.90	1.63	-	-	-	-	-	-	0.70	1.67
Harshini Textiles Ltd	-	-	-	-	-	-	-	-	-	-	0.04	0.32	-	-	-	-	-	-	-	0.32
Lakshmi Caipo Industries Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02
Lakshmi Cargo Company Ltd	4.54	5.76	-	-	-	-	0.86	-	54.90	35.98	2.66	-	-	-	-	-	-	-	(16.54)	(4.56)
Lakshmi Electrical Control Systems Ltd	-	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	-	-	0.02	0.02
Lakshmi Electrical Drives Ltd	185.90	259.12	-	-	186.39	164.47	-	-	0.19	1.57	0.24	0.51	-	-	2.30	2.36	-	-	(24.96)	(122.28)
Lakshmi Life Sciences Ltd	0.38	1.02	-	-	-	-	-	-	-	0.52	-	-	-	-	-	-	-	-	(0.02)	(0.13)
Lakshmi Machine Works Ltd	497.16	621.14	716.83	1,088.83	3,418.09	3,118.31	-	-	77.17	3.98	887.97	955.59	10.34	12.06	1,382.27	1,573.87	-	-	800.90	1,468.26
Lakshmi Precision Tools Ltd	-	-	-	-	-	-	-	-	-	-	8.73	7.20	-	-	-	-	-	-	3.42	2.27
Lakshmi Ring Travellers (Coimbatore) Ltd	0.29	-	0.89	-	-	-	-	-	0.05	-	0.54	3.13	-	-	12.39	15.05	-	-	8.22	5.14
Lakshmi Technology & Engg Industries Ltd	-	-	-	-	-	-	-	-	7.15	25.11	12.86	8.62	-	-	-	-	-	-	7.07	9.98
LCC Cargo Holdings Ltd	-	-	-	-	-	-	-	-	-	-	-	-	7.78	11.30	-	-	-	-	-	-
Quattro Engineering India Ltd	2.25	3.30	10.20	1.32	1922	7.50	-	-	-	1.15	-	0.32	-	-	6.00	2.19	-	-	23.20	19.52
Revantha Services Ltd	0.48	2.39	3.92	-	-	-	-	-	150.29	107.37	9.84	-	-	-	-	-	-	-	2.71	(9.43)
SKDC Consultants Ltd	0.02	-	-	-	-	-	-	-	2.24	2.24	0.02	-	-	-	-	-	-	-	(0.02)	-
Starline travels Ltd	-	-	-	-	-	20.74	-	-	87.71	89.31	1.09	-	-	-	-	-	-	-	-	(0.09)
Titan Paints and Chemicals Ltd	5.33	3.86	-	-	-	-	-	-	-	1.31	-	-	-	-	-	-	-	-	2.37	(0.68)
The Lakshmi Mills Co Ltd	-	-	-	-	14.93	-	-	-	-	-	1.42	1.93	-	-	-	-	-	-	0.30	(0.46)
Veejay Syntex Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	0.51	0.12	-	-	-	-	-	-	0.20	0.04
Veejay Yams and Fabrics Pvt. Ltd	-	-	-	-	-	-	-	-	-	0.16	0.29	-	-	-	-	-	-	-	(0.01)	(0.04)
Managing Director	-	-	-	-	-	-	-	-	77.17	3.98	-	-	10.34	12.06	-	-	40.88	39.83	-	-

17. Segment information for the year ended 31<sup>st</sup> March, 2017.

(Rs.in Lakhs)

S.No.	Particulars	Agency		Textiles		Wind Energy		Engineering		Unallocated / Corporate		Total	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
1	<b>REVENUE:</b> Sales including Processing charges and Commission Receipts Less: Inter-Segment Revenue  Total	1,859.48 14.25	2,142.68 11.66	18,373.81 57.00	16,570.82 5.70	2,053.74 2,040.14	1,333.93 1,333.20	2,863.56 0.34	2,881.08 2.89			25,150.59 2,111.73	22,928.51 1,353.45
2	<b>RESULT:</b> PROFIT BEFORE INTEREST DEPRECIATION & TAXATION Less: Depreciation PROFIT AFTER DEPRECIATION	1,081.13 28.43	1,482.25 16.81	1,350.87 997.94	1,754.35 970.25	1,407.72 173.30	846.62 173.25	452.58 435.46	405.33 212.49	(6.61) -	77.38 -	4,285.69 1,635.13	4,565.93 1,372.80
	<b>SEGMENT RESULTS</b> Interest expenses Exceptional item Provision for Income Tax Deferred Tax (Net) Excess tax provision reversed Dividend Tax Paid NET PROFIT / LOSS	1,052.70	1,465.44	352.93	784.10	1,234.42	673.37	17.12	192.84	(6.61)	77.38	2,650.56	3,193.13
												574.39	677.10
												65.26	65.26
												635.00	808.00
												(145.73)	(92.81)
												7.68	6.30
												2.58	2.58
												1,594.58	1,739.30
3	<b>OTHER INFORMATION:</b> Segment Assets	1,221.22	1,004.98	12,114.85	11,507.34	3,263.92	3,456.59	4,445.42	4,125.38	1,123.13	1,088.18	22,168.54	21,162.47
4	Segment Liabilities	132.10	138.48	6,477.31	6,043.18	165.67	79.79	534.21	651.55	1,132.32	2,117.12	8,441.61	9,030.12
5	Capital Expenditure (Incl. Capital Work-in-progress)	175.06	47.22	859.14	1,177.49	0.59	0.55	896.66	111.57			1,931.45	1,336.83
6	Depreciation	28.43	16.81	997.94	970.25	173.30	173.25	435.46	212.49			1,635.13	1,372.80

**SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENTS:**

	31.03.2017		31.03.2016	
	%	Rs. in Lakhs	%	Rs. in Lakhs
Domestic Sales (Net)	95.93	20,266.15	91.74	17,751.24
Export Sales	4.07	858.97	8.26	1,598.11
Countries to which exports were made :				
		PERU, BANGLADESH, TURKEY AND SRI LANKA		

NOTES:

- The Company has identified business segments as primary segments. The reportable segments are Agency, Textiles, Wind Energy and Engineering divisions.
- Items of expenses and income, Assets and Liabilities (including Deferred tax liability / Assets) which are not directly attributable / identifiable / allocable to business segments are shown under unallocated / Corporate.

18. Employee Benefits

(Rs. in Lakhs)

I) Actuarial Valuation of Gratuity Liability

	<b>31.03.2017</b>	31.03.2016	31.03.2015
	Gratuity (Funded)	Gratuity (Funded)	Gratuity (Funded)
A. Change in Present Value of the Obligation during the year			
1. Present value of obligation as at beginning of year	157.40	144.36	92.59
2. Interest cost	125.92	11.55	7.41
3. Current Service Cost	192.26	16.80	11.52
4. Benefits Paid	(3.98)	(18.00)	(12.58)
5. Actuarial (gain) / loss on obligation	(57.65)	2.69	45.42
6. Present value of obligation as at end of year	127.59	157.40	144.36
B. Change in the Fair value of Plan assets			
1. Fair value of plan assets as at beginning of year	97.80	89.33	85.61
2. Expected return on plan assets	9.78	8.33	7.75
3. Contributions	71.67	18.14	8.56
4. Benefits paid	(3.98)	(18.00)	(12.58)
5. Actuarial gain / (loss) on plan assets	NIL	NIL	NIL
6. Fair value of plan assets as at end of year	175.27	97.80	89.33
C. Fair Value of Plan Assets			
1. Fair value of plan assets as at beginning of year	97.80	89.33	85.61
2. Actual return on plan assets	9.78	8.33	7.75
3. Contributions	71.67	18.14	8.56
4. Benefits paid	(3.98)	(18.00)	(12.58)
5. Fair value of plan assets as at end of year	175.27	97.80	89.33
6. Funded status	47.68	(59.60)	(55.02)
7. Excess of actual over estimated return on plan assets	NIL	NIL	NIL
D. Actuarial Gain / Loss recognised as at end of year			
1. Actuarial (gain) / loss on obligations	57.65	(2.69)	(45.42)
2. Actuarial (gain) / loss for the year - plan assets	NIL	NIL	NIL
3. Total (gain) / loss for the year	(57.65)	2.69	45.42
4. Actuarial (gain) / loss recognised in the year	(57.65)	2.69	45.42
E. Net Asset/(Liability) recognised in the Balance sheet			
1. Present value of obligation as at the end of year	127.59	157.40	144.36
2. Fair value of plan assets as at the end of year	175.27	97.80	89.33
3. Funded Status	47.68	(59.60)	(55.02)
4. Net asset / ( liability) recognised in the Balance Sheet	47.68	(59.60)	(55.02)
F. Expenses recognised during financial year			
1. Current Service cost	19.23	16.80	11.52
2. Interest Cost	12.59	11.55	7.41
3. Expected return on plan assets	(9.78)	(8.33)	(7.75)
4. Net Actuarial (gain) / loss recognised in the year	57.65	2.69	45.42
5. Expenses recognised	(35.61)	22.71	56.60
G. Actuarial Assumptions			
1. Discount rate	8.00%	8.00%	8.00%
2. Salary Escalation	6.00%	6.00%	6.00%

ii). Actuarial Valuation of Earned Leave Liability

(Rs. in Lakhs)

	<b>31.03.2017</b>	<b>31.03.2016</b>
	Earned leave (Funded)	Earned leave
<b>A. Components of Employer expenses</b>		
1. Current Service Cost	12.98	12.66
2. Interest cost	1.08	0.97
3. Immediate Recognition of (Gain)/Losses	(8.00)	1.01
4. Defined Benefits Cost	6.06	14.64
<b>B. Net Asset/(Liability)Recognised in Balance Sheet</b>		
1. Actuarial (gain) / losses due to Financial Assumption	0.92	
2. Actuarial (gain) / losses due to Experience on DBO	(8.89)	
3. Return on Plan Assets (Greater)/Less than Discount rate	(0.03)	
4. Total Actuarial (Gain)/Loss	(8.00)	
<b>C. Net Asset/(Liability)Recognised in Balance Sheet</b>		
1. Present Value of Funded Obligation	24.43	
2. Fair value of plan assets	5.66	
3. Funded status Surplus/(Deficit)	(18.78)	
4. Net Liability	(18.78)	
5. Recognised in Balance Sheet	(18.78)	
6. Present Value of Encashment Obligation	22.77	
7. Present Value of Availment Obligation	1.67	
<b>D. Actuarial Measurements</b>		
1. Present value of Defined Benefits	22.72	16.08
2. Current Service Cost	12.98	12.66
3. Interest cost	1.62	0.97
4. Actuarial (gain) / loss	(7.97)	1.01
5. Benefits Paid	(4.92)	8.00
6. Present value of Defined Benefits at the End	24.43	22.72
<b>E. Net Asset/(Liability) recognised in the Balance sheet</b>		
1. Present value of Benefit Obligation	24.43	
2. Funded Status	18.78	
3. Net Asset/(liability) Recognised	(22.72)	
4. Employer Expenses	(6.06)	
5. Employer Contribution	10.00	
6. Net Asset/(liability) Recognised at the end of the period	(18.78)	
<b>F. Reconciliation of Opg and Clg Value of Plan Assets</b>		
1. Expected return on assets	0.54	
2. Employers Contribution	10.00	
3. Benefits Pay-outs	(4.92)	
4. Actuarial (gain) / loss	0.03	
5. Fair value of assets at the End	5.66	
6. Actual Return on Plan Assets	0.57	
<b>G. Actuarial Assumptions</b>		
1. Discount rate	7.29%	8.00%

Note: For the year ended 31<sup>st</sup> March, 2017 a fund has been created to meet earned leave liability and hence fund status details have been furnished.

19. Earnings per Share:	<b>31.03.2017</b>	31.03.2016
a. Net profit after tax and prior year adjustments - Rs. in Lakhs (a)	1594.58	1739.30
b. Weighted Average Number of Equity shares		
Rs.10/- each outstanding during the year - Nos. (b)	30,71,500	30,71,500
c. Basic & Diluted Earnings Per Share (a/b)	51.92	56.63

20. No provision has been made in the accounts towards Dividend (and dividend distribution tax) recommended by the Board of Directors for the year 2016-17 as detailed below as per Accounting Standard 4.

Dividend @ Rs. 2.50 per Share	- Rs. 76.79 Lakhs
Dividend Distribution Tax	- Rs. 15.63 Lakhs
	-----
Total	- Rs. 92.42 Lakhs
	-----

21. The interest subsidy due on the TUFs loan amounting to Rs. Nil (Previous Year Rs.12.35 lakhs) has been reflected under the head Income receivable.
22. The Company has carried out an exercise to ascertain the impairment if any in the carrying value of fixed assets. This has not revealed any impairment during the year.
23. The Company has not entered into any derivative transactions during the year under report.
24. Figures have been rounded off to **lakh of rupees** & previous year's figures have been regrouped wherever necessary.

For and on behalf of Board of Directors.

See accompanying notes to financial statements as per report annexed.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

**N.R. SELVARAJ**  
Managing Director  
DIN 00013954

For **S. KRISHNAMOORTHY & CO**  
Registration No. 001496 S  
Chartered Accountants

For **SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

**K.N. SREEDHARAN**  
Partner, M.No .12026

**T.S.V. RAJAGOPAL**  
Partner, M.No.200380

Coimbatore  
23<sup>rd</sup> May, 2017



# SUPER SALES INDIA LIMITED

Registered Office : 34-A, Kamaraj Road, Coimbatore - 641 018.

## ATTENDANCE SLIP

PLEASE BRING THIS AGM ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF 'Nani Kalai Arangam' Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037

Name & Address of the Shareholder

SEQUENCE No. :

FOLIO No. / DP. ID / Client ID :

I hereby record my presence at the 35<sup>th</sup> ANNUAL GENERAL MEETING at 'Nani Kalai Arangam, Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037 on Friday, the 4<sup>th</sup> August, 2017 at 2.45 PM.

Signature of the Member or Proxy

No. of Shares held

### Form No. MGT-11 PROXY FORM

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

CIN	CIN L17111TZ1981PLC001109
Name of the Company	Super Sales India Limited
Registered Office	34-A, Kamaraj Road, Coimbatore - 641 018.

Name of the shareholder	
Registered address	
E-mail ID	
Folio No. / DP ID / Client ID	

I / we, being the shareholder(s) of ..... shares of the above named company, hereby appoint :

1	Name	
	Address	
	E-mail ID	
	Signature	

or failing him

2	Name	
	Address	
	E-mail ID	
	Signature	

or failing him

3	Name	
	Address	
	E-mail ID	
	Signature	

(p.t.o)





As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 4<sup>th</sup> August, 2017 at 2.45 PM at "Nani Kalai Arangam", Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore-641037 and at any adjournment thereof in respect of such resolutions are as indicated below :

Resolution No. ()

All ()

S. No.	Subject		S. No.	Subject	
1	Adoption of Audited Financial Statements		5	Approve the remuneration payable to the Cost Auditor	
2	Declaration of Dividend				
3	Re-appointment of Sri. Sanjay Jayavarthanelu Director retiring by rotation				
4	Ratification of appointment of Auditors and to fix their remuneration				

Signed this ..... day of ..... 2017.

Signature of shareholder :

Signature of Proxy holder(s) :

Affix  
Revenue  
Stamp

**Note: 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.**



# SUPER SALES INDIA LIMITED

Regd. Office : 34-A, Kamaraj Road, Coimbatore - 641 018

## NATIONAL ELECTRONIC CLEARING SERVICES (NECS) MANDATE FORMAT

To

SKDC Consultants Limited,  
"Kanapathy Towers", 3<sup>rd</sup> Floor,  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore- 641 006.

Dear Sirs,

### FORM FOR NATIONAL ELECTRONIC CLEARING SERVICE FOR PAYMENT OF DIVIDEND

Please fill-in the information in capital Letters in English only. Please  whichever is applicable.

**For shares held in physical form**

Master Folio No.

--	--	--	--	--	--	--	--	--	--

FOR OFFICE USE ONLY

ECS

Ref. No.

--

<b>Name of the First Holder</b>											
<b>Bank Name</b>											
<b>Branch Name</b>											
<b>Bank Address</b>											
<b>Branch Code</b>	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> <p>(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.</p>										

<b>Account type</b>	➔	Savings		Current		Cash Credit													
<b>A/c. No. (as appearing in the cheque book)</b>																			
<b>Effective Date of this mandate</b>																			

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, SKDC Consultants Limited will not be held responsible. I agree to avail the NECS facility provided by RBI, as and when implemented by RBI/Super Sales India Limited.

I further undertake to inform the Company any change in my Bank / branch and account number.

Date :

(Signature of the First holder)

- Note: 1. Shareholders holding shares in Demat form and wish to avail NECS facility are requested to contact their Depository Participants.  
2. In case the Scheme does not meet with the desired response or due to any other operational reasons it is found to be unviable, the Company reserves the right to pay dividend by issue of Warrants.

# SUPER SALES INDIA LIMITED

Regd. Office : 34-A, Kamaraj Road, Coimbatore - 641 018

## E-MAIL ADDRESS REGISTRATION FORM

To

SKDC Consultants Limited,  
"Kanapathy Towers", 3<sup>rd</sup> Floor,  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore- 641 006.

Dear Sirs,

FORM FOR REGISTRATION OF E-MAIL ADDRESS FOR SERVING THE DOCUMENTS

(For shares held in physical form only)

Please fill-in the information in capital Letters in English only.

Master Folio No.

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FOR OFFICE USE ONLY

Ref. No.

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<b>Name of the First Holder</b>	
<b>Name of Joint Holder(s)</b>	
<b>E-mail Address</b>	

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Company will not be held responsible.

I further undertake to inform the Company any change in my e-mail address

Date :

\_\_\_\_\_  
(Signature of the First holder)

Note :

1. Shareholders holding their shares in physical form are requested to inform to the Registrar and Share Transfer agents i.e., SKDC consultants Limited their e-mail address / change in their email address.
2. Shareholders holding their shares in demat form are requested to update their e-mail Address with their respective Depository Participants.



GANDHIPURAM / Dr. NANJAPPA ROAD

COIMBATORE RAILWAY STATION

AVINASHI ROAD

COIMBATORE RAILWAY STATION

BALASUNDARAM ROAD

ANNA STATUE

RACE COURSE ROAD

GKNM HOSPITAL

KAMARAJ ROAD

NANI KALAI ARANGAM MANI H.S. SCHOOL

RAMANATHAPURAM

GANDHIPURAM

