



**SUPER SALES INDIA LIMITED**

SSIL / SEC / 395,

Friday, July 27, 2018

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

As per Regulation 34 (1) of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the 36<sup>th</sup> Annual report of the Company for the financial year ended 31<sup>st</sup> March, 2018 which was approved by the Shareholder at the Annual General Meeting of the Company held on 26<sup>th</sup> July, 2018 for your records.

Kindly acknowledge the same.

Thanking you,

Yours faithfully,  
For Super Sales India Limited

S K Radhakrishnan  
Company Secretary

Encl. As above



# **SUPER SALES INDIA LIMITED**

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**COIMBATORE**

**36TH ANNUAL REPORT 2017 - 18**

# SUPER SALES INDIA LIMITED

CIN : L17111TZ1981PLC001109

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

Phone : 0422-222404-405 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

## **AUDITORS**

Statutory Auditors  
M/s. Subbachar & Srinivasan  
Chartered Accountants

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

Cost Auditor  
Sri. G. Sivagurunathan  
Cost Accountant

## **CHIEF FINANCIAL OFFICER**

Sri. S. Ravindran

## **COMPANY SECRETARY**

Sri. S. K. Radhakrishnan

## **BANKERS**

Indian Overseas Bank  
Indian Bank  
IDBI Bank Limited

## **REGISTRARS AND SHARE TRANSFER AGENTS**

S.K.D.C. Consultants Limited,  
"Kanapathy Towers", 3<sup>rd</sup> Floor,  
1391/A-1, Sathy Road,  
Ganapathy,  
Coimbatore - 641006.

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Email : ssil@vaamaa.com

Website : www.supersales.co.in

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the shareholders of Super Sales India Limited, Coimbatore-641 018 will be held at 3.30 P.M on Thursday, the 26<sup>th</sup> July, 2018 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, 2018 including Balance Sheet as at 31<sup>st</sup> March, 2018, Statement of Profit and Loss and Cash Flow statement for the year ended 31<sup>st</sup> March, 2018, Statement of Changes in equity 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. Ravi Sam (DIN 00007465), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass the following resolution as a **Special Resolution**.  
RESOLVED that pursuant to Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the shareholders of the Company be and is hereby accorded for the continuation of Sri. J. Raghupathy, Director (DIN 00003351), notwithstanding the fact that he has crossed the age of 75 years, as an Independent Director of the Company for the remaining tenure of his current term of appointment.
5. To consider and if thought fit, to pass the following resolution as a **Special Resolution**.  
RESOLVED that pursuant to Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the shareholders of the Company be and is hereby accorded for the continuation of Sri. S. K. Najmul Hussain, Director (DIN 02723029), notwithstanding the fact that he has crossed the age of 75 years, as an Independent Director of the Company for the remaining tenure of his current term of appointment.
6. 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, 2019, amounting to Rs. 75,000/- and reimbursement of out of pocket expenses incurred by him in connection with the Audit plus taxes as applicable be and is hereby approved.

Coimbatore  
29<sup>th</sup> May, 2018

By Order of the Board  
**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. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 20<sup>th</sup> July, 2018 to Thursday, 26<sup>th</sup> July, 2018 (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 19<sup>th</sup> July, 2018 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 19<sup>th</sup> July, 2018.
5. 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.
6. Pursuant to Section 124 and 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 2010 - 11, 2012 - 13, 2013 - 14, 2014 - 15, 2015 - 16 and 2016 - 17 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.
7. Pursuant to SEBI circular dated 20<sup>th</sup> April, 2018, the Company will honour requests, if any for unpaid dividend, revalidation of dividend warrants etc., only after providing the bank account details of the shareholders.
8. Brief resume, details of shareholding and inter-se relationship of director seeking election/ re-election are provided in the notice.
9. Members are requested to communicate their change of address, if any, PAN Number or Bank account details 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, PAN Number or Bank account details to their respective Depository Participants.
10. 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.

11. Members who require any clarifications on 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.
12. 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.
13. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(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 2017-18 is being sent in the permitted mode.
14. Electronic copy of the Notice of the 36<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 Participants 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 36<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.
15. Members may also note that the Notice of the 36<sup>th</sup> Annual General Meeting and the Annual Report for the year 2017-18 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. Route map to the venue of the Annual General Meeting is given in the last page of the annual report.
16. 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.
17. 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.
18. 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 were not claimed for the last 7 years from the year 2009-10 have been transferred to the demat account of IEPF Authority.

- b. All the underlying shares in respect of which dividends are not claimed for the last 7 years from the year 2010-11 are to be transferred to the demat account of IEPF Authority.
- c. 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.
- d. 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 the website [www.supersales.co.in](http://www.supersales.co.in) for information and necessary action by the shareholders.
- e. Shareholders who have not claimed their dividends from the year 2010-11 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. Ravi Sam** (DIN 00007465)

Sri. Ravi Sam a leading industrialist has completed his graduation in Commerce and post graduation in Science (Textiles) in UK. He is from a renowned family engaged in the textile business at Coimbatore.

Experience: More than three decades of experience in Textile Industry.

Other Directorships :

1) Adwaith Textiles Limited 2) Adwaith Lakshmi Industries Limited 3) Lakshmi Ring Travellers (Coimbatore) Limited 4) Sri Kara Engineering Limited 5) Lakshmi Caipo Industries Limited 6) Titan Paints and Chemicals Limited 7) Sri Kamakoti Kamakshi Enterprises (P) Limited 8) Integrated Electrical Controls India Limited 9) Eshaan Enterprises Limited 10) Parry Agro Industries Limited.

Membership of Committees of Companies:

Audit Committees : Parry Agro Industries Limited  
Super Sales India Limited

Nomination and Remuneration Committee : Super Sales India Limited

Stakeholders and Relationship Committee : Parry Agro Industries Limited

Corporate Social Responsibility Committees : Adwaith Lakshmi Industries Limited  
Titan Paints and Chemicals Limited

Share Transfer Committee : Super Sales India Limited

Sri. Ravi Sam was appointed to the Board with effect from 30<sup>th</sup> June,1983. He has completed 62 years of age. He has attended 1 meeting of the Board (out of 4 meetings) during the year 2017-18. He is entitled to only sitting fee for attending the meeting of the Board, Committees or any other meeting of directors. Sitting fee paid to him during the year 2017 - 18 was Rs. 0.50 Lakhs. He is liable to retire by rotation.

Share holding : 1000 equity shares of Rs. 10/- each constituting 0.033% of the paid up capital.

He is not related to any other director or Key Managerial Personnel.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in this resolution except Sri. Ravi Sam, Director being an appointee.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

As per Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a non-executive director of the Company who has attained the age of seventy five years can continue the directorship only with the approval of shareholders through a special resolution with effect from 01<sup>st</sup> April, 2019. Sri. J. Raghupathy, Director (DIN 00003351), presently aged 79 years, was appointed as an Independent Director of the Company for a period of five consecutive years from the conclusion of the Annual General Meeting held on 27<sup>th</sup> August, 2014. The Board considers that his continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends this special resolution for the approval of the shareholders in relation to continuation of directorship of Sri. J. Raghupathy, Director (DIN 00003351), as an Independent Director even after the age of 75 years.

Sri. J. Raghupathy is a graduate in Science and having five decades of experience in the textile industry. After completion of his education, he took over the charge of Vijayakumar Mills Limited, Palani, Tamilnadu. He promoted several Companies. Presently he is the Managing Director of Veejay Syntex Private Limited.

Other Directorships :

1) Veejay Syntex Private Limited 2) Veejay Yarns and Fabrics Private Limited.

Membership of Committees of other Companies:

Audit Committees : Nil

Nomination and Remuneration Committees : Nil

Share Transfer Committees : Nil

Stakeholders Relationship Committees : Nil

Share holding : 1500 equity shares of Rs. 10/- each constituting 0.048% of the paid up capital.

Sri. J. Raghupathy was appointed to the Board with effect from 31<sup>st</sup> January, 2007. He has completed 79 years of age. He has attended all meetings of the Board (out of 4 meetings) during the year 2017-18. He is entitled to only sitting fee for attending the meeting of the Board, Committees or any other meeting of directors. Sitting fee paid to him during the year 2017-18 was Rs. 2.75 Lakhs. He is not liable to retire by rotation.

He is not related to any other director or Key Managerial Personnel.

The explanatory statement may also be construed as disclosure under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in this resolution except Sri. J. Raghupathy, Director being an appointee.

**Item No. 5**

As per Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a non-executive director of the Company who has attained the age of seventy five years can continue the directorship only with the approval of shareholders through a special resolution with effect



from 01<sup>st</sup> April, 2019. Sri. S. K. Najmul Hussain, Director (DIN 02723029), presently aged 75 years, was appointed as an Independent Director of the Company for a period of five consecutive years from the conclusion of the Annual General Meeting held on 27<sup>th</sup> August, 2014. The Board considers that his continued association would be beneficial to the Company and it is desirable to continue to avail services as an Independent Director. Accordingly, the Board recommends this special resolution for the approval of the shareholders in relation to continuation of directorship of Sri. S. K. Najmul Hussain, Director (DIN 02723029), as an Independent Director even after the age of 75 years.

Sri.S.K.Najmul Hussain is a graduate in Engineering. He has also completed post graduation in Management. He served in M/s. Lakshmi Machine Works Limited for more than 45 years in various capacities including Head - Machinery Division (Manufacturing).

Other Directorships:

1. Hermes Academy of training Limited, 2. Lakshmi Life Sciences Limited, 3. Quattro Engineering India Limited and 4. Lakshmi Electrical Drives Limited.

Membership of Committees of other Companies:

Audit Committees : Nil

Nomination and Remuneration Committees : Nil

Share Transfer Committees : Nil

Stakeholders relationship Committees : Nil

Sri. S. K. Najmul Hussain is not holding any equity shares in the Company.

Sri.S.K.Najmul Hussain was appointed to the Board with effect from 29<sup>th</sup> October, 2012. He has completed 75 years of age. He has attended three meetings of the Board (out of 4 meetings) during the year 2017-18. He is entitled to only sitting fee for attending the meeting of the Board, Committees or any other meeting of directors. Sitting fee paid to him during the year 2017-18 was Rs. 2.50 Lakhs. He is not liable to retire by rotation.

He is not related to any other director or Key Managerial Personnel.

The explanatory statement may also be construed as disclosure under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in this resolution except Sri. S. K. Najmul Hussain, Director being an appointee.

**Item No. 6**

Pursuant to Section 148 of the Companies Act, 2013 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, Cost Accountant as Cost Auditor having relevant qualifications 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. 6 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. 6.

By Order of the Board

Coimbatore  
29<sup>th</sup> May, 2018

**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 36<sup>th</sup> Annual General Meeting scheduled to be held on Thursday, the 26<sup>th</sup> July, 2018 at 3.30 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 e-voting can not vote in other mode.

However, in case of Members casting their vote both 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 for shareholders voting electronically are as under:**

- (i) The voting period begins on 23<sup>rd</sup> July, 2018 at 9.00 AM and ends on 25<sup>th</sup> July, 2018 at 5.00 PM. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> July, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](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>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by 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 two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0s 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>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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 <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

- (xvii) If a demat account holder has forgotten the changed 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**
- 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.
  - 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).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding 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).

Coimbatore  
29<sup>th</sup> May, 2018

By Order of the Board  
**S. K. Radhakrishnan**  
Company Secretary

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 36<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, 2018.

### FINANCIAL RESULTS

Financial results for the year under review are summarized below:

Particulars	2017-18 (Rs. in Lakhs)	2016-17 (Rs. in Lakhs)
Income from operations	25522.14	23741.92
Other Income	254.98	419.37
Profit before Interest and Depreciation	3971.86	4227.80
Less: Interest	601.85	541.74
Profit/(Loss) before Depreciation	3370.01	3686.06
Less: Depreciation	1717.55	1658.26
Profit/(Loss) before Tax	1652.46	2027.80
Less: Exceptional item	-	-
(Add)/Less: Provision for Taxes	231.48	570.62
Profit/(Loss) after Tax	1420.98	1457.18

### 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, 2018, 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 19<sup>th</sup> July, 2018 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 19<sup>th</sup> July, 2018.

### SEGMENT WISE PERFORMANCE

#### Agency Division

Due to lower margins to the textile mills during the implementation pace of GST, the off take of machineries by the mills was restricted which affected the performance of this division.

The total revenue of this division during 2017-18 was Rs. 1822.95 Lakhs. Profit Before Tax was Rs. 864.48 Lakhs compared to Rs. 1005.54 Lakhs during the previous year.

#### Textile Division

Mismatch of cotton and yarn prices coupled with GST implementation and shortage and high cost of labour have affected the margins. The Company has increased the production of micro modal yarn in which margins were better. However the advantage of captive wind power has helped the division to earn reasonable profits.

This division earned a Profit Before Tax of Rs. 1636.33 Lakhs compared to Rs. 1479.63 Lakhs during the previous year.

**Engineering Division**

Lower demand of the capital goods manufacturers by OEMs resulted into lower turnover and margins. Competition from various manufacturers in gear boxes have affected the pick up of gear boxes sales.

This division incurred a Loss of Rs. 239.06 Lakhs as against the Profit Before Tax of Rs. 90.98 Lakhs during the previous year.

**EXPORTS**

The Company has directly exported its products valued at Rs. 1051.77 Lakhs in 2017-18. Exports through merchant exports were Rs. 2896.31 Lakhs. As the Company is required to fulfill Export obligation to the extent of Rs. 11855 Lakhs before 31<sup>st</sup> March, 2019, efforts have been taken to increase the exports substantially during the current year.

**PROSPECTS**

As the economy is inching back to normalcy after the initial glitches in the implementation of GST, the performance of the Company is expected to improve in the current year. However the production of cotton, the major raw material for spinning, depends up on the timely rains and remunerative prices to the farmers and hence there may be price volatility which in turn may impact the performance of your Company. Through policy measures of the Government in partnership with industry, the Textile market is expected to reach US \$ 300 Billions by the year 2025 and create an additional 35 million jobs. Apart from Central Government schemes, some State Governments have also launched their textile policies under which several incentives are provided for investment in textile sector.

**DIRECTORS**

Sri. Ravi Sam, Director (DIN 00007465) 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 Statutory Auditors 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 the shareholders have authorized the Board to fix the remuneration payable to the auditors from time to time.

The first proviso to Section 139 of the Companies Act, 2013, which mandated the ratification of the appointment of Statutory Auditors at every subsequent Annual General Meeting, has been omitted by the Companies (Amendment) Act, 2017 and the same was notified vide notification dated 07<sup>th</sup> May, 2018. Hence ratification of the appointment of Statutory Auditors is not placed to 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 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, Cost Accountant, as the Cost Auditor of the Company for the financial year 2018-19.

Secretarial Auditor:

Pursuant to 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 2018-19.

The secretarial audit report for the financial year 2017-18 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 salient features of 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 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 2017-18.

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. 11.38 Crores for the purchase of 25000 equity shares of M/s. Lakshmi Machine Works Limited.

All the transactions entered by the Company during the financial year 2017-18 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**.

Board of Directors has decided to transfer Rs. 150 Lakhs, out of profits for the year 2017-2018, to General Reserve.

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	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 65.76% of its energy requirements through wind power.
iii. the Capital investment on energy conservation equipments	Rs. 7.78 Lakhs.

**(B) Technology absorption**

i. Efforts made towards technology absorption.	Compact spinning system and injection slub attachments have been installed at a cost of Rs. 426.85 Lakhs
ii. Benefits derived like product improvement, cost reduction, product development, import substitution, etc.,	Better quality yarn produced from compact spinning can be used in high speed air jet looms. Injection slub yarn is a new product.
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 & 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. 1043.26	Lakhs
Foreign Exchange Outgo			
Raw Material imports	:	Rs. 128.27	Lakhs
Stores and Spares imports (including advances)	:	Rs. 85.49	Lakhs
Capital Imports	:	Rs. 396.66	Lakhs
Others	:	Rs. 11.52	Lakhs
		Rs. 621.94	Lakhs

**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 mitigating 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. 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 <http://www.supersales.co.in/policies.html>. As per the policy Company can spent the amount required to be spent under Corporate Social Responsibility to any of the Projects or activities covered under Schedule VII (as amended from time to time) based on the recommendation of the CSR Committee and approved by the Board. The amount can be spent any where in India, however preference shall be given for the geographical locations where the Company's operations are located. The amount required to be spent under CSR activities may be spent by the Company itself or contributing to any trust which is having established track record as recommended by the CSR Committee and approved by the Board. The CSR Committee shall periodically review and monitor the expenditure made on various projects or activities as approved by the Board. The Company has spent the entire amount required to be spent during the financial year 2017-18. 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 2017-18. 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.

There is no addition or cessation of Subsidiaries, Joint ventures or Associates during the year 2017-18. 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 2017-18.

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 2017-18. The Company has complied with the applicable secretarial standards.

The financial results of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.

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, senior management personnel, their remuneration, succession plans, Board diversity. The salient features of same is enclosed as **Annexure 6** to this report. Weblink to access the policy is <http://www.supersales.co.in/policies.html>.

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

#### **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 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 is enclosed as **Annexure 8**.

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 2017-18.

**ADDITIONAL DISCLOSURES**

In line with the requirement of 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 cooperation and dedication.

Coimbatore  
29<sup>th</sup> May, 2018

For and on behalf of the Board  
(Sd.) **SANJAY JAYAVARTHANEVELU**  
Chairman  
DIN 00004505

**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	34A, 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 Share Transfer Agent, if any	M/s. SKDC Consultants Limited, "Kanapathy Towers", 3 <sup>rd</sup> Floor, 1391/1A, Sathy Road, Ganapathy - 641006. CIN: U74147TZ1998PLC008301 Tel.: 0422 - 4958995, 2539835-836 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	81.72
2	Engineering Division: Manufacturing of Gears, Gear boxes	28140	11.20

**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	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year	
	Demat	Physical	Total	Demat	Physical	Total		% of Total Shares
								% of Total Shares
<b>(A) Promoters</b>								
(1) Indian								
a) Individuals/ Hindu Undivided Family	400288	-	400288	400288	-	400288	13.032	
b) Central Government/ State Government(s)	-	-	-	-	-	-	-	
c) Bodies Corporate	1376912	-	1376912	1436912	-	1436912	46.782	
d) Financial Institutions/ Banks	-	-	-	-	-	-	-	
e) Any Others(Specify)	-	-	-	-	-	-	-	
<b>Sub Total (A)(1)</b>	1777200	-	1777200	1837200	-	1837200	1.953	
(2) Foreign								
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	
b) Bodies Corporate	-	-	-	-	-	-	-	
c) Institutions	-	-	-	-	-	-	-	
d) Qualified Foreign Investor	-	-	-	-	-	-	-	
e) Any Others(Specify)	-	-	-	-	-	-	-	
<b>Sub Total(A)(2)</b>	-	-	-	-	-	-	-	
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1777200	-	1777200	1837200	-	1837200	1.953	
<b>(B) Public shareholding</b>								
(1) Institutions								
a) Mutual Funds/ UTI	-	500	500	-	-	-	-0.016	
b) Financial Institutions / Banks	-	103	103	-	103	103	0.003	
c) Central Government/ State Government(s)	-	-	-	-	-	-	-	
d) Venture Capital Funds	-	-	-	-	-	-	-	
e) Insurance Companies	-	-	-	-	-	-	-	
f) Foreign Institutional Investors	-	-	-	-	-	-	-	
g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	
h) Qualified Foreign Investor	-	-	-	-	-	-	-	
i) Any Other (Specify)	-	-	-	-	-	-	-	
Foreign Portfolio Inv. (Corp.CAT)	-	603	603	-	103	103	-0.016	
<b>Sub-Total (B)(1)</b>	-	603	603	-	103	103	-0.016	

**(i). Shareholding pattern ( Contd...)**

Category of shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year	
	Demat	Physical	Total	Demat	Physical	Total		% of Total Shares
(2) Non-institutions								
a) Bodies Corporate								
i) Indian	190031	3032	193063	129673	2053	131726	4.289	
ii) Overseas	-	-	-	-	-	-	-	
b) Individuals								
i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	730288	249998	980286	729359	192847	922206	30.026	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	45054	-	45054	61454	-	61454	2.001	
c) Others (specify)								
Directors & their relatives	1600	-	1600	1600	-	1600	0.052	
Trusts	350	-	350	350	-	350	0.011	
Non Resident Indians	14829	389	15218	11628	189	11817	0.385	
Clearing Members	23466	-	23466	24485	-	24485	0.797	
Hindu Undivided Families	34660	-	34660	36163	-	36163	1.177	
Inv. Education and Protection Fund Auth.	-	-	-	44321	-	44321	1.443	
Unclaimed Share Suspense Account	-	-	-	75	-	75	0.002	
<b>Sub-Total (B)(2)</b>	1040278	253419	1293697	1039108	195089	1234197	40.183	
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	1040278	254022	1294300	1039108	195192	1234300	40.186	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	
<b>GRAND TOTAL (A)+(B)+(C)</b>	2817478	254022	3071500	2876308	195192	3071500	100.00	

**(ii). Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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. Neithra 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. Revantha Services Ltd*	130672	4.25	-	130672	4.25	-	-
12	M/s. Lakshmi Life Sciences Ltd	879590	28.64	-	939590	30.59	-	1.95
13	M/s. Lakshmi Machine Works Ltd	300000	9.77	-	300000	9.77	-	-
	Total	1777200	57.86	-	1837200	59.81	-	1.95

\* 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
31/03/2017	M/s. Lakshmi Life Sciences Limited	879590	28.64	879590	28.64
05/05/2017	Purchased	60000	1.95	939590	30.59
31/03/2018	At the end of the year			939590	30.59

**(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
01/04/2017	GAGANDEEP CREDIT CAPITAL PRIVATE LIMITED	61740	2.01	61740	2.01
01/04/2017	GAGANDEEP CREDIT CAPITAL PRIVATE LIMITED	59804	1.95	59804	1.95
28/04/2017	Sold	61740	2.01	59804	1.95
28/04/2017	Purchased	1740	0.06	61544	2.00
31/03/2018	At the end of the year			61544	2.00
01/04/2017	PRESCIENT SECURITIES PRIVATE LIMITED	30000	0.98	30000	0.98
31/03/2018	At the end of the year			30000	0.98
01/04/2017	BHARAT JAYANTILAL PATEL	26443	0.86	26443	0.86
28/04/2017	Sold	26443	0.86	0	0.00
28/04/2017	Purchased	26343	0.86	26343	0.86
31/03/2018	At the end of the year			26343	0.86
01/04/2017	SNHEHAL PRADIP CHOKSEY	18611	0.61	18611	0.61
31/03/2018	At the end of the year			18611	0.61
01/04/2017	MEHTA VAKIL & CO. PVT. LTD.	12676	0.41	12676	0.41
31/03/2018	At the end of the year			12676	0.41
01/04/2017	MILI CAPITAL MANAGEMENT PVT. LTD. - INV.	11567	0.38	11567	0.38
16/06/2017	Sold	201	0.01	11366	0.37
23/06/2017	Sold	6	0.00	11360	0.37
07/07/2017	Purchased	3621	0.12	14981	0.49
04/08/2017	Sold	600	0.02	14381	0.47
11/08/2017	Sold	400	0.01	13981	0.46
15/12/2017	Sold	1000	0.03	12981	0.42
22/12/2017	Sold	2000	0.07	10981	0.36
31/03/2018	At the end of the year			10981	0.36



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
01/04/2017	VARSHA AGARWAL	9949	0.32	9949	0.32
12/05/2017	Sold	189	0.01	9760	0.32
19/05/2017	Sold	838	0.03	8922	0.29
12/01/2018	Sold	194	0.01	8728	0.28
19/01/2018	Sold	628	0.02	8100	0.26
23/03/2018	Sold	8100	0.26	0	0.00
31/03/2018	At the end of the year			0	0.00
01/04/2017	ANIL BHAVANJI SHAH	9000	0.29	9000	0.29
31/03/2018	At the end of the year			9000	0.29
01/04/2017	JANAK KISHOR SANGHAVI	7500	0.24	7500	0.24
31/03/2018	At the end of the year			7500	0.24
01/04/2017	VIJAY GUPTA	7472	0.24	7472	0.24
31/03/2018	At the end of the year			7472	0.24
01/04/2017	INVESTORS EDUCATION AND PROTECTION FUND	0	0.00	0	0.00
01/12/2017	Transferred	43954	1.43	43954	1.43
08/12/2017	Transferred	367	0.01	44321	1.44
31/03/2018	At the end of the year			44321	1.44
01/04/2017	ANITA GUPTA	2500	0.08	2500	0.08
26/05/2017	Purchased	1097	0.04	3597	0.12
02/06/2017	Purchased	1743	0.06	5340	0.17
09/06/2017	Purchased	1660	0.05	7000	0.23
16/06/2017	Purchased	490	0.02	7490	0.24
23/06/2017	Purchased	510	0.02	8000	0.26
30/06/2017	Purchased	1808	0.06	9808	0.32
04/08/2017	Purchased	192	0.01	10000	0.33
22/12/2017	Purchased	2725	0.09	12725	0.41
29/12/2017	Purchased	577	0.02	13302	0.43
19/01/2018	Purchased	198	0.01	13500	0.44
02/02/2018	Purchased	790	0.03	14290	0.47
09/02/2018	Purchased	710	0.02	15000	0.49
23/02/2018	Purchased	1500	0.05	16500	0.54
31/03/2018	At the end of the year			16500	0.54
01/04/2017	SAURABH VAKIL	0	0.00	0	0.00
31/03/2018	Purchases	8100	0.26	8100	0.26
31/03/2018	At the end of the year			8100	0.26

**(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
01/04/2017	Sri. SANJAY JAYAVARTHANAVELU	216288	7.042	216288	7.042
31/03/2018	At the end of the year			216288	7.042
01/04/2017	Sri. J. RAGHUPATHY.	1500	0.049	1500	0.049
31/03/2018	At the end of the year			1500	0.049
01/04/2017	Sri. RAVI SAM	1000	0.033	1000	0.033
31/03/2018	At the end of the year			1000	0.033
01/04/2017	Sri. N.R. SELVARAJ.	100	0.003	100	0.003
31/03/2018	At the end of the year			100	0.003

**V. INDEBTEDNESS : Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans	Unsecured Loans	Deposits	(Rs. in Lakhs)
				Total Indebtness
<b>Indebtedness at the beginning 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>
<b>Change in the indebtiness during the financial year</b>				
Addition	217.00	1502.35	-	1719.35
Reduction	(375.13)	(248.21)	-	610.46
Net Change	(158.13)	1254.14	-	1108.89
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4878.26	1740.70	-	6618.96
ii) Interest due but not paid	3.95	3.21	-	7.16
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4882.21</b>	<b>1743.91</b>	<b>-</b>	<b>6626.12</b>

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

**A. Remuneration to Managing Director, Whole-time Directors 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	58.47	58.47
(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		
	- as % of profit		
	- others, specify...	Nil	Nil
5.	Others, please specify		
	Gratuity	1.73	1.73
	Leave travel Assistance	2.00	2.00
	Medical reimbursement	2.85	2.85
	<b>Total (A)</b>	<b>65.05</b>	<b>65.05</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (Rs. in Lakhs)
1.	Independent Directors		
	Fee for attending board / committee or other meetings of directors	Sri. J. Raghupathy	2.75
		Sri. S. Venkataraman	2.50
		Sri. S. K. Najmul Hussain	2.50
		Smt. Vijayalakshmi Narendra	1.25
	- Commission		Nil
	- Others, please specify		Nil
	<b>Total (1)</b>		<b>9.00</b>
2.	<b>Other Non-Executive Directors</b>		
	Fee for attending board / committee or other meetings of directors	Sri. Sanjay Jayavarthanelu	1.00
		Sri. Ravi Sam	0.50
	- Commission		Nil
	- Others, please specify		Nil
	<b>Total (2)</b>		<b>1.50</b>
	<b>Total (B)=(1+2)</b>		<b>10.50</b>
	<b>Total Managerial Remuneration (A+B)</b>		<b>75.55</b>

**C. Remuneration To Key Managerial Personnel other than MD/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	16.10	10.60	27.00
	(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			
	- as % of profit			
	- others, specify...	Nil	Nil	Nil
5.	Others, please specify			
	Employer Contribution to PF	0.21	0.21	0.42
	Gratuity	0.31	0.23	0.54
	Leave Travel Assistance	0.38	0.26	0.64
	Medical Reimbursement	0.53	0.39	0.62
	<b>Total (A)</b>	<b>17.53</b>	<b>11.69</b>	<b>29.22</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)
<b>A. COMPANY</b>					
			NIL		
<b>B. DIRECTORS</b>					
			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
			NIL		

## ANNEXURE 2

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018  
 [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, 2018 and also after 31<sup>st</sup> March, 2018 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, 2018 (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. Companies Act, 2013 (the Act), the rules made there under.
  - ii. Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder.
  - iii. 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) 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) 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) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - vi. The following law, 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) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (b) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (d) 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 applicable Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) 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, 2018 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  
29<sup>th</sup> May, 2018

**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,  
SUPER SALES INDIA LIMITED, (CIN:L17111TZ1981PLC001109)

My Secretarial Audit Report (Form MR-3) of even date for the financial year ended 31<sup>st</sup> March, 2018 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, 2018 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  
29<sup>th</sup> May, 2018

**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 arms 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 arms 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, Directors along with his relatives holds more than 2% of the Paid up sharecapital in that Company and hence it is a 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. Transactions value is Rs. 6989.83 Lakhs.</p> <p>20.05.2015.</p> <p>Rs. 6.03 Lakhs.</p> <p>(sd.) Sanjay Jayavarthanavelu Chairman DIN 00004505</p>
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ANNEXURE - 4

Annual report on CSR activities:

<p>1. a) Brief outline of the Company's CSR Policy</p> <p>b) Overview of project or programmes proposed to be undertaken</p> <p>c) Weblink of CSR policy</p> <p>2. The Composition of CSR Committee</p> <p>3. Average Net profit of the Company for the last three financial years</p> <p>4. Prescribed CSR Expenditure (2% of the above)</p> <p>5. Details of CSR Spent during the financial year</p> <p>a) Total amount to be spent for the year</p> <p>b) Amount unspent, if any</p> <p>c) Manner in which the amount spent during the financial year detailed below:</p>	<p>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 can spent the amount either by itself or through a trust for any of the project/area covered under the Companies Act read with relevant rules from time to time. Company has constituted a CSR Committee to identify the CSR activities to be under taken, approve budget and establish monitoring mechanism for the spending.</p> <p>To provide fund for improving infrastructure facilities of Training Institutes.</p> <p><a href="http://www.supersales.co.in/policies.html">http://www.supersales.co.in/policies.html</a></p> <p>The Committee consists of three directors out of which two are independent directors.</p> <p>Rs. 2217.65 Lakhs</p> <p>Rs. 44.35 Lakhs</p> <p>Rs. 44.50 Lakhs</p> <p>Nil</p> <p>The Amount contributed to a trust having an established track record for spending for the above projects</p>
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**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 were undertaken	Amount outlay (budget) for the Project or Program wise	Amount spent on the projects 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 infrastructure facilities of Training Institutes	Promoting education, enhancing vocational skills	(1) Local area (2) State: Tamilnadu and District: Coimbatore	Rs. 44.50 Lakhs	NA	Rs. 44.50 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.				NA			
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				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>(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>(iii) the percentage increase in the median remuneration of employees in the financial year;</p> <p>(iv) the number of permanent employees on the rolls of company;</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>(vi) affirmation that the remuneration is as per the remuneration policy of the Company.</p>	<p>48.87:1 For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.</p> <p>Directors are entitled to receive only sitting fee for attending the Board/Committee or other meetings of Directors. Managing Director - Increase was 52.63%, CFO - Increase was 2.83% and Company Secretary - Increase was 4.72%. Other Directors are entitled to receive only sitting fees for attending the Board/ Committee/ Other meetings of directors.</p> <p>Increase of the median Employee remuneration was 2.65%.</p> <p>743 employees.</p> <p>Average percentage of increase in the salaries of employees other than managerial personnel was 4.4%. Average percentage of increase in the salaries of managerial personnel was 6.7%.</p> <p>Managing Director Affirmed that the remuneration paid to the employees were as per the remuneration policy of the Company.</p>
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**ANNEXURE - 6****SALIENT FEATURES OF 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, 2013 and SEBI (Listing Obligation and 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.

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, retirement and removal.
- | 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 and evaluation.
- | Develop succession plan for the Board, Senior Management and Key Managerial Personnel.

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

**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, 2018, 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, 2017 to March 31, 2018:
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, 2018.
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 M/s. Subbachar & Srinivasan**

Chartered Accountants

Firm Registration No.004083S

**T. S. V. Rajagopal**

Partner, Auditor

Membership No: 200380

Coimbatore

29.05.2018

**ANNEXURE - 8**

**Top 10 employees based on Salary drawn**

Sl. No.	Name	Designation	Remuneration received (Rs in Lakhs)	Name of employment Contract or otherwise	Qualification	Experience (in Yrs)	Date of commencement of employment	Age in yrs
1	Sri. N. R. Selvaraj	Managing Director	63.32	Permanent	B.Com.,ACA.,	47	01/02/2014	70
2	Sri. S. Ravindran	Chief Financial Officer	17.23	Permanent	B.Com., DMM.,	42	19/10/2001	63
3	Sri. A. Thiayagarajan	DGM - Marketing (Gears Unit)	15.83	Permanent	DME., B.Tech., MBA.,	27	16/02/2017	47
4	Sri. N. Balasubramanian	General Manager (Jay II)	14.97	Permanent	DTT., B.Com.,	32	11/07/2014	53
5	Sri. S. Mukuntharajan	General Manager - Marketing	14.77	Permanent	DTT., B. Tech.,	31	23/03/2015	49
6	Sri. R. Jayakumar	General Manager (Jay I)	12.87	Permanent	DTT., B.C.A.,MBA.,	30	23/03/2017	51
7	Sri. S. K. Radhakrishnan	Company Secretary	11.46	Permanent	M.Com.,ACS., BGL., ACMA.,	17	03/03/2006	39
8	Sri. A. Srinivasan	Business Head - Marketing & Services (Agency Division)	10.91	Permanent	DTT.,	25	01/12/1993	48
9	Sri. R. Senthilkumar	Assistant Manager - Yarn,R&D	10.34	Permanent	DTT., M.Tech.,	17	02/05/2016	38
10	Sri. A. Balasubramaniam	Senior Manager (Gears Unit)	9.38	Permanent	DME., DPM.,	24	10/01/2017	43

Sl. No	Name	Last employment	%of equity shares held	Whether he is relative to any Director
1	Sri. N. R. Selvaraj	Lakshmi Machine Works Ltd	0	No
2	Sri. S. Ravindran	Ramakrishna Group	0	No
3	Sri. A. Thiayagarajan	J.K. Fenner India Ltd	0	No
4	Sri. N. Balasubramanian	Leeds Spinning Mills (P) Ltd	0	No
5	Sri. S. Mukuntharajan	Rajapalayam Mills Ltd	0	No
6	Sri. R. Jayakumar	Saravana Spinning Mills (P) Ltd	0	No
7	Sri. S.K. Radhakrishnan	Elgi Electric & Industries Ltd	0	No
8	Sri. A. Srinivasan	Nil (first Employment In Ssil)	0	No
9	Sri. R. Senthilkumar	SRF Ltd	0	No
10	Sri. A. Balasubramaniam	Remi Electricals	0	No

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMY OVER VIEW:

#### Growth in 2017 and outlook for 2018

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia and an upswing in emerging Europe.

Across advanced economies, the 0.6 percent pickup in growth during 2017 relative to 2016 due to investment spending, which remained weak since 2008-09 global financial crisis. Across emerging and developing economies, the 0.4 percent pickup growth in 2017 came primarily from an acceleration in private consumption. But the picture is mixed within the group. Growth in China and India was supported by resurgent net exports and strong private consumption, respectively, while investment growth slowed.

Global growth is expected to tick up to 3.9 percent in 2018 and 2019, supported by strong momentum, favorable market sentiment, accommodative financial conditions and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exports to gradually improve.

Growth in emerging and developing economies is expected to increase further from 4.8 percent in 2017 to 4.9 percent in 2018 and 5.1 percent in 2019. Although the high growth rate reflects primarily due to continued strong economic performance in emerging Asia, the projected pickup in growth reflects improved prospects for commodity exports after three years of very weak economic activity.

Growth in India is projected to increase from 6.7 percent in 2017 to 7.4 percent in 2018 and 7.8 percent in 2019 lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax. Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivize private investment.

### OPPORTUNITIES AND THREATS:

#### Opportunities:

1. Sign of improvement in economic activities in the country.
2. Prediction of normal monsoon.
3. Increased domestic consumption.
4. Improved exports of yarn to China.

#### Threats:

1. Supply and demand mismatch.
2. Volatility in cotton prices.
3. Shortage of skilled man power.

### SEGMENT WISE PERFORMANCE:

#### Agency Division

Due to lower margins to the textile mills during the implementation pace of GST, the off take of machineries by the mills was restricted which affected the performance of this division.

The total revenue of this division during 2017-18 was Rs. 1822.95 Lakhs. Profit Before Tax was Rs. 864.48 Lakhs compared to Rs. 1005.54 Lakhs during the previous year.

**Textile Division**

Mismatch of cotton and yarn prices coupled with GST implementation and shortage and high cost of labour have affected the margins. The Company has increased the production of micro modal yarn in which margins were better. However the advantage of captive wind power has helped the division to earn reasonable profits.

This division earned a Profit Before Tax of Rs. 1636.33 Lakhs compared to Rs. 1479.63 Lakhs during the previous year.

**Engineering Division**

Lower demand of the capital goods manufactured by OEMs resulted into lower turnover and margins. Competition from various manufacturers in gear boxes have affected the pick up of gear boxes sales.

This division incurred a Loss of Rs. 239.06 Lakhs as against the Profit Before Tax of Rs. 90.98 Lakhs during the previous year.

**EXPORTS:**

The Company has directly exported its products valued at Rs. 1051.77 Lakhs in 2017-18. Exports through merchant exports were Rs. 2896.31 Lakhs. As the Company is required to fulfill Export obligation to the extent of Rs. 11855 Lakhs before 31<sup>st</sup> March, 2019, efforts have been taken to increase the exports substantially during the current year.

**PROSPECTS:**

As the economy is inching back to normalcy after the initial glitches in the implementation of GST, the performance of the Company is expected to improve in the current year. However the production of cotton, the major raw material for spinning, depends up on the timely rains and remunerative prices to the farmers and hence there may be price volatility which in turn may impact the performance of your Company. Through policy measures of the Government in partnership with industry, the Textile market is expected to reach US \$ 300 Billions by the year 2025 and create an additional 35 million jobs. Apart from Central Government schemes, some State Governments have also launched their textile policies under which several incentives are provided for investment in textile sector.

**RISK AND CONCERN:**

The volatility in the cotton price is a major concern. The increasing price of crude oil and basic metals is also expected to result in reduced margins. In the export front the competition is severe and exporters are finding it difficult to match the prices in view of the cut in the duty draw back.

**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	2017-18	2016-17	Change	Percentage
Income from Operations	25522.14	23741.92	1780.22	7.50
Other Income	254.98	419.37	(164.39)	(39.20)
Profit before Interest & Depreciation	3971.86	4227.80	(255.94)	(6.05)
Interest	601.85	541.74	60.11	11.10
Profit before Depreciation	3370.01	3686.06	(316.05)	(8.57)
Less: Depreciation	1717.55	1658.26	59.29	3.58
Profit before Tax and exceptional item	1652.46	2027.80	(375.34)	(18.51)
Profit after Tax	1420.98	1457.18	(36.20)	(2.48)

**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 been taken to mitigate the same. The number of people employed was 743.

**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

**SANJAY JAYAVARTHANEVELU**

Coimbatore  
29<sup>th</sup> May, 2018

Chairman  
DIN 00004505

## **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 information 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 Jayavarthanavelu	00004505	Non-Executive, Chairman, Promoter, Non Independent	11	8/4
Sri. Ravi Sam	00007465	Non-Executive, Promoter, Non Independent	10	7/0
Sri. J. Raghupathy	00003351	Non-Executive, Independent	2	3/3
Sri. S. Venkataraman	02538050	Non-Executive, Independent	1	4/0
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 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, 2017 to 31<sup>st</sup> March, 2018, on 23.05.2017, 04.08.2017, 27.10.2017, and 30.01.2018. Details of attendance of each Director at the Board meeting and Last AGM during the financial year ended 31<sup>st</sup> March, 2018 are given below:

Name of the Director/ Date of Meetings	AGM on				
	23.05.2017	04.08.2017	27.10.2017	30.01.2018	04.08.2017
Sri. Sanjay Jayavarthanavelu	✓	✓	✓	✓	✓
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 28<sup>th</sup> March, 2018 at Jay Textiles Unit I & II. All the independent directors were present for the above two programmes.

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 himself for re- appointment**

Sri. Ravi Sam, Director (DIN 00007465) 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 conforming to the requirements specified in 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, 2018.

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

Details of attendance of each member at the Audit Committee meeting held during the year 2017-18 are given below :

Name of the Director/ Date of Meetings	23.05.2017	04.08.2017	27.10.2017	30.01.2018
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 no Nomination and Remuneration Committee meeting held during the financial year ended 31<sup>st</sup> March, 2018.

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, 2018.

At present, the Company pays only sitting fees to all the Non-Executive Directors for attending the Board, Committee or meeting of the directors.

Remuneration and sitting fee paid to the Directors during the financial year ended 31<sup>st</sup> March, 2018 are as follows:

Name	(Amount in Rupees.) Sitting fee
Sri. Sanjay Jayavarthanavelu	1,00,000
Sri. Ravi Sam	50,000
Sri. J. Raghupathy	2,75,000
Sri. S.Venkataraman	2,50,000
Sri. S. K. Najmul Hussain	2,50,000
Smt. Vijayalakshmi Narendra	1.25,000

Remuneration paid to Sri. N. R. Selvaraj, Managing Director during the year 2017-18:

Particulars	Amount in Rupees.
Basic Salary	36,00,000
HRA	18,00,000
Special Allowance	4,32,000
Medical Reimbursement	2,99,880
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 Managing Director are fixed in nature and there is no performance linked payment to him.

Sri. N. R. Selvaraj 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](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, 2018 was Nil. The Committee has met 2 times during the financial year ended 31<sup>st</sup> March, 2018.

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

Name of the Director \ Date of Meeting	04.08.2017	30.01.2018
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	12.08.2015	3:30 PM
-- do --	AGM	Monday	01.08.2016	12:05 PM
-- do --	AGM	Friday	04.08.2017	2:45 PM

- 1. 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.
- 2. During 2015-16 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.

3. The Company has not passed any special resolution during the year 2016-17.

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 2017-18.

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. There is no official release and presentation to institutional investors or analysts during the year.

**9. GENERAL SHAREHOLDERS INFORMATION**

a. Annual General Meeting

Day & Date : Thursday, the 26<sup>th</sup> July, 2018  
 Time : 3.30 PM  
 Venue : 'Nani Kalai Arangam'  
 Mani Higher Secondary School,  
 Pappanaickenpalayam, Coimbatore - 641 037

b. Financial year - 2018-19

Financial Calendar (2018-19)

Results for the financial year 2017-18 : 29<sup>th</sup> May, 2018  
 Posting of Annual Report : On or before 1<sup>st</sup> July, 2018  
 Last date of receipt of proxy forms : 24<sup>th</sup> July, 2018  
 Announcement of Quarterly Results : July, 2018, October, 2018, January, 2019 & May, 2019

c. Dividend Payment Date : on or before 24.08.2018

d. Listing on Stock Exchanges and payment of Listing Fee

The shares of the Company are listed in BSE Limited, Mumbai. The Company has paid the Listing fee for the years 2017-18 and 2018-19.

e. Scrip Code at Bombay Stock Exchange : 512527  
 International security identification number (ISIN) : INE091C01017

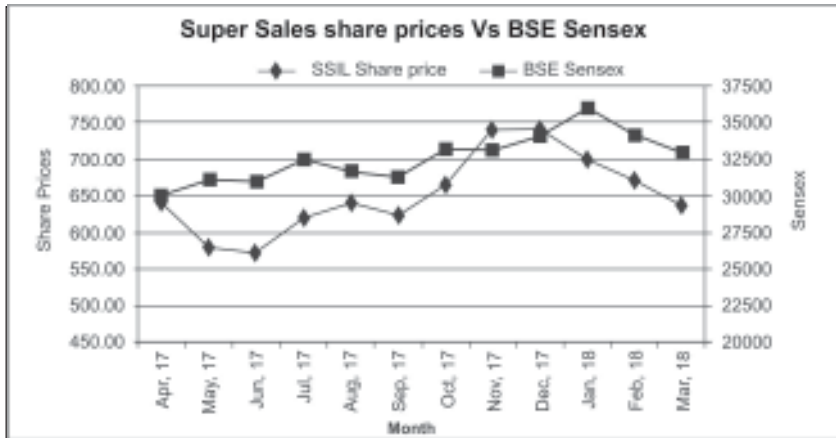
f. Market Price data: Monthly High and Low Prices : (BSE)

The market price data of High and Low during each month in the last financial year at BSE Limited, Mumbai is given below:

Month	Apr,17	May,17	Jun,17	Jul,17	Aug,17	Sep,17	Oct,17	Nov,17	Dec,17	Jan,18	Feb,18	Mar,18
High Rs.	680.00	674.50	620.10	660.00	677.00	719.00	758.95	700.00	764.35	835.00	729.80	692.00
Low Rs.	577.00	550.00	540.30	504.00	581.00	611.00	603.00	624.75	695.30	695.00	620.05	610.00
Sensex	29918.40	31145.80	30921.61	32514.94	31730.49	31283.72	33213.13	33149.35	34056.83	35965.02	34184.04	32968.68

g. Super Sales share prices Vs BSE Sensex

a. 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 and dematerialization work 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 related 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 31.03.2018

No. of equity shares held	No. of share holders	No. of shares held	% held
Upto 500	4874	491001	15.99
501 to 1000	176	134442	4.38
1001 to 2000	81	120184	3.91
2001 to 3000	25	61541	2.00
3001 to 4000	8	28229	0.92
4001 to 5000	13	62258	2.03
5001 to 10000	17	118919	3.87
10001 and above	18	2054926	66.90
<b>Total</b>	<b>5212</b>	<b>3071500</b>	<b>100.00</b>

l. Dematerialization of Shares

As on 31.03.2018, 28,76,308 shares constituting 93.65% 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.





**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 the 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
- 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
- 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 for the year ended 31<sup>st</sup> March, 2018 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 2017-18, 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 are no significant
- (i) changes in internal control over financial reporting during the year;
  - (ii) changes in accounting policies during the year; except stating the accounts as per Indian Accounting standards as required under the Companies Act, 2013 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, 2018

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

**S. RAVINDRAN**  
CFO

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
SUPER SALES INDIA LIMITED

**Report on the IND AS Financial Statements**

We have audited the accompanying IND AS financial statements of SUPER SALES INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to IND AS financial statements)

**Management's Responsibility for the IND AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on these IND AS financial statements based on our audit.

In conducting 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 thereunder and the Order issued under Section 143 (11) of the Act.

We conducted our audit of the IND AS financial statements 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 IND AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the IND AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the IND AS 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 IND AS 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 IND AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Act in the manner so required

and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the cash flows and the changes in equity for the year ended as 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 in terms of Section 143 (11) of the Act, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit 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 appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss (including other comprehensive income), the cash flow statement and statement of changes in equity dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid IND AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the 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 auditors' report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its IND AS financial statements - Refer note no 39 to the IND AS financial statements.
    - ii The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
    - iii There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

**For M/s. Subbachar & Srinivasan**  
Chartered Accountants  
Firm Registration No.004083S

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

Coimbatore  
29.05.2018

**ANNEXURE - "A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 1 under "Report on Other legal and regulatory requirements" section of our report to the members of SUPER SALES INDIA LIMITED of even date).

We report that,

1. In respect of its Fixed Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets [Property, Plant and Equipment].
- b. As explained to us, fixed assets have been physically verified by the management at regular intervals, in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and the records examined by us, the title deeds of immovable properties are held in the name of the Company.

2. In respect of its inventories:

As explained to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed.

3. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, during the financial year and hence sub-clauses (a) to (c) of clause (iii) of the Order are not applicable to the company.
4. The Company has not granted loans or given guarantees and securities during the year and hence compliance with Section 185 is not applicable. In respect of the investments made, the same is in accordance with Section 186 of the Act.
5. The Company has not accepted any deposits from the public during the year to which the provisions of Sections 73 to 76 of the Act are applicable and as such clause 3(v) of the Order is not applicable.
6. We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, as applicable to the company, and are of the opinion that prima facie the specified cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of the statutory dues:
  - a. The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State insurance, Income tax, Sales Tax, Service Tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, the details of disputed statutory dues that have not been deposited on account of dispute is as under:

Name of the Statute	Nature of the dues	Amount [Rs. in Lakhs]	Amount paid/ adjusted [Rs in Lakhs]	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest	2.46	Nil	A.Y. 2014-15	DCIT

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, government or dues to debenture holders.
9. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for purposes for which they were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
10. To the best of our knowledge and belief and according to the information and explanations given to us during the course of our examination of the books and records of the company carried out in accordance with the auditing standards generally accepted in India, no fraud on or by the Company was noticed or reported during the year that causes the IND AS financial statements to be materially misstated.
11. According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid / provided for managerial remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the IND AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M/s. Subbachar & Srinivasan**  
Chartered Accountants  
Firm Registration No.004083S

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

Coimbatore  
29.05.2018

**Annexure - "B" to the Independent Auditors' Report**

(Referred to in Paragraph 2(f) under "Report on Other legal and regulatory requirements" section of our report to the members of SUPER SALES INDIA LIMITED of even date).

**Report on the Internal Financial Controls over Financial reporting 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 as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

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

The Board of Directors of the company 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. 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 IND AS financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of IND AS 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 IND AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s. Subbachar & Srinivasan**  
Chartered Accountants  
Firm Registration No.004083S

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

Coimbatore  
29.05.2018



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**

(Rs. in Lakhs)

Particulars	Notes	31.03.2018	31.03.2017	01.04.2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, plant and equipment	2	<b>11,402.30</b>	11,075.03	11,437.91
(b) Capital work-in-progress	3	<b>212.89</b>	621.07	47.90
(c) Intangible assets other than Goodwill	4	<b>0.59</b>	4.43	7.88
(d) Financial assets				
i. Investments	5	<b>15,659.99</b>	8,637.24	5,997.11
ii. Other financial assets	6	<b>500.90</b>	451.68	312.92
(e) Other non-current assets	7	-	16.24	-
<b>Total non-current assets</b>		<b><u>27,776.67</u></b>	<u>20,805.69</u>	<u>17,803.72</u>
<b>(2) Current assets</b>				
(a) Inventories	8	<b>4,282.16</b>	4,428.16	3,827.64
(b) Financial assets				
i. Trade receivables	9	<b>4,616.50</b>	3,382.48	3,645.66
ii. Cash and cash equivalents	10	<b>261.31</b>	63.32	209.68
iii. Bank balances other than (ii) above	11	<b>272.31</b>	527.66	26.08
iv. Other financial assets	6	<b>50.54</b>	59.95	69.26
(c) Current tax assets (Net)	12	<b>38.59</b>	-	131.96
(d) Other current assets	13	<b>711.44</b>	465.74	572.56
<b>Total current assets</b>		<b><u>10,232.85</u></b>	<u>8,927.31</u>	<u>8,482.84</u>
<b>Total Assets</b>		<b><u>38,009.52</u></b>	<u>29,733.00</u>	<u>26,286.56</u>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity share capital	14	<b>307.15</b>	307.15	307.15
(b) Other equity	15	<b>27,621.29</b>	20,633.31	17,584.06
<b>Total equity</b>		<b><u>27,928.44</u></b>	<u>20,940.46</u>	<u>17,891.21</u>
<b>Liabilities</b>				
<b>(2) Non-current liabilities</b>				
(a) Deferred tax liabilities (Net)	17	<b>1,284.90</b>	1,350.57	1,387.32
(b) Government grants	18	-	6.65	27.70
<b>Total non-current liabilities</b>		<b><u>1,284.90</u></b>	<u>1,357.22</u>	<u>1,415.02</u>

(Rs. in Lakhs)

Particulars	Notes	31.03.2018	31.03.2017	01.04.2016
<b>(3) Current liabilities</b>				
(a) Financial liabilities				
i. Borrowings	19	<b>6,618.96</b>	5,510.03	5,105.73
ii. Trade payables	20	<b>914.64</b>	743.33	815.37
iii. Other financial liabilities	21	<b>1,007.83</b>	904.49	798.48
(b) Provisions	16	<b>19.13</b>	18.78	82.32
(c) Government grants	18	<b>6.65</b>	21.04	23.12
(d) Current tax liabilities (net)	22	-	59.78	-
(e) Other current liabilities	23	<b>228.97</b>	177.87	155.31
<b>Total current liabilities</b>		<b>8,796.18</b>	7,435.32	6,980.33
<b>Total liabilities</b>		<b>10,081.08</b>	8,792.54	8,395.35
<b>Total equity and liabilities</b>		<b>38,009.52</b>	29,733.00	26,286.56

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

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

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2018

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

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

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(Rs. in Lakhs)

Particulars	Notes	31.03.2018	31.03.2017
<b>Income</b>			
Revenue from operations	24	25,522.14	23,741.92
Other income	25	254.98	419.37
<b>Total income</b>		<b>25,777.12</b>	<b>24,161.29</b>
<b>Expenses</b>			
Cost of material consumed	26	13,555.44	11,886.59
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	(84.31)	(154.10)
Excise duty		91.94	455.59
Employee benefit expenses	28	3,300.95	3,028.72
Depreciation and amortisation expense	29	1,717.55	1,658.26
Other expenses	30	4,941.24	4,716.69
Finance costs	31	601.85	541.74
<b>Total expenses</b>		<b>24,124.66</b>	<b>22,133.49</b>
<b>Profit before exceptional items and tax</b>		<b>1,652.46</b>	<b>2,027.80</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>1,652.46</b>	<b>2,027.80</b>
Income tax expense	32		
Current tax		501.71	627.32
Deferred tax		(270.23)	(56.70)
<b>Profit for the period</b>		<b>1,420.98</b>	<b>1,457.18</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of post employment benefit obligations		(20.80)	57.65
Change in fair value of FVOCI equity instruments		5,884.79	1,646.78
Income tax relating to these items		(204.57)	(19.95)
<b>Other comprehensive income for the period, net of tax</b>		<b>5,659.42</b>	<b>1,684.48</b>
<b>Total comprehensive income for the period</b>		<b>7,080.40</b>	<b>3,141.66</b>
Earnings per equity share			
Basic earnings per share	36	46.26	47.44
Diluted earnings per share	36	46.26	47.44

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANEVELU**  
Chairman  
DIN 00004505

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

In terms of our report attached  
For **SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2018

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(Rs. in Lakhs)

Particulars	31.03.2018	31.03.2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before income tax	1652.46	2027.80
Adjustments for:		
Depreciation and amortisation expense	1717.55	1658.26
(Gain)/loss on disposal of property, plant and equipment	(0.90)	(115.45)
Amortisation of government grants	(21.05)	(23.13)
Interest Income	(41.64)	(48.82)
Dividend Income	(80.32)	(71.79)
Finance costs	601.85	541.74
	<u>2175.49</u>	<u>1940.81</u>
	<b>3827.95</b>	<b>3968.61</b>
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	(1,234.02)	263.18
(Increase)/Decrease in inventories	146.00	(600.52)
(Increase)/Decrease in other financial Non -Current assets	(49.22)	(138.77)
(Increase)/Decrease in other financial Current assets	16.05	(6.26)
(Increase)/Decrease in other non-current assets	16.24	(16.24)
(Increase)/Decrease in other current assets	(245.70)	106.82
Increase in trade payables	171.31	(72.04)
Increase in provisions	0.36	(63.54)
Increase in other current liabilities	51.10	22.57
Increase in borrowings	1,108.93	404.30
Increase in other Financial Liabilities	113.01	96.53
	<b>94.05</b>	<b>(3.97)</b>
<b>Cash generated from operations</b>	<b>3922.00</b>	<b>3964.64</b>
Income taxes paid	651.38	324.10
<b>Net cash inflow from operating activities (A)</b>	<b>3270.62</b>	<b>3640.54</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(1,638.05)	(1,954.38)
Receipts of government grants	21.04	23.13
Proceeds from sale of property, plant and equipment	2.34	158.91
Investment	(1,137.96)	(993.35)
Dividends received	80.32	71.79
Interest received	48.27	33.25
Increase/(Decrease) in Bank balances not considered as cash & Cash Equivalent	255.35	(501.58)
<b>Net cash outflow from investing activities (B)</b>	<b>(2,368.69)</b>	<b>(3,162.23)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(611.52)	(532.25)
Dividends paid to company's shareholders	(76.79)	(76.79)
Dividend Tax paid	(15.63)	(15.63)
<b>Net cash inflow (outflow) from financing activities (C)</b>	<b>(703.94)</b>	<b>(624.67)</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>197.99</b>	<b>(146.36)</b>
Cash and cash equivalents at the beginning of the financial year	63.32	209.68
Cash and cash equivalents at end of the year	261.31	63.32
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>197.99</b>	<b>(146.36)</b>
Cash and cash equivalents include the following balances which are restricted and not available for use by the company		
Margin Money deposit	100.12	39.45

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANA VELU**  
Chairman  
DIN 00004505

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

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

Place : Coimbatore  
Date : 29.05.2018

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

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

**STATEMENT OF CHANGES IN EQUITY**

(Rs. in Lakhs)

**I) Equity Share Capital**

	Notes	Amounts
Balance as at April 1, 2016		307.15
Changes in equity share capital during the year	14	-
Balance as at March 31, 2017		307.15
Changes in equity share capital during the year	14	-
Balance as at March 31, 2018		307.15

**II) Other equity**

	Reserves and surplus				Other reserves	Total
	Notes	General Reserve	Securities premium reserve	Retained earnings	FVOCI - Equity instruments	
<b>Balance as at April 1, 2016</b>		6,561.42	718.60	4,393.84	5,910.20	17,584.06
Profit for the period	15	-	-	1,457.18	-	1,457.18
Other comprehensive income	15	-	-	37.70	-	37.70
Dividends	15	-	-	(92.42)	-	(92.42)
Appropriations	15	1,000.00	-	(1,000.00)	-	-
Fair value changes of equity instruments	15	-	-	-	1,646.78	1,646.78
<b>Balance as at March 31, 2017</b>		7,561.42	718.60	4,796.30	7,556.98	20,633.30
Profit for the period	15	-	-	1,420.98	-	1,420.98
Other comprehensive income	15	-	-	(14.74)	-	(14.74)
Dividends	15	-	-	(92.42)	-	(92.42)
Appropriations	15	150.00	-	(150.00)	-	-
Fair value changes of equity instruments (Net of tax)	15	-	-	-	5,674.16	5,674.16
<b>Balance as at March 31, 2018</b>		7,711.42	718.60	5,960.12	13,231.14	27,621.28

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**

Chairman  
DIN 00004505

**S. RAVINDRAN**  
Chief Financial Officer

**N.R. SELVARAJ**

Managing Director  
DIN 00013954

**S.K. RADHAKRISHNAN**  
Company Secretary

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**

Registration No.004083 S  
Chartered Accountants

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

Place : Coimbatore  
Date : 29.05.2018

## 1. SIGNIFICANT ACCOUNTING POLICIES

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

#### (i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31<sup>st</sup> March, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Refer note 37 and 38 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

#### (i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (that are measured at fair value);
- defined benefit plans – plan assets measured at fair value;

### 2. Use of estimates

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) 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

Raw materials, stores and spares, work in progress and finished goods are valued at lower of cost and net realisable value after providing for obsolescence and other losses wherever considered necessary. Cost is determined on weighted average basis. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate allocation of variable and fixed overhead expenditure and also other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 4. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

## 5. Financial assets

### 5.1. Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those measured at amortised cost

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely, payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the cash flows of the assets represent solely, payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain or losses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**5.2 Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

**5.3 Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdrafts are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

**5.4. Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income Expected credit loss are measured through a loss allowance at an amount equal to :
- The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

**6. Financial liabilities**

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are subsequently measured at amortised cost using the effective



interest rate method or at fair value through profit or loss. Gains and losses are recognised in the Statement of Profit and loss when the liabilities are derecognised and through the amortisation process. The company derecognises financial liabilities when and only when, the company's obligations are discharged, cancelled or have expired. An exchange between lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

**6.1. Trade and other payables**

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

**6.2. Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**6.3. Foreign exchange gains or losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**7. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents include cash on hand, cash with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for use by the Company.

**8. Revenue recognition**

The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk.

**8.1 Sale of goods**

Revenue from sale of products is recognised when the products are delivered to the dealer / customer or when delivered to the carrier, when risks and rewards of ownership pass to the dealer / customer, as per terms of contract.

Revenue is measured at the fair value of the consideration received or receivable and net of returns, trade allowances and rebates. It includes excise duty but excludes Value Added Taxes.

**8.2 Income from service**

Income from services is accounted over the period of rendering of services.

**8.2.1 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.

**8.2.2 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.

**9. Other income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably and is accrued on time basis by reference to the principal outstanding and at the effective interest rates applicable. Dividend income is accounted for when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

**10. Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment includes interest on borrowings attributable to acquisition of qualifying 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 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 Property, plant and equipment 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.

Property, plant and equipment acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is

determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the profit or loss.

#### **Transition to Ind AS**

For transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of 1<sup>st</sup> April, 2016 [transition date] measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **11. 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.

#### **12. Intangible assets**

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

#### **Transition to Ind AS**

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1<sup>st</sup> April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **13. 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. There are no intangible assets having indefinite useful life.

#### **14. Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The impairment loss, if any, recognised in prior accounting periods is reversed if there is a change in estimates of recoverable amounts.

**15. Foreign currencies****15.1 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the company's functional and presentation currency.

**15.2 Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

**16. Employee Benefits****16.1 Short term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**16.2 Other long term employee benefit**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a

current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### **16.3 Post-employment obligation**

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees, and
- b) Defined contribution plans such as provident fund.

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme and pension scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

#### **Defined benefit plan**

The Company has a gratuity defined benefit plan for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC'). The contributions made to the LIC are treated as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

### **17. 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.

**18. Segment reporting**

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. All operating segments' operating results are reviewed regularly by the company's Chief Executive Officer [CEO], who is the Chief Operating Decision Maker [CODM], to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under unallocated income / costs. Interest income and expenses are not allocated to respective segments. Inter segment pricing is determined on arm's length basis. The company has three reportable segments viz., Agency, Textiles and Engineering segments. Geographic information is based on business sources from that geographic region. Accordingly, the geographical segments are determined as Domestic, i.e, within India and External i.e outside India.

**19. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**19.1 Current tax**

The income tax expenses or credit is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted.

**19.2 Deferred tax**

Deferred tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### **19.3 Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

### **20. Provisions and contingencies**

**Provisions:** Provisions are recognised when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### **21. 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.

### **22. Earnings per share**

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

### **23. New Amendments issued yet not effective**

#### **23.1 Ind AS 115, Revenue from contracts with customers**

- a. It deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices. The new standard is mandatory for financial years commencing on or after 1<sup>st</sup> April, 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

**23.2 Amendments to Ind AS 40 Investment property - Transfers of investment property**

- a. The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property.
- b. The Company doesn't have any investment property and accordingly no impact is envisaged.

**23.3 Amendments to Ind AS 12 Income taxes regarding recognition of deferred tax assets on unrealised losses**

- a. The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base.
- b. The Company is in the process of evaluating the impact of the standard.

**23.4 Notification of Appendix B to Ind AS 21 Foreign currency transactions and advance consideration**

- a. The MCA has notified Appendix B to Ind AS 21, foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.
- b. The Company has assessed the impact of the above notification and concluded that there is no impact on the above.

**Notes to Financial Statements**

**2. Property, plant and equipment**

The reconciliation for changes in the carrying value of property, plant and equipment for the year ended March 31, 2018 are as follows:

**(Rs. in Lakhs)**

Asset Description	Gross Carrying Amount				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.4.2017	Additions	Deletions / Adjustments	As at 31.3.2018	As at 1.4.2017	Depreciation for the year	Deletions	As at 31.3.2018	31.3.2018	31.3.2017
Land	503.63	-	(3.71)	499.92	-	-	-	-	499.92	503.63
Building	1,450.03	241.55	-	1,691.58	66.27	75.36	-	141.63	1,549.95	1,383.76
Plant and Machinery	10,210.87	1,753.76	(0.08)	11,964.55	1,434.41	1,565.94	(0.01)	3,000.34	8,964.21	8,776.46
Electrical Equipments	155.97	31.82	-	187.79	36.53	17.71	-	54.24	133.55	119.44
Furniture and fittings	30.89	1.40	-	32.29	5.46	3.70	-	9.16	23.13	25.43
Office Equipments	12.53	2.75	-	15.28	1.98	3.02	-	5.00	10.28	10.55
Vehicles	207.17	9.53	(6.25)	210.45	(6.06)	33.34	(4.82)	22.46	187.99	213.23
Computers	48.99	5.40	(0.39)	54.00	6.46	14.64	(0.37)	20.73	33.27	42.53
<b>TOTAL</b>	<b>12,620.08</b>	<b>2,046.21</b>	<b>(10.43)</b>	<b>14,655.86</b>	<b>1,545.05</b>	<b>1,713.71</b>	<b>(5.20)</b>	<b>3,253.56</b>	<b>11,402.30</b>	<b>11,075.03</b>



The reconciliation for changes in the carrying value of property, plant and equipment for the year ended March 31, 2017 are as follows:

**(Rs. in Lakhs)**

Asset Description	Gross Carrying Amount				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.4.2016*	Additions	Deletions / Adjustments	As at 31.3.2017	As at 1.4.2016	Depreciation for the year	Deletions	As at 31.3.2017	31.3.2017	31.3.2016
Land	503.63	-	-	503.63	-	-	-	-	503.63	503.63
Building	1,401.67	48.36	-	1,450.03	-	66.27	-	66.27	1,383.76	1,401.67
Plant and Machinery	9,208.53	1,081.17	(78.83)	10,210.87	-	1,502.44	(68.03)	1,434.41	8,776.46	9,208.53
Electrical Equipments	147.34	8.63	-	155.97	-	36.53	-	36.53	119.44	147.34
Furniture and fittings	28.75	2.14	-	30.89	-	5.46	-	5.46	25.43	28.75
Office Equipments	6.45	6.88	(0.80)	12.53	-	2.74	(0.76)	1.98	10.55	6.45
Vehicles	121.11	152.89	(66.83)	207.17	-	28.15	(34.21)	(6.06)	213.23	121.11
Computers	20.43	35.32	(6.76)	48.99	-	13.22	(6.76)	6.46	42.53	20.43
<b>TOTAL</b>	<b>11,437.91</b>	<b>1,335.39</b>	<b>(153.22)</b>	<b>12,620.08</b>	<b>-</b>	<b>1,654.81</b>	<b>(109.76)</b>	<b>1,545.05</b>	<b>11,075.03</b>	<b>11,437.91</b>

\*Property, plant and equipment have been carried at deemed cost as at April 1, 2016 i.e., measured at carrying value as per previous GAAP

### 3. Capital work in progress

Asset Description	As at 1.4.2017	Additions	Deletions/ Adjustments	As at 31.03.2018
Capital work in progress	621.07	212.89	(621.07)	212.89

Asset Description	As at 1.4.2016	Additions	Deletions/ Adjustments	As at 31.03.2017
Capital work in progress	47.90	596.08	(22.91)	621.07

### 4. Intangible Assets

Asset Description	Gross Carrying Amount				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.4.2016	Additions	Deletions / Adjustments	As at 31.3.2018	As at 1.4.2017	Depreciation for the year	Deletions	As at 31.03.2018	31.3.2018	31.3.2017
ERP & Software	7.88	-	(1.16)	6.72	3.45	3.84	(1.16)	6.13	0.59	4.43

Asset Description	Gross Carrying Amount				Accumulated Depreciation and Amortisation				Net Block	
	As at 1.4.2016*	Additions	Deletions / Adjustments	As at 31.3.2017	As at 1.4.2016	Depreciation for the year	Deletions	As at 31.03.2017	31.3.2017	31.3.2016
ERP & Software	7.88	-	-	7.88	-	3.45	-	3.45	4.43	7.88

\*Intangible assets have been carried at deemed cost as at April 1, 2016 i.e., measured at carrying values as per previous GAAP.

**Notes to balance sheet**

(Rs. in Lakhs)

31.03.2018      31.03.2017      1.04.2016

**5. INVESTMENTS - NON-CURRENT**

**Investment in equity instruments (quoted) at FVOCI**

(i) 2,29,480 equity shares of Rs.10/- each in Lakshmi Machine Works Limited March 31, 2017 : 2,04,480 equity shares April 1, 2016 : 1,79,480 equity shares	<b>15,653.21</b>	8,627.42	5,986.02
(ii) 36,100 equity shares of Rs.10/- each in Indian Overseas Bank Limited March 31, 2017 : 36,100 equity shares April 1, 2016 : 36,100 equity shares	<b>6.23</b>	9.67	10.94

**Investment in Government or Trust Securities**

National Savings Certificate	0.55	0.15	0.15
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<b>Total</b>	<b>15,659.99</b>	8,637.24	5,997.11
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**Total non-current investments**

Aggregate amount of quoted investments and market value thereof	15,659.44	8,637.09	5,996.96
Aggregate amount of unquoted investments	0.55	0.15	0.15

**6. OTHER FINANCIAL ASSETS**

**Non-current**

Unsecured and considered good Security deposits	500.90	451.68	312.92
<b>Total other financial assets</b>	<b>500.90</b>	451.68	312.92

**Current**

Unsecured and considered good Income receivable	18.16	28.85	56.64
Interest accrued and due on deposits	10.01	16.64	1.07
Employee Advances	22.37	14.46	11.55
<b>Total other financial assets</b>	<b>50.54</b>	59.95	69.26

**7. OTHER NON-CURRENT ASSETS**

Capital advances	-	16.24	-
<b>Total other non-current assets</b>	<b>-</b>	16.24	-

**8. INVENTORIES**

Raw Materials	2,597.17	2,906.90	2,362.53
Work - in - Progress	580.97	528.04	448.25
Finished Goods	677.84	644.21	578.17
Stores and Spares	417.06	337.64	435.60
Waste	9.12	11.37	3.09
<b>Total inventories</b>	<b>4,282.16</b>	4,428.16	3,827.64

Inventories are valued at the lower of cost and net realizable value.

The cost of inventories recognised as an expense amounted to Rs. 13,471.13 Lakhs [Previous year Rs. 11,732.49 Lakhs]

**Notes to balance sheet**

(Rs. in Lakhs)

	31.03.2018	31.03.2017	1.04.2016
<b>9. TRADE RECEIVABLES</b>			
Unsecured, considered good	<b>4,644.60</b>	3,396.99	3,670.78
Less: Provision for expected credit loss	<b>(28.10)</b>	(14.51)	(25.12)
<b>Total trade receivables</b>	<b><u>4,616.50</u></b>	<u>3,382.48</u>	<u>3,645.66</u>
<b>10. CASH AND CASH EQUIVALENTS</b>			
Balances with banks			
- in current accounts	<b>158.01</b>	21.70	133.70
- in margin deposit account	<b>100.12</b>	39.45	72.99
Cash on hand	<b>3.18</b>	2.17	2.99
<b>Total cash and cash equivalents</b>	<b><u>261.31</u></b>	<u>63.32</u>	<u>209.68</u>
<b>11. OTHER BANK BALANCES</b>			
Short term Bank Deposits (Deposits with maturity more than 3 months but less than 12 months)	<b>250.00</b>	500.00	-
Unpaid dividend	<b>22.31</b>	27.66	26.08
<b>Total Other Bank balances</b>	<b><u>272.31</u></b>	<u>527.66</u>	<u>26.08</u>
<b>12. CURRENT TAX ASSETS (Net)</b>			
Opening balance	-	131.96	
Add: Taxes paid during the year	<b>556.59</b>	-	
Less: Current tax payable for the year	<b>(518.00)</b>	(131.96)	
<b>Closing balance</b>	<b><u>38.59</u></b>	<u>-</u>	
<b>13. OTHER CURRENT ASSETS</b>			
Prepaid expenses	<b>32.81</b>	37.13	32.53
Prepaid Gratuity	<b>9.36</b>	47.67	-
Advance to suppliers	<b>353.11</b>	215.54	347.83
Receivable from government authorities	<b>316.16</b>	165.40	192.20
<b>Total other current assets</b>	<b><u>711.44</u></b>	<u>465.74</u>	<u>572.56</u>
<b>14. EQUITY SHARE CAPITAL</b>			
(i) Authorised equity share capital	<b>Number of</b>	<b>Amount</b>	
	<b>shares</b>	(Rs. in Lakhs)	
As at 1 <sup>st</sup> April 2016	<b>5,000,000</b>	500.00	
Increase during the year	-	-	
As at 31 <sup>st</sup> March 2017	<b>5,000,000</b>	500.00	
Increase during the year	-	-	
As at 31 <sup>st</sup> March 2018	<b>5,000,000</b>	500.00	

**Notes to balance sheet**

(Rs. in Lakhs)

	31.03.2018	31.03.2017	1.04.2016
(ii) Movements in equity share capital	<b>Number of</b>	Equity share	
Issued, subscribed and fully paid up	<b>shares</b>	Capital	
		par value	
As at 1 <sup>st</sup> April, 2016	<b>3,071,500</b>	307.15	
Increase/ (decrease) during the year	-	-	
As at 31 <sup>st</sup> March, 2017	<b>3,071,500</b>	307.15	
Increase/ (decrease) during the year	-	-	
As at 31 <sup>st</sup> March, 2018	<b>3,071,500</b>	307.15	

Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

	31.03.2018		31.03.2017		1.04.2016	
	Number of	% of	Number of	% of	Number of	% of
	shares	holding	shares	holding	shares	holding
Lakshmi Cargo Company Ltd	-	-	-	-	480,295	15.64
Lakshmi Life Sciences Ltd	<b>939,590</b>	<b>30.59</b>	879,590	28.64	399,295	13.00
Gagandeep Credit Capital Pvt Ltd	<b>61,544</b>	<b>2.00</b>	121,544	3.96	241,544	7.86
Lakshmi Machine Works Ltd	<b>300,000</b>	<b>9.77</b>	300,000	9.77	150,000	4.88
Sri. Sanjay Jayavarthanavelu	<b>216,288</b>	<b>7.04</b>	216,288	7.04	216,288	7.04
	<b>1,517,422</b>	<b>49.40</b>	1,517,422	49.40	1,487,422	48.43

	31.03.2018	31.03.2017	1.04.2016
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**15. OTHER EQUITY**

General reserve	7,711.42	7,561.42	6,561.42
Securities Premium	718.60	718.60	718.60
Retained earnings	5,960.13	4,796.31	4,393.84
FVOCI - Equity instruments	13,231.14	7,556.98	5,910.20
<b>Total reserves and surplus</b>	<b>27,621.29</b>	<b>20,633.31</b>	<b>17,584.06</b>

a) General reserve			
Opening balance	7561.42	6,561.42	
Additions during the year	150.00	1,000.00	
Deductions/Adjustments during the year	-	-	
<b>Closing balance</b>	<b>7,711.42</b>	<b>7,561.42</b>	

**Notes to balance sheet**

(Rs. in Lakhs)

	31.03.2018	31.03.2017	1.04.2016
b) Securities premium reserve			
Opening balance	<b>718.60</b>	718.60	
Additions during the year	-	-	
Deductions/Adjustments during the year	-	-	
<b>Closing balance</b>	<b>718.60</b>	718.60	
c) Retained earnings			
Opening balance	<b>4,796.31</b>	4,393.84	
Net profit for the period	<b>1,420.98</b>	1,457.18	
Items of other comprehensive income recognised directly in retained earnings			
- Remeasurements of post-employment benefit obligation, net of tax	<b>(14.74)</b>	37.71	
Appropriations			
- General Reserve	<b>(150.00)</b>	(1,000.00)	
Dividends and taxes thereon	<b>(92.42)</b>	(92.42)	
<b>Closing balance</b>	<b>5,960.13</b>	4,796.31	
d) FVOCI - Equity instruments			
Opening balance	<b>7,556.98</b>	5,910.20	
Change in fair value of equity instruments (Net of Tax)	<b>5,674.16</b>	1,646.78	
<b>Closing balance</b>	<b>13,231.14</b>	7,556.98	

- i) General reserve: Part of retained earnings was earlier utilised for declaration of dividends as per the erstwhile Companies Act, 1956. This is available for distribution to share holders.
- ii) Retained earnings: Company's cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve.
- iii) Securities Premium: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- iv) FVOCI - Equity instruments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**Notes to balance sheet**

(Rs. in Lakhs)

	31.03.2018			31.03.2017			1.04.2016		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
<b>16 PROVISIONS</b>									
Compensated absences	19.13	-	19.13	18.78	-	18.78	22.72	-	22.72
Gratuity	-	-	-	-	-	-	59.60	-	59.60
<b>Total employee benefit obligations</b>	<b>19.13</b>	<b>-</b>	<b>19.13</b>	<b>18.78</b>	<b>-</b>	<b>18.78</b>	<b>82.32</b>	<b>-</b>	<b>82.32</b>
(i) Compensated absences						<b>31.03.2018</b>	31.03.2017		1.04.2016
Current leave obligations expected to be settled within the next 12 months						<b>19.13</b>	18.78		22.72
(ii) Gratuity						-	-		59.60
						Present value of obligation	Fair value of plan assets		Net amount
<b>April 1, 2016</b>						<b>157.40</b>	(97.80)		59.60
Current service cost						<b>19.23</b>	-		19.23
Interest expense/(income)						<b>12.43</b>	(10.53)		1.90
<b>Total amount recognised in profit or loss</b>						<b>31.66</b>	(10.53)		21.13
Remeasurements									
(Gain)/loss from change in financial assumptions						-	-		-
Experience (gains)/losses						<b>(57.49)</b>	0.76		(56.73)
<b>Total amount recognised in other comprehensive income</b>						<b>(57.49)</b>	0.76		(56.73)
Employer contributions						-	(71.67)		(71.67)
Benefit payments						<b>(3.98)</b>	3.98		-
<b>March 31, 2017</b>						<b>127.59</b>	(175.27)		(47.68)
April 1, 2017						<b>127.59</b>	(175.27)		(47.68)
Current service cost						<b>21.20</b>	-		21.20
Interest expense/(income)						<b>9.30</b>	(12.99)		(3.69)
<b>Total amount recognised in profit or loss</b>						<b>30.50</b>	(12.99)		17.51
Remeasurements									
(Gain)/loss from change in financial assumptions						-	-		-
Experience (gains)/losses						<b>19.58</b>	1.22		20.80
<b>Total amount recognised in other comprehensive income</b>						<b>19.58</b>	1.22		20.80
Employer contributions						-	-		-
Benefit payments						<b>(14.44)</b>	14.44		-
<b>March 31, 2018</b>						<b>163.24</b>	(172.60)		(9.36)
The net liability disclosed above relates to funded and unfunded plans are as follows:									
Present value of funded obligations						<b>163.24</b>	127.59		157.40
Fair value of plan assets						<b>172.60</b>	175.27		97.80
<b>Deficit of funded plan</b>						<b>(9.36)</b>	(47.68)		59.60

**Notes to balance sheet**

(Rs. in Lakhs)

**31.03.2018**    31.03.2017    1.04.2016

(iii) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Discount rate	<b>7.73%</b>	8.00%
Salary growth rate	<b>6.00%</b>	6.00%
Attrition rate	<b>3.00%</b>	3.00%
Expected return on fund assets	<b>7.73%</b>	8.00%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at age.

(iv) Brief description of the Plans & risks

These plans typically expose the Company to actuarial risks such as : Investment risk, interest risk, longevity risk and salary risk.

**Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount which is determined with reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, other debt instruments and equity shares of listed companies.

**Interest risk:**

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt instruments, if any.

**Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

(v) Sensitivity analysis (To be included for each defined benefit obligation)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation

	Change in assumption 31.03.2018	Increase in assumption As at 31.03.2018 (as a %)	Decrease in assumption As at 31.03.2018 (as a %)	Increase in assumption (Rs. in Lakhs)	Decrease in assumption (Rs. in Lakhs)
Discount rate	1%	(8.00%)	10.02%	(149.38)	179.60
Salary growth rate	1%	9.98%	(8.58%)	179.52	(149.22)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with

**Notes to balance sheet**

(Rs. in Lakhs)

31.03.2018      31.03.2017      1.04.2016

the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the balance sheet.

**(vi) The Company's best estimate of pay-outs are as under:**

Within one year	14.14	13.93
After one year but not beyond five years	38.61	30.97
Beyond five years	43.80	25.28

**17. Deferred tax liabilities (Net)**

The balance comprises temporary differences attributable to:

Depreciation	1,106.89	1,389.94	1,468.57
Others including Fair valuation of equity shares	224.51	19.95	-
<b>Total deferred tax liabilities</b>	<b>1,331.40</b>	<b>1,409.89</b>	<b>1,468.57</b>
Set-off of deferred tax assets pursuant to set-off provisions	-	-	-
Expenses eligible for deduction on payment basis and expenses eligible for deduction over multiple years	(46.50)	(59.32)	(81.25)
<b>Net deferred tax liabilities</b>	<b>1,284.90</b>	<b>1,350.57</b>	<b>1,387.32</b>

**Movement in deferred tax liabilities / (assets)**

Particulars	Depreciation	Others including Fair valuation of equity shares	Expenses eligible for deduction on payment basis and expenses eligible for deduction over multiple years	Total
At April 1, 2016	1,468.57	-	(81.25)	1,387.32
Charged / (credited):				-
- to profit or loss	(78.63)	-	21.93	(56.70)
- to other comprehensive income			19.95	19.95
At March 31, 2017	1,389.94	-	(39.37)	1,350.57
Charged/(credited):				
- to profit or loss	(283.05)		12.82	(270.23)
- to other comprehensive income	-	210.63	(6.06)	204.57
At March 31, 2018	1,106.89	210.63	6.76	1,284.91

31.03.2018      31.03.2017      1.04.2016

**18. GOVERNMENT GRANTS**

Non-Current	-	6.65	27.70
Current	6.65	21.04	23.12
<b>Total</b>	<b>6.65</b>	<b>27.69</b>	<b>50.82</b>



**Notes to balance sheet**

(Rs. in Lakhs)

	31.03.2018	31.03.2017	1.04.2016
<b>19. CURRENT BORROWINGS</b>			
Secured - From Banks	Rate of interest	Limit	
(a) Indian Overseas Bank-Cash credit	10.00%	1,750.00	<b>1,749.57</b>
(b) Indian Bank-Cash credit	10.80%	1,500.00	<b>1,454.95</b>
(c) IDBI Bank-Demand loan	9.75%	750.00	<b>750.00</b>
(d) Packing credit with IDBI Bank	3.89%	750.00	<b>586.16</b>
(e) IDBI Bank - Cash credit	11.00%		722.16
(f) Indian Bank - Demand loan	11.90%	400.00	400.00
(g) IDBI Bank- Ware House Loan	9.50%	500.00	<b>217.00</b>
(Secured on hypothecation of entire current assets of the Company and second pari passu charge on the fixed assets)			
Unsecured - From Banks			
(a) HDFC Bank - Short term Loan	9.30%	500.00	<b>502.35</b>
(b) IndusInd Bank WCDL	9.05%	1,000.00	<b>1,000.00</b>
(c) Purchase bills discounted with Yes Bank	9.25%	750.00	<b>238.35</b>
<b>Total current borrowings</b>			<b>6,618.96</b>
		5,510.03	5,105.73
<b>20. TRADE PAYABLES</b>			
Current			
Dues to Micro and Small Enterprises**		61.95	76.06
Dues to enterprises other than Micro and Small Enterprises		852.69	667.27
<b>Total trade payables</b>		<b>914.64</b>	815.37
** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same.			
<b>21. OTHER FINANCIAL LIABILITIES</b>			
Current			
Current maturities of long term debt		-	140.20
Interest accrued and due on borrowings		7.16	16.82
Unpaid dividends		22.31	27.66
Payable to employees		114.00	66.98
Payable for expenses		864.36	793.03
<b>Total other current financial liabilities</b>		<b>1,007.83</b>	904.49
<b>22. CURRENT TAX LIABILITIES (NET)</b>			
Opening balance		-	-
Less: Current tax payable for the year		-	(59.78)
Less: Taxes paid		-	-
<b>Closing balance</b>		-	59.78
<b>23. OTHER CURRENT LIABILITIES</b>			
Advance from customers		194.22	90.64
Statutory Liabilities		34.75	87.23
<b>Total other current liabilities</b>		<b>228.97</b>	177.87
		155.31	

**Notes to Statement of Profit and Loss**

(Rs. in Lakhs)

	31.03.2018	31.03.2017
<b>24. REVENUE FROM OPERATIONS</b>		
<b>Sale of products (including excise duty)</b>		
<b>Export Sales</b>		
Yarn - Direct Export	1,051.33	849.61
Yarn - Merchant Export	2,896.31	1,464.68
Gears - Direct Export	0.44	9.35
<b>Domestic Sales</b>		
Cotton, Yarn & Fabric	15,309.56	15,007.62
Gears	2,739.94	3,057.71
Cotton Waste	1,409.23	1,168.84
<b>Sale of services</b>		
Commission Receipts	1,186.43	1,236.54
Erection Charges Receipts	603.46	622.94
<b>Service Charges</b>	325.44	324.63
<b>Total revenue</b>	<b>25,522.14</b>	<b>23,741.92</b>
<b>25. OTHER INCOME</b>		
Interest Income from financial assets at amortised cost	41.64	48.82
Dividend Income from investments mandatorily measured at fair value through other comprehensive income*	80.32	71.79
Net gain on disposal of property, plant and equipment	0.90	115.70
Foreign Exchange Fluctuation	12.24	-
Government Grant	21.05	23.13
Other Non Operating Income	98.83	159.93
<b>Total other income</b>	<b>254.98</b>	<b>419.37</b>
*All dividends from equity instruments designated at FVOCI relate to investments held at the end of the year		
<b>.26. COST OF MATERIALS CONSUMED</b>		
Raw materials at the beginning of the year	2,906.90	2,362.53
Add: Purchases	13,245.72	12,430.96
Less: Raw materials at the end of the year	2,597.18	2,906.90
<b>Total cost of materials consumed</b>	<b>13,555.44</b>	<b>11,886.59</b>
<b>27. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
Opening Balance		
Work-in-progress	528.04	448.26
Finished goods	644.21	578.17
Waste	11.37	3.09
Total Opening Balance	1,183.62	1,029.52
Closing Balance		
Work-in-progress	580.97	528.04
Finished goods	677.84	644.21
Waste	9.12	11.37
Total Closing Balance	1,267.93	1,183.62
<b>Total changes in inventories of finished goods and work-in-progress</b>	<b>(84.31)</b>	<b>(154.10)</b>

**Notes to Statement of Profit and Loss**

(Rs. in Lakhs)

	31.03.2018	31.03.2017
<b>28. EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, wages and bonus	2,871.44	2,574.05
Contribution to provident and other funds	143.46	144.98
Gratuity	17.51	57.65
Staff welfare expenses	268.54	252.04
<b>Total employee benefit expense</b>	<b>3,300.95</b>	<b>3,028.72</b>
<b>29. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of property, plant and equipment	1,713.71	1,654.81
Amortisation of intangible assets	3.84	3.45
<b>Total depreciation and amortisation expense</b>	<b>1,717.55</b>	<b>1,658.26</b>
<b>30. OTHER EXPENSES</b>		
Consumption of stores and spares	996.17	1,133.52
Power & Fuel	1,279.42	1,006.32
Rent	36.37	34.36
Repairs to Buildings	86.85	77.54
Repairs to Machinery	1,017.68	1,041.78
Repairs to Others	5.05	26.59
Insurance	37.63	32.27
Rates & Taxes	100.85	43.15
Corporate Social Responsibility (Refer note below)	44.50	42.75
Provision for expected credit loss	13.59	(10.61)
Auditors remuneration		
For Statutory Audit	2.50	3.24
For Other services	-	-
Fabric Conversion / Outside processing charges	542.08	500.11
Bank Charges	84.06	32.65
Sitting Fees	10.50	12.00
Miscellaneous Expenses	683.99	741.02
<b>Total other expenses</b>	<b>4,941.24</b>	<b>4,716.69</b>
<b>Corporate social responsibility</b>		
Amount required to be spent as per Section 135 of the Act	44.35	42.67
Amount spent during the year on:		
(i) Construction/ acquisition of an asset	-	-
(ii) On purposes other than (i) above	44.50	42.75
	44.50	42.75
Amount spent through approved trusts and institutions	44.50	42.75
Amount spent directly	-	-
<b>Total</b>	<b>44.50</b>	<b>42.75</b>
<b>31. FINANCE COSTS</b>		
Interest on Working Capital Loan	557.80	495.12
Other Finance Costs	44.05	46.62
<b>Total Finance costs</b>	<b>601.85</b>	<b>541.74</b>

**Notes to Statement of Profit and Loss**

(Rs. in Lakhs)

	<b>31.03.2018</b>	31.03.2017
<b>32. INCOME TAX EXPENSE</b>		
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	<b>518.00</b>	635.00
Adjustments for current tax of prior periods	<b>(16.29)</b>	(7.68)
<b>Total current tax expense</b>	<b>501.71</b>	627.32
Deferred tax		
Decrease (increase) in deferred tax assets	<b>12.82</b>	21.93
(Decrease) increase in deferred tax liabilities	<b>(283.05)</b>	(78.63)
<b>Total deferred tax expense/(benefit)</b>	<b>(270.23)</b>	(56.70)
<b>Income tax expense</b>	<b>231.48</b>	570.62
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	<b>1,652.46</b>	2,027.80
Tax at the Indian tax rate	<b>34.608%</b>	34.608%
<b>Computed expected tax expense at enacted tax rate</b>	<b>571.88</b>	701.78
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect on exempted income	<b>(27.80)</b>	(24.85)
Corporate social responsibility expenditure disallowed	<b>15.40</b>	14.79
Tax effect on account of tax deductions	<b>(158.39)</b>	(191.22)
Tax effect of other adjustments	<b>116.91</b>	134.50
<b>Current tax expense recognised in Profit or loss</b>	<b>518.00</b>	635.00

**33. FAIR VALUE MEASUREMENTS**

Financial instruments by category

(Rs. in Lakhs)

	March 31, 2018		March 31, 2017		April 1, 2016	
	FVOCI	Amortised cost	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments	15,659.44	-	8,637.09	-	5,996.96	-
Trade receivables	-	<b>4,616.50</b>		3,382.48	-	3,645.66
Cash and cash equivalents	-	<b>261.31</b>	-	63.32	-	209.68
Other bank balances	-	<b>272.31</b>	-	527.66	-	26.08
Security deposits	-	<b>500.90</b>	-	451.68	-	312.92
Income receivable	-	<b>18.15</b>	-	28.85	-	56.64
Interest accrued on deposits	-	<b>10.01</b>	-	16.64	-	1.07
Employee Advances	-	<b>22.37</b>	-	14.46	-	11.55
<b>Total financial assets</b>	<b>15,659.44</b>	<b>5,701.55</b>	8,637.09	4,485.09	5,996.96	4,263.60

**Notes to Statement of Profit and Loss**

(Rs. in Lakhs)

	March 31, 2018		March 31, 2017		April 1, 2016	
	FVOCI	Amortised cost	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings	-	<b>6,618.96</b>	-	5,510.03	-	5,105.73
Trade payables	-	<b>914.64</b>	-	743.33	-	815.37
Current maturities of long term debt	-	-	-	-	-	140.20
Interest accrued and due on borrowings	-	<b>7.16</b>	-	16.82	-	7.33
Unpaid dividends	-	<b>22.31</b>	-	27.66	-	26.10
Payable to employees	-	<b>114.00</b>	-	66.98	-	70.67
Payable for expenses	-	<b>864.36</b>	-	793.03	-	554.18
<b>Total financial liabilities</b>	-	<b>8,541.43</b>	-	7,157.85	-	6,719.58

**(i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

At 31 <sup>st</sup> March, 2018	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Financial Investments at FVOCI:	5	15,659.44	-	-	<b>15,659.44</b>
<b>Total financial assets</b>		<b>15,659.44</b>	-	-	<b>15,659.44</b>
<b>At 31<sup>st</sup> March, 2017</b>					
<b>Financial assets</b>					
Financial Investments at FVOCI:	5	8,637.09	-	-	8,637.09
<b>Total financial assets</b>		<b>8,637.09</b>	-	-	8,637.09
<b>At 1<sup>st</sup> April, 2016</b>					
<b>Financial assets</b>					
Financial Investments at FVOCI:	5	5,996.96	-	-	5,996.96
<b>Total financial assets</b>		<b>5,996.96</b>	-	-	5,996.96

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Notes to Statement of Profit and Loss**

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**(ii) Valuation technique used to determine fair value**

The carrying amounts of trade receivables, trade payables, loans, deposits, advances, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

**34. FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to credit risk, liquidity risk and market risk.

**(A) Credit risk**

Company faces credit risk from cash and cash equivalents, deposits with banks and financial institutions and unsecured trade receivables. The Company doesn't face any credit risk with other financial assets.

**(i) Credit risk management**

Credit risk on deposit is mitigated by depositing the funds in public sector banks.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company faces the risk of delayed payments from TNEB - to whom it supplies power. Apart from this, the Company sells the products to customers only when the collection of trade receivables is certain and whether there has been a significant increase in the credit risk on an on-going basis is monitored throughout each reporting period. As at the balance sheet date, based on the credit assessment the historical trend of low default is expected to continue. An impairment analysis is performed at each reporting date on an individual basis for major clients. Any recoverability of receivables is provided for based on the impairment assessment. Historical trends showed as at the transition date and 31<sup>st</sup> March, 2016 Company had no significant credit risk.

**(ii) Provision for expected credit losses for trade receivables**

The Company provides for expected credit loss based on the following:

Expected credit loss for trade receivables under simplified approach

The Company does not have any long outstanding receivable balances, except in the case of the agency and gears divisions, for which provision for expected credit loss is created.

Amount (Rs. in Lakhs)

Loss allowance on 1 <sup>st</sup> April, 2016	25.12
Changes in loss allowance	(10.61)
Loss allowance on 31 <sup>st</sup> March, 2017	14.51
Changes in loss allowance	13.59
Loss allowance on 31 <sup>st</sup> March, 2018	28.09

**(B) Liquidity risk**

Objective of liquidity risk management is to maintain sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves

**Notes to Statement of Profit and Loss**

projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

	<b>(Rs. in lakhs)</b>		
	<b>31.03.2018</b>	31.03.2017	1.04.2016
Floating rate			
-Expiring within one year (bank overdraft and other facilities)	<b>(881.04)</b>	(360.04)	(355.73)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity of 1 year.

**(ii) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- a) all non-derivative financial liabilities, and
- b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

**Rs. in Lakhs**

	31.03.2018			31.03.2017			1.04.2016		
	Maturing within 3 months	Maturing after 3 months but within a year	Total	Maturing within 3 months	Maturing after 3 months but within a year	Total	Maturing within 3 months	Maturing after 3 months but within a year	Total
<b>Non-derivatives</b>									
Borrowings	21.68	6,597.28	6,618.96		5,510.03	5,510.03		5,105.73	5,105.73
Trade payables	914.64	-	914.64	743.33	-	743.33	815.37	-	815.37
Current maturities of long term debt	-		-	-	-	-	140.20	-	140.20
Interest accrued and due on borrowings	7.16	-	7.16	16.82	-	16.82	7.33	-	7.33
Unpaid dividends	-	22.31	22.31		27.66	27.66	-	26.10	26.10
Other employee benefits	114.00	-	114.00	66.98	-	66.98	70.67	-	70.67
Payable for expenses	864.36	-	864.36	793.03	-	793.03	554.18	-	554.18
<b>Total non-derivative liabilities</b>	<b>1,921.84</b>	<b>6,619.59</b>	<b>8,541.43</b>	<b>1,620.16</b>	<b>5,537.69</b>	<b>7,157.85</b>	<b>1,587.75</b>	<b>5,131.83</b>	<b>6,719.58</b>

**(C) Market risk**

**(i) Foreign currency risk**

The Company activities exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows.

	<b>31.03.2018</b>	<b>31.03.2017</b>	1.04.2017
		<b>(Rs. in Lakhs)</b>	
Financial assets			
Trade receivables	<b>45.54</b>	56.93	167.83
Exposure to foreign currency risk (assets)	<b>45.54</b>	<b>56.93</b>	167.83
Financial liabilities			
Trade payables	-	-	-
Exposure to foreign currency risk (liabilities)-Foreign LC	<b>191.00</b>	-	-
Net exposure to foreign currency risk	<b>(145.46)</b>	<b>56.93</b>	167.83

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from major foreign currency denominated financial instruments

USD sensitivity	Impact on profit after tax	
INR/USD Increases by 5% "(31 <sup>st</sup> March, 2016 - 5%)	<b>(4.87)</b>	1.91
INR/USD Decreases by 5% "(31 <sup>st</sup> March, 2016 - 5%)	<b>4.87</b>	(1.91)

\* Holding all other variables constant

### 35. CAPITAL MANAGEMENT

#### (a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Company intends to maintain an optimal gearing ratio for optimising shareholder value.

(b) Dividends	In Rs.
Dividends per equity share (INR 10 each) for the year ended March 31, 2017	2.50
(For year ended March 31, 2016 INR 2.50)	
Dividends per equity share (INR 10 each) for the year ended March 31, 2016	2.50
(For year ended March 31, 2015 INR 2.50)	

### 36. EARNINGS PER SHARE

(i) Basic	<b>31.03.2018</b>	31.03.2017
Profit attributable to equity holders of the Company	<b>1,420.98</b>	1,457.18
Number of Shares (par value of INR.10/- each)	<b>3,071,500</b>	3,071,500
Basic earnings per shares Rs.	<b>46.26</b>	47.44
(ii) Diluted		
Profit attributable to equity holders of the company	<b>1,420.98</b>	1,457.18
Number of Shares (par value of INR 10/- each)	<b>3,071,500</b>	3,071,500
Diluted earnings per shares Rs.	<b>46.26</b>	47.44



<b>37. Equity reconciliation as on 31.03.2016 and 31.03.2017</b>	<b>(Rs. in Lakhs)</b>	
Description	31.03.17	01.04.2016
<b>Reserves as per audited financial statement</b>	<b>13,419.78</b>	<b>11,825.20</b>
Ind AS adjustments		
Reversal of Proposed Dividend and taxes thereon	-	92.42
Fair valuation of Investments	7,556.97	5,910.20
Revenue reversal	(4.56)	(3.24)
Provision for Expected credit loss	(14.51)	(25.12)
Deferred tax impact on above and adoption of balance sheet approach	(324.37)	(215.39)
<b>Total impact</b>	<b>7,213.53</b>	<b>5,758.87</b>
<b>Reserves as per Ind AS</b>	<b>20,633.31</b>	<b>17,584.07</b>
Profit reconciliation for the year ended 31 <sup>st</sup> March, 2017		
Profit after tax as per IGAAP	1,594.58	
Reversal of provision for Expected Credit Loss	10.61	
Profit reversal on revenue derecognised	(1.32)	
Transfer of Acturial gain and related taxes to OCI	(57.65)	
Deferred tax impact on above and adoption of balance sheet approach	(89.04)	
Profit as per Ind AS	1,457.18	
Other Comprehensive Income:		
Gain on fair valuation of equity investments	1,646.78	
Actuarial gain from employee defined benefit plans (net of tax)	37.71	
<b>Total comprehensive income as per Ind AS</b>	<b>3,141.67</b>	

**38. FIRST-TIME ADOPTION OF IND AS**

**Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31<sup>st</sup> March, 2018, the comparative information presented in these financial statements for the year ended 31<sup>st</sup> March, 2017 and in the preparation of an opening Ind AS balance sheet at 1<sup>st</sup> April, 2016 (The company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A.1 Ind AS optional exemptions**

**A.1.1 Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

**A.1.2 Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

**A.2 Ind AS mandatory exceptions**

**A.2.1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1<sup>st</sup> April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI;
- Expected credit loss on delayed risk of trade receivable recovery

**B: Notes to first-time adoption:**

**Note 1: Fair valuation of investments**

Under Previous GAAP, investment in equity instruments were carried at nominal value, under the Ind-AS same investments are carried at FVOCI, Consequent to this change, the amount of investments increased by INR 1646.78 as at 31<sup>st</sup> March, 2017 (1<sup>st</sup> April, 2016 – INR 5,910.2).

**Note 2: Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

**Note 3: Revenue**

Reassessment of revenue recognition has been carried out in accordance with Ind AS 18.

**Note 4: Expected Credit Loss**

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, a provision of Rs. 28.10 Lakhs has been created for the year ended March 31, 2018 (March 31, 2017: Rs. 14.51 Lakhs, April 1, 2016: Rs. 25.12 Lakhs)

**Note 5: Deferred Taxes**

Deferred tax have been recognised on the adjustments made on transition to Ind AS and on adoption of the balance sheet approach.

**39. CONTINGENT LIABILITIES**

	<b>31.03.2018</b>	31.03.2017	1.04.2016
Other monies for which the company is contingently liable			
i) Service tax dues	-	12.66	156.99
ii) Central Excise dues	-	-	19.79
iii) Export Obligation under EPCG Scheme	<b>11,855.00</b>	6,942.00	9,255.00
iv) Income tax dues	<b>2.67</b>	-	-

**40. COMMITMENTS**

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	<b>31.03.2018</b>	31.03.2017	01.04.2016
			<b>(Rs. in Lakhs)</b>
Property, plant and equipment	<b>92.59</b>	59.42	811.99

41. Provision of Rs. 27.40 lakhs [Previous year Rs. 128.04 lakhs] for self generation tax towards Wind Energy has been made.

42. The financial statements were approved for issue by the Board of directors on 29<sup>th</sup> May, 2018.

43. The company has ensured the health and safety of the employees as prescribed under the Factories Act, 1948. The company has incurred the following expenditure during the year in this regard.

	<b>31.03.2018</b>	31.03.2017	01.04.2016
			<b>(Rs. in Lakhs)</b>
Health related expenses	<b>6.91</b>	5.22	7.36
Safety related expenses	<b>3.90</b>	3.64	1.19
	<b>10.81</b>	8.86	8.55

44. The Board of Directors have recommended a dividend of Rs. 2.50 each per equity share of the face value of Rs.10 each, subject to the approval of the shareholders at the ensuing Annual General Meeting.

45. Related party disclosure (As identified by the Management)

1. Related party Relationships:

a) Key Management personnel

N.R.Selvaraj, Managing Director

S. Ravindran, Chief Financial Officer

S.K.Radhakrishnan, Company Secretary

b) Other Related Parties - Enterprises over which key managerial personnel are able to exercise significant influence

Adwaith Lakshmi Industires Ltd

Lakshmi Technology and

Adwaith Textile Ltd

Engineering Industries Ltd

Harshini Textiles Ltd

LCC Cargo Holdings Ltd

Lakshmi Caipo Industries Ltd

Quattro Engineering India Ltd

Lakshmi Cargo Company Ltd

Revantha Services Ltd

Lakshmi Electrical Control Systems Ltd

SKDC Consultants Ltd

Lakshmi Electrical Drives Ltd

Starline Travels Ltd

Lakshmi Life Sciences Ltd

The Lakshmi Mills Co. Ltd

Lakshmi Machine Works Ltd

Titan Paints and Chemicals Ltd

Lakshmi Precision Tools Ltd

Veejay Syntex P Ltd

Lakshmi Ring Travellers (Coimbatore) Ltd

Veejay Yarns and Fabrics P Ltd

c) Post employment employee benefit plans :

Super Sales India Ltd Employees Gratuity

45 Transactions with Related Parties for the Period ended on 31.03.2018.

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		Gratuity Fund		Outstanding	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Adwalth Lakshmi Ind Ltd	31.02	23.59	-	0.81	7.12	5.77	-	-	-	-	-	-	-	-	7.56	5.94	-	-	14.86	3.17	14.86	3.17
Adwalth Textiles Ltd	-	-	-	-	0.16	0.53	-	-	1.77	10.90	-	-	-	-	-	-	-	-	0.08	0.70	0.08	0.70
Harshini Textiles Ltd	-	-	-	-	1.30	-	-	-	1.59	0.04	-	-	-	-	-	-	-	-	-	-	-	-
Lakshmi Capro Industries Ltd	1.49	-	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05	-	0.05	-
Lakshmi Cargo Company Ltd.	5.88	4.54	-	-	-	-	-	-	37.37	54.90	-	2.66	-	-	-	-	-	-	(6.04)	(16.54)	(6.04)	(16.54)
Lakshmi Electrical Control Systems Ltd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02
Lakshmi Electrical Drives Ltd	106.47	185.90	-	-	179.95	186.39	-	-	2.08	0.19	0.15	0.24	-	-	3.88	2.30	-	-	(3.02)	(24.96)	(3.02)	(24.96)
Lakshmi Life Sciences Ltd	3.61	0.38	-	-	-	-	-	-	-	-	-	-	-	-	1.19	-	-	-	0.62	(0.02)	0.62	(0.02)
Lakshmi Machine Works Ltd.	622.23	497.16	561.40	716.83	8,293.31	3,418.09	-	-	7.40	42.71	786.27	887.97	9.07	44.80	1,326.49	1,382.27	-	1,524.18	800.90	1,524.18	800.90	
Lakshmi Precision Tools Ltd	-	-	-	-	15.13	-	-	-	0.23	-	4.85	8.73	-	-	-	-	-	-	6.44	3.42	6.44	3.42
Lakshmi Rng Travellers (Coimbatore) Ltd	0.09	0.29	-	0.89	2.03	-	-	-	-	0.05	0.23	0.54	-	-	23.14	12.39	-	-	20.77	8.22	20.77	8.22
Lakshmi Technology & Engg Industries Ltd	-	-	-	-	7.52	-	-	-	4.61	7.15	1.15	12.86	-	-	-	-	-	-	0.80	7.07	0.80	7.07
LCC Cargo Holdings Ltd	-	-	-	-	-	-	-	-	-	-	-	-	12.28	7.78	-	-	-	-	-	-	-	-
Quattro Engineering India Ltd.	2.69	2.25	-	10.20	22.56	19.22	10.88	-	1.08	-	-	-	-	-	7.76	6.00	-	13.32	23.20	(11.49)	2.71	
Revantha Services Ltd	2.23	0.48	49.46	3.92	-	-	-	-	185.87	150.29	-	9.84	-	-	-	-	-	-	-	-	-	(0.02)
SKDC Consultants Ltd	-	0.02	-	-	-	-	-	-	2.42	2.24	-	-	-	-	-	-	-	-	-	-	-	-
Starline travels Ltd	-	-	-	-	-	-	-	-	75.19	87.71	-	1.09	-	-	-	-	-	-	(9.17)	-	(9.17)	-
Titan Paints & Chemicals Ltd	9.49	5.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.81)	2.37	(1.81)	2.37
The Lakshmi Mills Co Ltd	-	-	-	-	-	14.93	-	-	-	-	2.59	1.42	-	-	-	-	-	-	1.14	0.30	1.14	0.30
Veejay Syntex Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	1.22	0.51	-	-	-	-	-	-	0.01	0.20	0.01	0.20
Veejay Yarns and Fabrics Pvt. Ltd	-	-	-	-	-	-	-	-	-	-	0.73	0.16	-	-	-	-	-	-	0.32	(0.01)	0.32	(0.01)
Super Sales India Ltd Employees' Gratuity Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71.67	-	-
Managing Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63.32	40.89	-	-	-
Chief Financial Officer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.23	16.77	-	-	-
Company Secretary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.46	10.94	-	-	-

46 Segment information for the year ended 31<sup>st</sup> March, 2018

(Rs. in Lakhs)

Sl.No.	Name of the Related Party	Agency		Textiles		Engineering Division		Unallocated / Corporate		Total	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
1	<b>REVENUE:</b> Sales including Processing charges and Commission Receipts Other income Less:Intersegment Revenue Total	1,805.87	1,873.73	20,879.52	18,723.21	2,863.92	3,216.61	-	-	25,549.31	23,813.55
		31.74	79.90	120.34	256.86	22.58	10.85	-	-	174.66	347.61
		14.66	14.25	10.42	57.00	2.09	0.34	-	-	27.17	71.59
		1,822.95	1,939.38	20,989.44	18,923.06	2,884.41	3,227.12	-	-	25,696.80	24,089.56
2	<b>RESULT:</b> Segment Results Interest expenses Exceptional Item Provision for Income Tax Deferred Tax (Net) NET PROFIT / LOSS	864.48	1,005.54	1,636.33	1,479.63	(239.06)	90.98	(7.44)	(6.61)	2,254.31	2,569.54
										601.85	541.74
										501.71	627.32
										(270.23)	(56.70)
										1,420.98	1,457.18

Sl.No.	Name of the Related Party	Agency		Textiles		Engineering Division		Unallocated / Corporate		Total	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
3	<b>OTHER INFORMATION:</b> Segment Assets	1,252.27	1,004.98	15,788.83	15,191.49	4,641.26	4,288.21	8,679.03	6,170.37	38,009.52	29,733.00
4	Segment Liabilities	172.08	138.48	7,869.27	6,169.24	544.15	655.54	1,315.45	1,432.08	10,081.08	8,395.34
5	Capital Expenditure (Incl.Capital Work-in-progress)	3.39	47.22	1,345.64	859.71	896.70	111.57	-	-	2,259.10	1,931.47
6	Depreciation	36.12	28.43	1,168.56	1,183.97	445.86	221.15	-	-	1,717.55	1,658.26
											1,372.80

Notes:

- The reportable segments are Agency, Textiles and Engineering divisions, as identified and reviewed by the Chief Operating Decision Maker.
- 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.

SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENTS:

	31.03.2018		31.03.2017	
	%	Rs. in lakhs	%	Rs. in lakhs
Domestic Sales (Net)	95.51	22,355.48	96.06	20,708.25
Export Sales	4.49	1,051.32	3.94	849.61
Countries to which exports were made :				
PERU, BANGLADESH AND TURKEY				

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

Particulars	(Rs. in Lakhs)	
	31.03.2018	31.03.2017
a) 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	<b>61.95</b>	76.07
b. Interest Due	<b>Nil</b>	Nil
b) 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	<b>Nil</b>	Nil
c) 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	<b>Nil</b>	Nil
d) The amount of interest accrued and remaining unpaid at the end of the year	<b>Nil</b>	Nil
e) 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.	<b>Nil</b>	Nil

See accompanying notes to financial statements  
For and on behalf of Board of Directors.

**SANJAY JAYAVARTHANAVELU**  
Chairman  
DIN 00004505

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

In terms of our report attached  
**For SUBBACHAR & SRINIVASAN**  
Registration No.004083 S  
Chartered Accountants

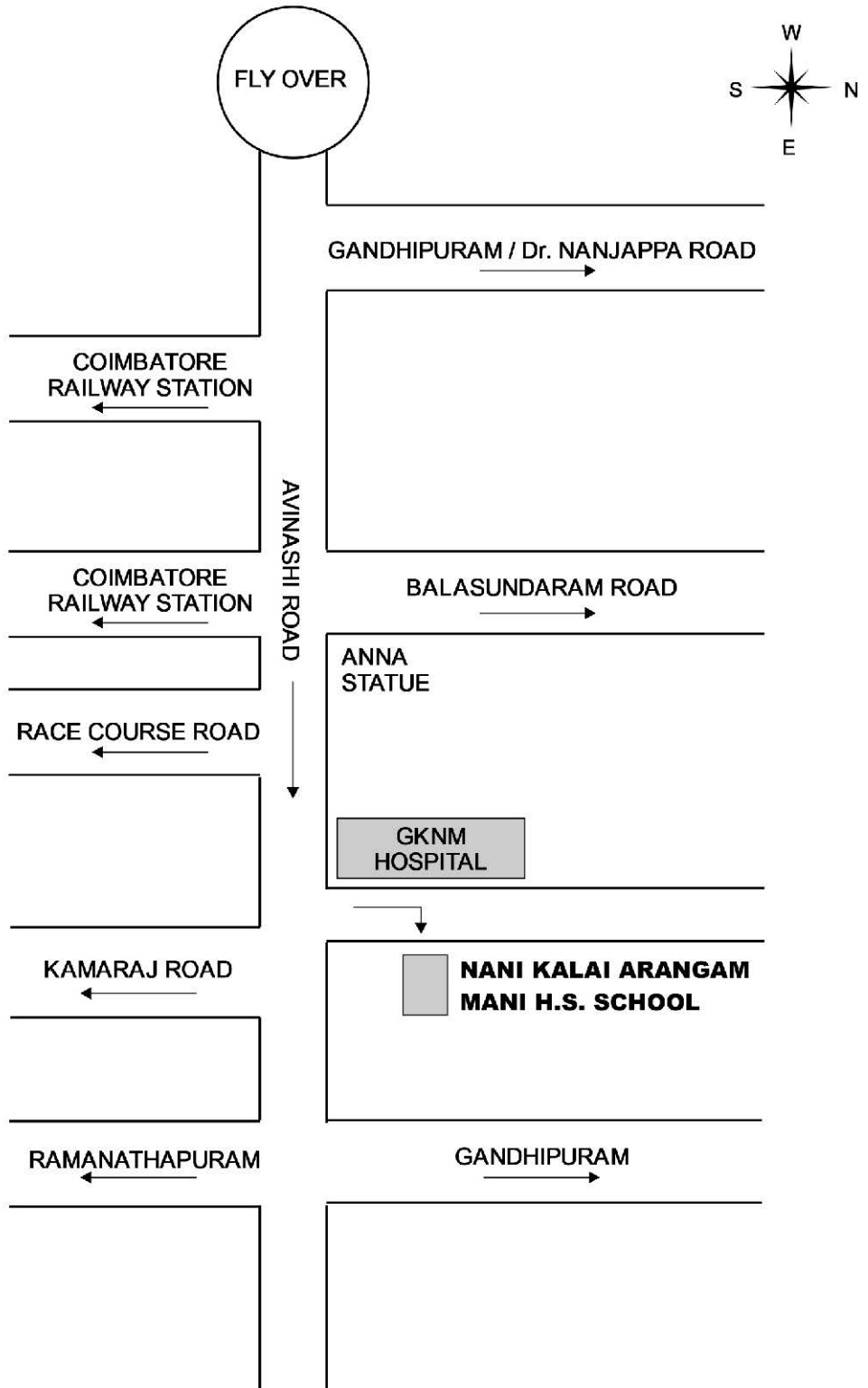
Place : Coimbatore  
Date : 29.05.2018

**S. RAVINDRAN**  
Chief Financial Officer

**S.K. RADHAKRISHNAN**  
Company Secretary

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

# Route Map for the AGM Venue









# SUPER SALES INDIA LIMITED

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

## ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF AGM HALL i.e. '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 36<sup>th</sup> ANNUAL GENERAL MEETING at 'Nani Kalai Arangam', Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore - 641 037 on Thursday, the 26<sup>th</sup> July, 2018 at 3.30 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 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 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

1	Name	
	Address	
	E-mail ID	
	Signature	

or failing him

1	Name	
	Address	
	E-mail ID	
	Signature	

(PTO)

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of our Company, to be held on Thursday, the 26<sup>th</sup> July, 2018 at 3.30 PM at 'Nani Kalai Arangam' Mani Higher Secondary School, Pappanaickenpalayam, Coimbatore-641037 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No. (✓)      All ( )

S.No.	Subject No.		S.No.	Subject	
1	Adoption of Audited Financial Statements		4	Continuation of Directorship by Sri.J. Raghupathy as an Independant Director	
2	Declaration of Dividend		5	Continuation of Directorship by Sri.S. K. Najmul Hussain as an Independant Director	
3	Re-appointment of Sri. Ravi Sam, director, retiring by rotation		6	Approve the remuneration payable to the Cost Auditor	

Signed this .....day of ..... 2018.

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

Registered Office : 34-A, Kamaraj Road, Coimbatore - 641018.  
**NATIONAL ELECTRONICS CLEARING SERVICES (NECS) MANDATE FORMAT**

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

Dear Sir,

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.

--

Name of the  
First Holder

Bank Name

Branch Name

Bank Address

Branch Code

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

(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.

Account type



Savings

Current

Cash Credit

A/c No. (as appearing  
in the Cheque book)

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

Account type

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

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 furnished 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 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

Registered Office : 34-A, Kamaraj Road, Coimbatore - 641018.

## E-MAIL ADDRESS REGISTRATION FORM

To,  
SKDC Consultants Limited,  
"Kanapathy Towers", 3rd 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.

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

FOR OFFICE USE ONLY

Ref No.

--

Name of the First Holder

Name of Joint Holder(s)

E-mail Address

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 furnished as above, Company will not be held responsible.

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

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

Date :

- Note :
- 1 Shareholders holding 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.