

**ANNUAL REPORT**  
**2012-13**



## LEGACY OF EXCELLENCE

The President of India Sh. Pranab Mukherjee accorded the prestigious 'Niryat Shree Award' to Superhouse Ltd. It has also won the prestigious 'Largest Exporter of Leather & Leather Products from India' award for the fifth consecutive year. Superhouse has garnered other awards that include 'Largest Exporter of Non Leather Harness & Saddlery' and '2nd Largest Exporter of Leather Footwear in India' for the year 2011-2012.

On this occasion Superhouse would like to thank its shareholders, customers, suppliers and bankers for their constant support and services which helped the group achieve its goals.

Superhouse would also like to congratulate its staff for its achievements and hard work. It sincerely believes that the team will work harder to continue this winning streak.



**MR. ZAFARUL AMIN, JOINT MANAGING DIRECTOR,**  
receiving the **Niryat Shree Award** from  
**Sh. Pranab Mukherjee,**  
[Hon'ble President of India]



**MR. SHADAB, DIRECTOR**  
receiving the award from **Dr. D. Purandeswari,**  
[Hon. Minister of State (Commerce & Industry)]  
as the largest exporter of  
**Leather and Leather Products in India for 2011-12**



**MR. KASHIF**  
receiving the award from **Dr. D. Purandeswari,**  
[Hon. Minister of State (Commerce & Industry)]  
as the largest exporter of  
**Non Leather Harness & Saddlery for 2011-12**

## Superhouse Limited



### BOARD OF DIRECTORS

Mr. Mukhtarul Amin	<i>Chairman and Managing Director</i>
Mr. Zafarul Amin	<i>Joint Managing Director</i>
Mrs. Shahina Mukhtar	<i>Wholetime Director</i>
Mr. Vinay Sanan	<i>Executive Director</i>
Mr. Anil Kumar Agarwal	<i>Director Finance</i>
Mr. Mohd. Shadab	<i>Wholetime Director</i>
Mr. N. C. Jain	
Mr. Syed Javed Ali Hashmi	
Dr. K. K. Agarwal	
Mr. Anil Soni	
Mr. Kamal Agarwal	
Mr. Dilip Kumar Dheer	

### COMPANY SECRETARY

Mr R.K. Agrawal

### BANKERS

Punjab National Bank  
State Bank of India

### AUDITORS

M/s Kapoor Tandon & Co.  
Chartered Accountants, Kanpur

### REGISTERED OFFICE

150 Feet Road,  
Jajmau, Kanpur-208 010  
Email : [share@superhouse.in](mailto:share@superhouse.in)  
Website : [superhouse.in](http://superhouse.in)  
Tel. 91-0512-2461391, 2464398  
Fax : 91-0512-2460814, 2462124



**PLANTS**

**Fashion Shoe Division I**

D-15, UPSIDC Industrial Area, Site-II,  
Unnao-209 801

**Fashion Shoe Division II**

A-5, UPSIDC Industrial Area, Site-B,  
Sikandra, Agra-282007

**Fashion Shoe Division III**

A-3, Export Promotion Industrial Park,  
Shastripuram, Agra-282007

**Fashion Shoe Division IV**

D-18, UPSIDC Industrial Area, Site-II,  
Unnao-209801

**Tannery I**

A-1, Site-II, Industrial Area,  
Unnao-209801

**Tannery II**

B-16, UPSIDC Industrial Area, Site-II,  
Unnao-209 801

**Shoe Upper Division I**

71-A, Jajmau, Kanpur-208010

**Shoe Upper Division II**

150 Feet Road, Jajmau,  
Kanpur-208010

**Safety Footwear Division I**

B-6, UPSIDC Industrial Area, Site-I,  
Unnao-209 801

**Safety Footwear Division II**

Banthar, Unnao-209801

**Sports Shoe Division**

E-55, UPSIDC, Industrial, Site-I,  
Unnao-209801

**Readymade Garments Division I**

A-14, Sector-65, Phase-III,  
Noida-201303

**Readymade Garments Division II**

C-10, Sector-58, Phase-II,  
Noida-201303

**Readymade Garments Division III**

A-61/2, UPSIDC Industrial Area,  
Sikandrabad, Bulandshahr-203205

**Safety Garments Division**

E-23, 24 UPSIDC Industrial Area,  
Site-I, Unnao-209801

**Leather Garments and Bags Division**

A-69, Sector-57, Noida-201301

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Email ID to serve  
you better

**CONTENTS**

1. Notice .....	3
2. Financial Highlights .....	4
3. Chairman's Speech .....	5
4. Directors' Report .....	6 - 14
5. Auditors' Report .....	15 - 17
6. Balance Sheet .....	18
7. Profit & Loss Account .....	19
8. Cash Flow Statement .....	20
9. Notes on Accounts and Accounting Policies .....	21 - 38
10. Details of Subsidiary Companies .....	39 - 40
11. Auditors' Report on Consolidated Financial Statements .....	41
12. Consolidated Accounts. ....	42 - 58
13. ECS Mandate and Proxy Form .....	59



**NOTICE**

Notice is hereby given that the thirty three Annual General Meeting of the Company will be held on Monday 30th September, 2013 at 10.00 A.M. at the Registered Office of the Company at 150 Feet Road, Jajmau, Kanpur-208 010, to transact the following business:-

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and Audited Accounts for the year ended on that date and the Reports of the Auditors and Directors thereon.
2. To elect a Director in place of Mr. Zafarul Amin who retires by rotation and is eligible for re-election.
3. To elect a Director in place of Mr. Anil Kumar Agarwal who retires by rotation and is eligible for re-election.
4. To elect a Director in place of Dr. Krishna Kumar Agarwal who retires by rotation and is eligible for re-election.
5. To elect a Director in place of Mr. Kamal Agarwal who retires by rotation and is eligible for re-election.
6. To declare a dividend on Equity Shares.
7. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Special Business :-**

8. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution:-  
"RESOLVED THAT pursuant to provisions of section 314(1B) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors to appoint Mr. Manu Sanan, a relative of Mr. Vinay Sanan, Executive Director of the company, as Legal Retainer to hold office of profit under the company for a period of three years with effect from 1st October, 2012 on the gross monthly remuneration of Rs. 1,50,000/- (Rupees One Lac fifty thousand only)" .

By Order of the Board

Place : KANPUR  
Date : 14th August, 2013

**(R.K. Agrawal)**  
Company Secretary

**NOTES :-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The register of members and Share Transfer Book of the Company will remain closed from 17th September,2013 to 30th September,2013 (both days inclusive).

By Order of the Board

Place : KANPUR  
Date : 14th August, 2013

**(R.K. Agrawal)**  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956  
ITEM NO. 1**

Mr. Manu Sanan, who has been selected by your Board of Directors and the selection committee to hold the position of Legal retainer at a gross monthly salary of Rs. 1,50,000/- is a relative of Mr. Vinay sanan, who is an Executive Director on the Board of your company. Sub-section (1B) of Section 314 of the Companies Act, 1956, provides that no relative of a Director should hold a place of profit except with the prior consent of the company by Special Resolution.

None of the Directors, except Mr. Vinay Sanan, is directly or indirectly interested in the aforesaid resolution and the board recommends your acceptance thereof in the interest of the company.

By Order of the Board

Place : KANPUR  
Date : 14<sup>th</sup> August, 2013

**(R.K. Agrawal)**  
Company Secretary

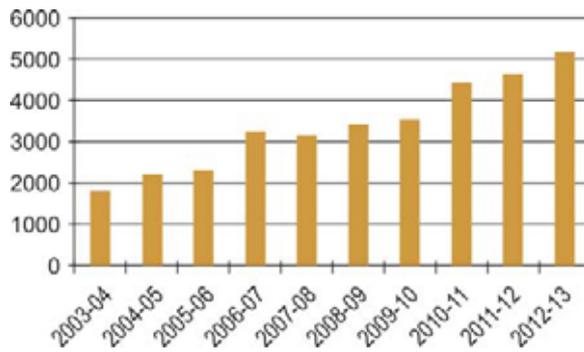
**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the governance in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Member who hold shares in physical form are requested to register the same with Registrar and Transfer Agent M/s Skyline Financial Services (P) Limited, D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.

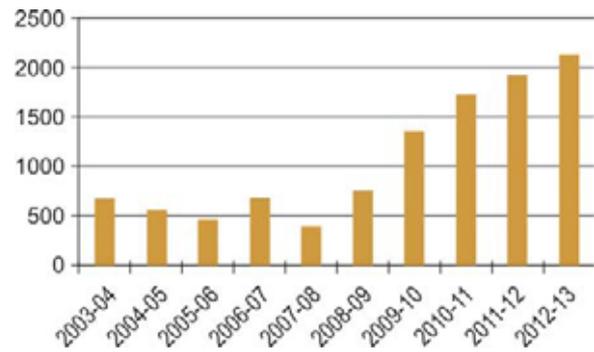


**FINANCIAL HIGHLIGHTS**

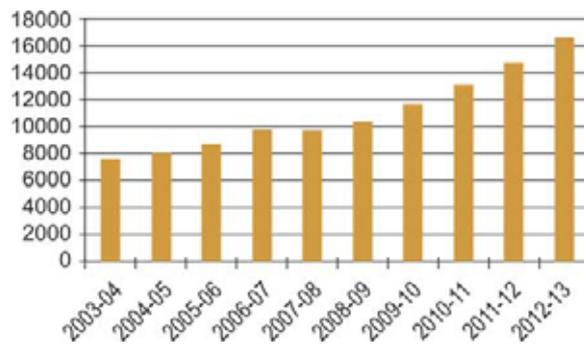
**Turnover (Rs. in Lacs)**



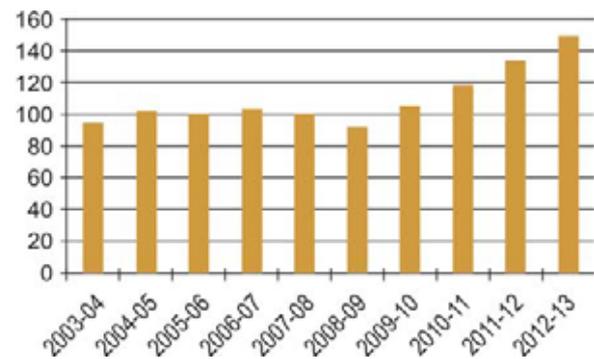
**Net Profit (Rs. in Lacs)**



**Net Worth (Rs. in Lacs)**



**Book Value (Rs. per Share)**





## CHAIRMAN'S SPEECH



Dear Fellow Shareholders,

Congratulation! Your company again received the Gold Trophy for best overall export performance in the leather industry on all India basis for 2011-12. The company received Gold Trophy third time in a row and sixth times during the last eight years.

For fiscal 2012-13, company reported a turnover of Rs. 522.99 crores and profit of Rs. 21.34 crores. Both figures exceeded previous highs set in 2011-12. During the year turnover of the company increased by 12.19% and profit by 11.38% as compared to last year. The earnings per share of the company have also increased from Rs. 17.38 per share during last year to Rs. 19.35 per share during the current year registering a growth of 11.33%.

As a result, the company remains well-positioned to earn solid profits even in a fragile global economy and, longer term, to benefit from brand trends that we believe hold great promise.

Our results reflected the sound execution of our business plans, centered on global expansion and disciplined cost and asset management. Among our achievements, we delivered our highest-ever sales and income, made substantial investments to expand our worldwide footprint.

The company established two wholly owned subsidiaries at Spain and Germany during the year 2012-13 to achieve our ultimate goal of becoming Global Leader in the field of manufacturing and export of leather goods including leather footwear. Your company is already having four subsidiaries one each in USA and Middle East and two in the UK. By adding these two new subsidiaries, your company is now having six wholly owned subsidiaries in abroad establishing our global presence.

The Government of India has notified a significant scheme 'Mega Leather Cluster Scheme' for growth of the leather industry with a plan outlay of Rs. 600 crores under ILDP. The scheme targets development of Greenfield Mega Leather Cluster with all required facilities like Core infrastructure, Social infrastructure, Production infrastructure, HRD and R&D facilities. Your company is one of the core promoters establishing a 'Mega Leather Cluster' in Sandila of Uttar Pradesh. After being established, the 'Mega Leather Cluster' will help immensely to increase the manufacture capacity of the leather industry including that of your company, manifold. This will also remove environmental treat, to a great extent.

I would like to thank all our customers, suppliers and colleague in India and abroad for their wholehearted support and valued contribution during 2012-13. Further, we have much to look forward to as we strive to make our company even stronger and continue to focus on delivering to our customers.

I am grateful to our independent directors who have given their contribution and shares their valuable experience and knowledge of the management to take the company forward. I also take this opportunity to express my gratitude to all our stakeholders, who have reposed a trust in us and extended their constant support.

With best wishes

**Mukhtarul Amin**  
Chairman and Managing Director



## Superhouse Limited

### DIRECTORS' REPORT

To  
The Shareholders.  
Superhouse Limited,  
Kanpur.

The Directors have pleasure in presenting their 33rd Annual Report along with the Audited Accounts of your Company for the year ended 31st March, 2013.

#### FINANCIAL RESULTS :

	Current Year (Rs. in `000)	Previous Year (Rs. in `000)
Profit before Depreciation	439152	393107
Less: Depreciation	113327	96719
Profit before tax	325825	296388
Less : Provision for taxation	120163	102915
Profit after tax	205662	193473
Income Tax relating to earlier year	7706	(1886)
Balance Brought forward from previous year	540175	467808
	<b>753543</b>	<b>659395</b>

#### Appropriations :

Proposed Dividend	16537	16537
Tax on Proposed Dividend	2810	2683
Transferred to General Reserve	100000	100000
Balance carried to Balance Sheet	634196	540175
	<b>753543</b>	<b>659395</b>

#### Dividend :-

Your Directors are pleased to recommend a final dividend of Rs. 1.50 per equity share (previous year Rs.1.50 per equity share) on the equity share capital of the company for the financial year ended 31st March, 2013. The cash outflow on account of dividend on equity capital will be Rs. 193.48 lacs (previous year Rs. 192.20 lacs) including dividend distribution tax of Rs. 28.10 lacs (previous year Rs.26.83 lacs).

#### Financial Performance :-

The company has achieved the sales and other Income of Rs. 522.99 crores against Rs. 466.17 crores reported last year. The Profit after Tax was Rs. 21.34 crores during the year under review as compared to Rs. 19.16 crores reported during the previous year.

#### Export Awards:-

The President of India accorded prestigious Niryat Shree Award to the company during the year. Further, the company has also won the Best Exporter Awards in overall Export Category for 2012-13. In addition to Best Export Award in overall category, the company also received Best Export Award in Non-Leather Harness and Saddlery and 2nd place Export Award in Leather Footwear category.

#### Subsidiary Companies :-

The company is having six subsidiary companies namely M/s. Superhouse (UK) Limited, M/s. Superhouse (USA) International Inc, M/s. Superhouse Middle East FZC, M/s. Briggs Industrial Footwear Limited, UK, M/s. Linea De Seguridad S.L. Spain and M/s. Superhouse Gmbh, Germany. A statement pursuant to section 212 of the Companies Act,1956 relating to company's interest in subsidiary companies is forming part of the Annual Accounts.

As per general exemption granted vide Government of India, Ministry of Corporate Affairs' general circular No. 2/2011 dated 8th February,2011, the Company has not attached the annual accounts of its all the six subsidiaries namely M/s. Superhouse (UK) Limited, M/s. Superhouse (USA) International Inc, M/s. Superhouse Middle East FZC M/s. Briggs Industrial Footwear Limited, UK, M/s. Linea De Seguridad S.L. Spain and M/s. Superhouse Gmbh, Germany to this Annual Report. As required by the said circular, the relevant information for each subsidiary has been disclosed in the consolidated financial statements attached to this Annual Report.

The Company will make available the annual accounts of subsidiaries and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of subsidiaries will also be kept for inspection by any member of the Company at the registered office of the Company and that of the respective subsidiaries. The Consolidated financial statements presented by the Company include the financial information of its subsidiaries.

#### Corporate Governance:-

During the year under review, the company has taken necessary steps to comply with the requirements of the Corporate Governance Code and a Report on the Corporate Governance forms part of this Report.

#### Consolidated Financial Statement :-

As required by clause-32 of the Listing Agreement and in accordance with the Accounting Standard-21 your directors have pleasure to attach the Consolidated Financial Statements and Cash Flow Statement which form part of the Annual Report and Accounts.

#### Management Discussion and Analysis :-

The Report as required by clause-49 of the Listing Agreement is annexed hereto and form part of the report.

#### Personnel :-

The relations with the employees continued to be cordial during the year. Directors record their appreciation for the sincere and hard work put in by all categories of employees during the year.

#### Conservation of Energy :-

Your Company is engaged in the manufacture of Finished Leathers, Leather Goods and Textile Garments and consumption of energy in these industries is not significant as compared to that of in other industries. However, the Company is making continuous efforts to conserve energy wherever possible by economizing on use of power and fuel in factory and offices. However, the company has not made specific additional investment for the reduction of consumption of energy.

#### Technology Absorption :-

The company is carrying on the research and development, understanding the customer needs and preferences for design, quality and comfort on a regular way. Improvement of overall product performance by implementing the planned strategies, bringing in new developments and product improvements based on consumer research have helped your Company to achieve excellent working results and improve competitive strength of the company. The use of modern technology and newer materials not only guarantee world class quality products at reasonable price but also cater to the fashion needs of the customers while meeting the ever changing market requirements.

## Superhouse Limited



The company has incurred revenue expenditure of Rs. 52.00 lacs which are .11% of total turnover for the Research and Development Activities during the year as compared to Rs. 33.17 lacs which were .07% of total turnover incurred during previous year.

The company is not using imported technology. However, Imported Plants and Machineries are also being used by the company.

### Foreign Exchange Earnings & Outgo :-

Your company continues to enjoy the status of a Government of India Recognized Trading House. Continuous efforts are being made to identify the new markets. Exports during the year were Rs. 41464.97 lacs in comparison to previous year of Rs. 37749.26 lacs on FOB basis. During the year, total Foreign Exchange outgo was Rs.9022.75 lacs as compared to Rs. 7333.64 lacs during the preceding financial year.

### Particulars of Employees u/s 217 :-

No employee was covered Under Section 217(2-A) of the Companies Act, 1956 during the year.

### Directors :-

Mr. Zafarul Amin, Mr. Anil Kumar Agarwal, Dr Krishna Kumar Agarwal and Mr. Kamal Agarwal retire by rotation at the ensuing Annual General Meeting and being eligible, they offer themselves for re-election.

### Directors' Responsibility Statement :-

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956 your Directors confirm that :

- i). In the preparation of the annual accounts the applicable accounting standards have been followed;
- ii). They have 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 as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- iii). They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv). They have prepared the annual accounts on a going concern basis.

### Statutory Auditors :-

M/s. Kapoor Tandon & Co. present Auditors will hold office until the conclusion of this Annual General Meeting. We have received a certificate from the Auditors to the effect that their re-appointment, if made, will be in accordance with the limits specified in sub section(1B) of Section 224 of the Companies Act, 1956. Directors commend for re-appointment of M/s. Kapoor Tandon & Co.

Place: KANPUR

For and on behalf of the Board

Date : 29<sup>th</sup> June, 2013

**MUKHTARUL AMIN**  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

### Macroeconomic Overview.

Following the slowdown induced by the global financial crisis in 2008-09, the Indian economy responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 per cent and 9.3 per cent respectively in 2009-10 and 2010-11. However, with the economy exhibiting inflationary tendencies, the Reserve Bank of India (RBI) started raising policy rates in March 2010. High rates as well as policy constraints adversely impacted investment, and in the succeeding two years viz. 2011-12 and 2012-13, the growth rate slowed to 6.2 per cent and 5.0 per cent respectively. Nevertheless, despite this slowdown, the compound annual growth rate (CAGR) for gross domestic product (GDP) at factor cost, over the decade ending 2012-13 is 7.9 per cent.

The moderation in growth is primarily attributable to weakness in industry, which registered a growth rate of only 3.5 per cent and 3.1 per cent in 2011-12 and 2012-13 respectively. The rate of growth of the manufacturing sector was even lower at 2.7 per cent and 1.9 per cent for these two years respectively.

### Industry Structure and Development

The Leather Industry holds a prominent place in the Indian economy. This sector is known for its consistency in high export earnings and it is among the top ten foreign exchange earners for the country.

The leather industry is spread in different segments, namely, Finished Leather, Footwear, Footwear Components, Leather Garments and Leather Goods including Bags, Saddlery, Harness and Leather Gloves etc. as under :-

**Tanning Sector** - Annual production 2 billion Sq.ft. Accounts for 10% of world leather requirement.

**Footwear Sector** - Second largest footwear producer after China. Annual Production 2065 million pairs. Huge domestic retail market 1950 million pairs (95%) are sold in domestic market. Footwear export accounts for 41.14% share in India's total leather & leather products export. The Footwear product mix Gents 54%, Ladies 37% and Children 9%.

**Leather Garments Sector** - Second largest producer with an annual production capacity of 16 million pieces. Third largest global exporter. Accounts for 11.28% share of India's total leather export.

**Leather Goods & Accessories Sector including Saddlery & Harness** - Fifth largest global exporter. Annual production capacity - 63 million pieces of leather articles, 52 million pairs of Industrial gloves & 12.50 million pieces of Harness & Saddlery items. Accounts for 25.76% share of India's total export.

As per DGCI&S monthly export data, the export of leather and leather products for the year 2012-13 stands at US\$4996.91 million against the export of US\$4873.53 million during the previous period, registering a positive growth of 2.53%.

In Rupee terms, export of leather & leather products has shown considerable growth. However, a marginal decline is seen in export of footwear components.

In Dollar terms, export of finished leather, leather goods, saddlery & harness and non-leather footwear have shown positive growth. A marginal decline is seen in export of leather footwear and leather garments while footwear components declined by 13.09%.

The major markets for Indian Leather & Leather Products are Germany with a share of 12.60%, UK 11.96%, USA 10.51%, Hong Kong 8.82%, Italy 8.77%, France 6.39%, Spain 5.34%, Netherlands 3.79%, China 2.48%, Belgium 1.86%, U.A.E.2.53%, Australia 1.48%. These 12 countries together accounts for nearly 76.53% of India's total leather & leather products export.



## Superhouse Limited

Export of leather & leather products to major markets like USA, UK, France, Hong Kong, Australia, Denmark, Canada, Sweden, Japan, UAE and Saudi Arabia have shown positive growth during April-March, 2012-13.

Declining trend is seen in export to Germany, Italy, Spain, Russia, Netherlands, Greece, South Africa and Portugal.

Export different categories of Footwear alone holds a major share of 41.14% in India's total leather & leather products exports with an export value of US\$2055.93 mn. This is followed by Leather Goods & Accessories with a share of 23.59%, finished leather 21.82%, leather garments 11.28% and saddlery & harness 2.17%.

### Opportunities and Threats :-

The leather industry is tapping the funding support provided under the Schemes of the Government of India to set up several infrastructure projects at the export clusters. The Council for Leather Exports (CLE) is the Implementation Agency approved by the Government to establish these schemes.

The Government of India has announced a significant scheme "Mega Leather Cluster Scheme" for the growth of the leather industry with a plan outlay of Rs. 600 crores under ILDP. The scheme targets development of Greenfield Mega Leather Clusters with all required facilities for the functioning of a cluster such as (a) core infrastructure - road, water, power, lighting, sewage lines, parking space etc, (b) social infrastructure - warehouse, trade centre, display centre, design studio, hostel with dormitory, raw material bank, administrative building, health centre etc, (c) Production infrastructure- ready to use factory sheds with plug in facility for machinery / equipments, (d) HRD - Training Centers, Recruitment centre, Library, Crèche & Canteen, Labor Restroom etc (e) R&D facilities - Product Design & Development Support Centre, Testing Laboratory, Quality Benchmark Centre, Material & Technology Research etc

The Government of India also approved a proposal to set-up "Trade Centre" at Agra Footwear Cluster with the total project cost of Rs. 21.73 crores. This ambitious project is developed by the Agra Footwear Manufacturers & Exporters Chamber (AFMEC), which is the Industry Association of footwear manufacturers based in Agra.

However, with such good opportunities, there are certain threats like entry of multinationals in domestic market, international price fluctuation, adverse foreign exchange rates, change in government policies regarding labour laws and pollution norms, fast changing fashion trends, high inflation rate, increasing commodity prices, interest rates and fuel prices, withdrawal of government incentives due to economic recovery.

### Segment-wise Performance :-

The segment-wise performance of the company during the year is as under :-

Segments	Turnover
a. Leather and Leather Products	Rs. 440.68 Crores (previous year Rs. 394.47 crores)
b. Textile Garments	Rs. 69.17 Crores (previous year Rs. 65.45 crores)

### Outlook :-

As medium to long-run prospect of Indian Economy, including the Industrial Sector, continues to be positive, a rise in saving and demand for consumable products is quite inevitable. The leather industry is basically a consumer product industry hence with the increase in demand for consumer production; the prospect of the leather industry is bright. During current year the pace of growth of leather industry is expected to be maintained.

### Risk and Concerns :-

The major raw material for the leather industry is raw hide/skins. Leather is a natural product and its prices and availability are changing from time to time. The company is having vast experience in sourcing the raw materials for its tanneries and leather products divisions from India and outside which help in keeping the prices and availability under control. The output of raw hides/skins also depends upon personal skill of the purchasers and technicians, which are being properly taken care-of by the experienced personnel of the company. The substantial revenue of the company is being generated in foreign exchange. The adverse foreign exchange rates may affect the profitability of the company. The experienced professional of the company are keeping close watch over movement in currency rates.

### Cautionary Statement :-

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation or prediction may be 'forward-looking statement'. Further, the performance of the company is also dependent on domestic and global economic conditions, government and regulatory policies on which the company is not having any control.

### Internal Control System and their Adequacy :-

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from misuse or disposition and those transactions are authorized, recorded and reported correctly. Proper checks and controls have been introduced for all the incoming and outgoing materials. The Audit Committee and Internal Audit Department regularly review the financial and operating controls at all location of the Company. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

### Financial Performance with Respect to Operational Performance:-

The financial statements have been prepared in compliance with the requirements of the companies Act,1956 and Generally Accepted Accounting Principles in India. The company has achieved the sales and other income of Rs 522.99 crores during the year against Rs. 466.17 crores reported last year. The profit after tax was Rs. 21.34 crores during the year as compared to Rs. 19.16 crores reported during the previous year. The gross block of the company as at 31.03.2013 was Rs 254.17 crores against Rs. 229.03 crores as at 31.03.2012. The net current assets as at 31.03.2013 were Rs 17.30 crores as against Rs. 15.72 crores as at 31.03.2012. The detailed information of financial performance is given in the attached annual financial statements. The summarized financial performance during the year is as under :-

### FINANCIALS OF THE COMPANY :-

	2012-13	2011-12
Sales	51735.54	46329.63
Other Income	563.21	287.70
PBT	3258.25	2963.88
PAT	2133.69	1915.87
Paid up Capital	1141.98	1141.98
Reserves & Surplus	15478.70	13610.87
Net Worth	16620.68	14752.85
Earnings per share	19.35	17.38

### Industrial Relations and Human Resources Development :-

The relations with the employees continued to be cordial during the year. Directors record their appreciation for the sincere and hard work put in by all categories of employees during the year. There were 1765 permanent employees with the company as on 31st March, 2013.



### CORPORATE GOVERNANCE REPORT

#### 1. Company's Philosophy on Corporate Governance :-

Superhouse, right from its inception has been committed to the highest standards of Corporate Governance Practices. The company believes that a strong Corporate Governance policy is indispensable to healthy business growth, besides being an important instrument of investor protection. Good Corporate Governance provides an appropriate frame work for the Board and the Management to carry out the objectives that are in the interest of the company and the shareholders. The Company complies with the Corporate Governance Code enshrined in clause 49 of the Listing Agreement.

#### 2. Board of Directors :-

The Board of Directors comprises a Chairman and Managing Director, five Executive Directors and six Non-Executive Directors. Out of twelve directors six directors are independent and non executive directors.

Mr. Zafarul Amin, Mr. Anil Kumar Agarwal, Dr. Krishna Kumar Agarwal and Mr. Kamal Agarwal retire by rotation at the ensuing Annual General Meeting. However, being eligible they offer themselves for re-election.

Further brief particulars of directors of the Company are given below:-

Mr. Mukhtarul Amin, a science graduate having experience of 40 years in Leather Industry, was opted on the board on 02.09.1984. He was born on 17.02.1952. He established many units specializing in manufacturing and export of Finished Leather, Fashion Footwear, Safety Footwear, Leather Garments and Textile Garments. He is also director of i. M/s Superhouse (UK) Limited ii- M/s Superhouse Middle East FZC iii- M/s Superhouse (USA) International Inc. iv- M/s Superhouse GmbH, Germany v- M/s Briggs Industrial Footwear Limited, UK vi- M/s Linea De Seguridad S.L. Spain vii- M/s Unnao Tanneries Pollution Control Company viii- M/s Superhouse Educational Foundation ix- M/s Creemos International Limited x- M/s Industrial Infrastructure Services India Limited xi- M/s Kanpur-Unnao Leather Cluster Development Company Limited xii- M/s Amin Colonizers & Development Limited xiii- M/s Azad Multispecialty Hospitals & Research Center (P) Limited xiv- M/s Leather Cluster Development Limited and xv- Council for Leather Exports. Mr. Mukhtarul Amin holds in his name 1306106 Equity Shares of the company. Mrs. Shahina Mukhtar wholetime director, Mr. Zafarul Amin, Joint Managing Director and Mr. Mohd. Shadab, wholetime director are relatives of Mr. Mukhtarul Amin.

Mrs. Shahina Mukhtar is one of the promoter director of the company. She is having 33 years enriched experience in Leather Industry, was opted on the board on 14.01.1980. She was born on 05.01.1956. She is also director of i- M/s Superhouse Educational Foundation and ii- M/s Steven Construction Limited. Mrs. Shahina Mukhtar holds in her name 489159 Equity Shares of the company. Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director and Mr. Mohd. Shadab, wholetime director are relatives of Mrs. Shahina Mukhtar.

Mr. Zafarul Amin, a Leather Technologist and having experience of 11 years in Tanning, Export Marketing and Administration, was opted on the board on 30.01.2002. He was born on 27.01.1983. He is neither director in any other body corporate nor a member of the committee of director of any other company. Mr. Zafarul Amin holds in his name 181988 Equity Shares of the company. Mr. Mukhtarul Amin, Chairman and Managing Director, Mrs. Shahina Mukhtar, wholetime director and Mr. Mohd. Shadab, wholetime director are relatives of Mr. Zafarul Amin.

Mr. N C Jain, previous Chairman of Income Tax Settlement Commission, was opted on the board on 05.09.2005. He was born on 16.05.1939. He is also director of M/s Lex Infotex Pvt. Limited. Mr. N C Jain does not hold any share of the company. He is not related to any director of the company.

Mr. Vinay Sanan, a graduate and having experience in management and export marketing, was opted on the board on 02.01.1996. He was born on 12.10.1956. Mr. Vinay Sanan is running safety shoe and shoe upper units of the company. He is also director of i- M/s Superhouse (UK) Limited and ii- M/s Knowledgehouse Limited. Mr. Vinay Sanan holds in his name 1465 Equity Shares of the company. He is not related to any director of the company.

Mr. Mohd. Shadab, a footwear technologist from Leicester College, UK and having experience in management and export marketing, was opted on the board on 22.08.1998. He was born on 16.01.1977. He is also running Fashion Shoe Units of the company. He is neither director in any other body corporate nor a member of the committee of director of any other company. Mr. Mohd. Shadab holds in his name 14400 Equity Shares of the company. Mr. Mukhtarul Amin, Chairman and Managing Director, Mrs. Shahina Mukhtar, wholetime Director and Mr. Zafarul Amin, Joint Managing Director are relatives of Mr. Mohd. Shadab.

Mr. A K Agarwal, a Chartered Accountant, was opted on the board on 15.10.1996. He was born on 05.12.1954. He is overall responsible for Accounts and Financial Activities of the Company. He is also director of i- M/s Unnao Tanneries Pollution Control Company ii- M/s Superhouse Educational Foundation iii- M/s Creemos International Limited iv- M/s Superhouse (USA) International Inc. v- M/s Superhouse (UK) Limited vi- M/s Superhouse Middle East FZC vii- M/s Briggs Industrial Footwear Limited viii- M/s Linea De Seguridad S.L. Spain and ix- M/s Knowledgehouse Limited. He is also a member of the Audit Committee, Remuneration Committee and Shareholders Committee of the company. Mr. A K Agarwal holds in his name 2001 Equity Shares of the company. He is not related to any director of the company.

Mr. Syed Javed Ali Hashmi, a M.F.C from Aligarh University and having enriched experience in Finance and Administration, was opted on the board on 30.01.2010. He was born on 29.05.1973. He is also director of i- M/s Steven Construction Limited ii- M/s Chowdhary Overseas Limited iii- M/s Rojus Enterprises Limited iv- M/s Amin International Limited v- M/s Superhouse Accessories Limited vi- M/s Modriba Hygiene Solutions Limited vii- M/s Knowledgehouse Limited and viii- M/s Demure Fashions Pvt. Limited. He is also a member of the Audit Committee, Remuneration Committee and Shareholders Committee of the company. Mr. Syed Javed Ali Hashmi does not hold any share of the company. He is not related to any director of the company.

Mr. Kamal Agarwal, is a graduate and having experience in management and export marketing, was opted on the board on 28.01.2006. He was born on 22.12.1952. He is also director of M/s Rojus Enterprises Limited. He is also a member of the Audit Committee, Remuneration Committee and Shareholders Committee of the company. Mr. Kamal Agarwal holds in his name 3961 Equity Shares of the company. Dr. Krishna Kumar Agarwal, director of the company is a relative of Mr. Kamal Agarwal, director of the company.



## Superhouse Limited

Dr. Krishna Kumar Agarwal, a well known Doctor of Kanpur and having vast experience in the medical field, was opted on the board on 06.03.2004. He was born on 31.01.1953. He is also director of M/s Innovarka International Pvt. Ltd. Dr. Krishna Kumar Agarwal does not hold any share of the company. Mr. Kamal Agarwal, director of the company is a relative of Dr. Krishna Kumar Agarwal director of the company. Mr. Anil Soni, a graduate and having vast experience in Automobile Industry, was opted on the board on 06.03.2004. He was born on 22.08.1961. He is also a director of M/s Agriyah Safety Gear Pvt. Limited. Mr. Anil Soni holds in his name 39 Equity Shares of the company. He is not related to any director of the company.

Mr. Dilip Kumar Dheer, a B. Tech from IIT Kanpur and having enriched experience in Finance and Administration, was opted on the board on 13.11.2010. He was born on 01.03.1950. He is also director of M/s Knowledgehouse Limited. He is also a member of the Audit Committee, Remuneration Committee and Shareholders Committee of the company. Mr. Dilip Kumar Dheer does not hold any share of the company. He is not related to any director of the company.

During the year 5 Board Meetings were held. The dates of the meetings were as follows :- 30th May, 2012, 14th August, 2012, 12th September, 2012, 15th November, 2012 and 14th February, 2013.

The composition of the Board of Directors as on 31st March, 2013, attendance of each director at the Board of Directors' meeting and at the last Annual General Meeting and number of other directorship/memberships of committees of each director are as follows :-

Name of Directors	Categories	No. of Board Meeting attended	Attendance at last AGM	No. of other Directorship	Committee Membership	
					Members	Chairman
Mr. Mukhtarul Amin	Chairman and Managing Director	4	No	15	0	0
Mr. Zafarul Amin	Joint Managing Director	4	Yes	0	0	0
Mrs. Shahina Mukhtar	Executive Director	5	No	2	0	0
Mr. Vinay Sanan	Executive Director	2	No	2	0	0
Mr. A. K. Agarwal	Executive Director	4	Yes	9	2	1
Mr. Mohd. Shadab	Executive Director	2	No	0	0	0
Mr. N.C.Jain	Director, Independent	3	No	1	0	0
Dr. K. K. Agarwal	Director, Independent	0	No	1	0	0
Mr. Anil Soni	Director, Independent	0	No	1	0	0
Mr. Kamal Agarwal	Director, Independent	0	No	1	3	0
Mr. Dilip Kumar Dheer	Director, Independent	2	No	1	3	0
Mr. Syed Javed Ali Hashmi	Director, Independent	0	No	8	1	2

### 3. Code of Conduct :-

All the board members and senior management personnel have affirmed the compliance with the code of conduct. The company has received a declaration to the effect signed by the Chairman and Managing Director.

### 4. Subsidiary Companies :-

Company is having six subsidiary companies namely M/s Superhouse (UK) Limited, M/s Superhouse (USA) International Inc. M/s Superhouse Middle East FZC, M/s Briggs Industrial Footwear Limited U.K., M/s Linea De Seguridad S.L. Spain and M/s. Superhouse GmbH, Germany. The board of directors of the company has reviewed the affairs of M/s Superhouse (UK) Limited, M/s Superhouse (USA) International Inc. M/s Superhouse Middle East FZC, M/s Briggs Industrial Footwear Limited U.K., M/s Linea De Seguridad S.L. Spain and M/s Superhouse GmbH, Germany.

### 5. Audit Committee :-

Terms of reference of the Audit Committee include review of :-

- Financial statements and draft audit report, including quarterly / half-yearly financial information;
- Management discussion and analysis of financial condition and results of operations;
- Reports relating to compliance with laws and to risk management;
- Management letters / letters of internal control weaknesses issued by statutory / internal auditors; and
- Records of related party transactions
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Any change in accounting policies and practices.

During the year, four meetings were held one of which was held before finalization of accounts. The said meetings were held on 30th May, 2012, 14th August, 2012, 15th November, 2012 and 14th February, 2013.

The constitution of the Audit Committee and attendance of each member of the Committee as on 31st March, 2013 is given below :-

Name	Category	Designation	No of Meetings Attended
Mr. Syed Javed Ali Hashmi	Non Executive- Independent	Chairman	1
Mr. Kamal Agarwal	Non Executive-Independent	Member	0
Mr. Dilip Kumar Dheer	Non Executive-Independent	Member	4
Mr. Anil Kumar Agarwal	Executive-Independent	Member	3

### 6 Whistle Blower Policy :-

The company has adopted a whistle blower policy in which all the employees of the company are entitled to approach the audit committee (in respect of unethical or improper practice) without necessarily informing their supervisors. The company has not denied any personal

## Superhouse Limited



access to the audit committee of the company and it has policy to provide protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

### 7. Remuneration Committee :-

The company has formed a Remuneration Committee and this Committee consists of Mr. Anil Kumar Agarwal, Mr. Syed Javed Ali Hashmi, Mr. Kamal Agarwal and Mr. Dilip Kumar Dheer. The constitution of Remuneration Committee and attendance of each member of the Committee as on 31st March, 2013 is given below :-

Name	Category	Designation	No of Meetings Attended
Mr. Anil Kumar Agarwal	Executive -Independent	Chairman	2
Mr. Syed Javed Ali Hashmi	Non Executive- Independent	Member	0
Mr. Kamal Agarwal	Non Executive-Independent	Member	0
Mr. Dilip Kumar Dheer	Non-Executive- Independent	Member	2

The remuneration policy presently followed by the company to fix the remuneration of Executive/Whole-time Directors takes into consideration the qualifications and functional experience of the individual, profitability of the company and the prevailing remuneration package in the leather industry. The details of remuneration paid/payable to the Directors during the financial year 2012-2013 are as under:-

Sl. No	Name of Directors	Remuneration paid during the year 2012-13						
		Salary	P.F.	Per-Quisites	Ex-gratia	Commission	Sitting Fee	Allowances
<b>Executive/Whole-time Directors</b>								
1.	Mr. Mukhtarul Amin	5076923	576000	32793	0	7310000	0	0
2.	Mrs. Shahina Mukhtar	1903846	216000	0	0	3655000	0	0
3.	Mr. Zafarul Amin	2538462	288000	0	0	3655000	0	0
4.	Mr. Vinay Sanan	2685462	220488	64900	326276	0	0	0
5.	Mr. A. K. Agarwal	938742	85878	34374	0	0	0	0
6.	Mr. Mohd. Shadab	837802	57856	4845	0	0	0	0
<b>Non Executive Directors</b>								
7.	Mr. N.C.Jain	0	0	0	0	0	3000	0
8.	Mr. Anil Soni	0	0	0	0	0	0	0
9.	Mr. Kamal Agarwal	0	0	0	0	0	0	0
10.	Mr. Dilip Kumar Dheer	0	0	0	0	0	2000	0
11.	Mr. K. K. Agarwal	0	0	0	0	0	0	0
12.	Mr. Syed Javed Ali Hashmi	0	0	0	0	0	0	0

### 8. Shareholders Committee :-

During the year six meetings of Shareholders Committee were held. The said meetings were held on 30th April,2012, 30th May,2012, 14th August,2012,10th October, 2012, 15th November,2012 and 14th February, 2013.

The details of composition of Shareholders Committee/Investors Grievances Committee and attendance of each member of the Committee as on 31st March, 2013 is as under :-

Sl. No.	Name	Category	Designation	No. Of Meeting Attended.
1.	Mr. Syed Javed Ali Hashmi	Non-Executive-Independent	Chairman	1
2.	Mr. Kamal Agarwal	Non-Executive-Independent	Member	0
3.	Mr. Dilip Kumar Dheer	Non-Executive-Independent	Member	6
4.	Mr. Anil Kumar Agarwal	Executive-Independent	Member	5

The Board had designated Mr. R. K. Agrawal, Secretary as Compliance Officer.

The Company has received 15 complaints from the shareholders during the year, all of them have been replied/redressed to the satisfaction of the shareholders. There is no pending complaint or transfer upto 31st March, 2013.

### 9. General Body Meetings :-

a. Location date time of Annual General Meetings held during the preceding three years are as follows :-

YEAR	DATE AND TIME	LOCATION
2009-2010	Thursday the 30th September, 2010 at 10.00 A.M	150 Feet Road, Jajmau, Kanpur-208010
2010-2011	Friday the 30th September, 2011 at 10.00 A.M	150 Feet Road, Jajmau, Kanpur-208010
2011-2012	Saturday the 29th September, 2012 at 10.00 A.M.	150 Feet Road, Jajmau, Kanpur-208010

All the resolutions including special resolution set out in the respective notices sent to the shareholders.

b. Passing of resolution by Postal Ballot :-

No item was passed by resolutions through Postal Ballot during the Financial Year 2012- 13. At the forthcoming Annual General Meeting also, there is no item on the agenda that needs approval by Postal Ballot.

### 10. Disclosures :-

a) There are no materially significant related party transactions made by the Company with its promoters, directors or management, their subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large. Related party transactions have been given in note 37 of notes to the accounts.



## Superhouse Limited

- b) There is no instance of non-compliance by the company, penalties, strictures imposed on the company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.
- c) The Management discussion and analysis report from part of Director's Report.

### 11. Means of Communication :-

The quarterly and half yearly financial results of the company are forwarded to the Stock Exchanges immediately upon approval by the Board of Directors and are published in newspapers in English and Hindi (regional language).

Normally, the results are published in "Financial Express" and Aaj (English and Hindi). Financial results apart from the publication in newspapers, are not sent individually to the shareholders. During the year under review, no presentation was made to the institution investors or analysts. The financial results are displayed on the company's website [www.superhouse.in](http://www.superhouse.in).

### 12. General Shareholders Information :-

- |  |   |
|--|---|
| <p>a. <b>Date of Annual General Meeting, time and venue</b></p> <p>b. <b>Financial Calendar</b><br/>Ist Quarterly Results<br/>IInd Quarterly Results<br/>IIIrd Quarterly Results<br/>IVth Quarterly Results<br/>Annual General Meeting</p> <p>c. <b>Date of Book Closure</b></p> <p>d. <b>Listing at Stock Exchanges</b></p> <p>e. <b>Stock Code at the Stock Exchange, Mumbai</b></p> <p>f. <b>Demat/ISIN for NSDL and CDSL</b></p> <p>g. Stock Market price data of the company for the year 2012-2013 are as follows :-</p> | <p>30th September, 2013 at 10.00 A.M.<br/>at 150 Feet Road, Jajmau, Kanpur-208010</p> <p>During second week of August, 2013<br/>During second week of November, 2013<br/>During second week of February, 2014<br/>During last week of May, 2014<br/>By the end of September, 2014</p> <p>17th September, 2013 to 30th September, 2013<br/>(both days inclusive)</p> <p>The Stock Exchange, Mumbai.<br/>523283<br/>INE 712B01010</p> |
|--|---|

Months	The Stock Exchange, Mumbai	
	Highest (Rs.)	Lowest (Rs.)
April, 2012	54.95	48.70
May, 2012	52.00	46.00
June, 2012	59.00	47.05
July, 2012	51.90	47.35
August, 2012	54.95	47.95
September, 2012	58.00	47.35
October, 2012	61.50	51.55
November, 2012	67.00	51.60
December, 2012	64.30	55.25
January, 2013	60.50	54.10
February, 2013	56.80	46.00
March, 2013	53.00	42.55

- h. Performance of the Company's Equity Shares vis-à-vis the Mumbai Stock Exchange SENSEX (Closing Rates) :-



## Superhouse Limited



- i. **Registrar and Share Transfer Agents** :- The Company has appointed M/s Skyline Financial Services (P) Limited as Registrar and Share Transfer Agent of the company in respect of shares held in physical and demat form. The contact details of the Registrar is as under :-  
M/s Skyline Financial Services (P) Limited,  
D-153/A, First Floor, Okhla Industrial Area, Phase-I  
New Delhi-110020  
Phone No. (011) 26812682-26812684, Fax (011) 26812681  
E-mail: viren@skylinerta.com
- j. **Share Transfer System** :- The Company has made arrangements with M/s Skyline Financial Services (P) Limited, the common agency for share transfer and the depository services. M/s Skyline Financial Services (P) Limited processes the transfer/transmission of shares in every 10 days.
- k. **Distribution of Shareholders**:- Distribution of shareholding as at 31st March, 2013 are as under :-

Range	No. of Members	%age	No. of Shares held	%age
Upto- 500	32601	97.67	2821492	25.59
501- 1000	426	1.28	330214	3.00
1001-2000	166	0.50	257013	2.33
2001-3000	51	0.15	128493	1.17
3001-4000	28	0.08	98820	0.88
4001-5000	26	0.08	120290	1.09
5001-10000	36	0.11	255028	2.31
10001- above	43	0.13	7015650	63.63
<b>TOTAL</b>	<b>33377</b>	<b>100.00</b>	<b>11025000</b>	<b>100.00</b>

- i. **Shareholding Pattern as at 31<sup>st</sup> March, 2013 is as under :-**

Category		No. of shares held	Percentage of Shareholding
<b>A Promoter's Holding (1+2)</b>		<b>6009692</b>	<b>54.51</b>
1.	Promoters		
	Indian Promoters	6009692	54.51
	Foreign Promoters	-	-
2.	Persons acting in Concert	-	-
	<b>Sub -Total</b>	<b>6009692</b>	<b>54.51</b>
<b>B. Non- Promoters Holding (3+4)</b>		<b>5015308</b>	<b>45.49</b>
3.	Institutional Investors		
a.	Mutual Funds and UTI	3587	0.03
b.	<b>Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non- Government Institutions)</b>	4025	0.04
c.	FIs	-	-
	<b>Sub-Total</b>	<b>7612</b>	<b>0.07</b>
4.	<b>Others</b>		
a.	<b>Private Corporate Bodies</b>	741365	6.72
b.	<b>Indian Public</b>	4193052	38.03
c.	<b>NRI's/OCBs</b>	73279	0.67
d.	<b>Any Other(Please specify)</b>	-	-
	<b>Sub-Total</b>	<b>5007696</b>	<b>45.42</b>
	<b>GRAND TOTAL</b>	<b>11025000</b>	<b>100.00</b>

- m. **Disclosure of Unclaimed Suspense Account as required under Clause 5A of the Listing Agreement**

i.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1st April, 2012	No. of Shareholders : 4786 No. of Share : 285456
ii	Number of shareholders who approached the company for transfer of shares from the Unclaimed Suspense Account during the year.	21
iii	Numbers of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	21
iv.	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2013.	No. of Shareholders : 4765 No. of Shares : 283935



## Superhouse Limited

### n. Dematerialization of Shares and Liquidity :-

The shares of the company are covered under the category of compulsory delivery in dematerialized form by all categories of investors. The company has signed agreements with both the depositories i.e. National Securities Depository Limited and Central Depository Services Limited.

The status of physical /demat shares as on 31st March, 2013 is as under :-

Total No. of Equity Shares : 11025000

Total No. of Shareholders/Beneficial Owners : 33377

Mode	No of Equity Shares	% of Equity Shares
Physical	2179931	19.77
Demat	8845069	80.23
National Securities Depository Limited	7960113	72.20
And Central Depository Services Limited	884956	8.03
<b>TOTAL</b>	<b>11025000</b>	<b>100%</b>

o. **Liquidity** :- The Company's Equity Shares are regularly traded on the Stock Exchange, Mumbai in the compulsory Demat Segment.

p. **Outstanding Instrument** :- There is no outstanding GDRs/ADRs/Warrants or any Convertible Instrument of the company.

### q. Plant Location :-

Name of Division	Location
Fashion Shoe Division I	D-15, UPSIDC Industrial Area, Site-II, Unnao-209 801
Fashion Shoe Division II	A-5, UPSIDC Industrial Area, Site-B, Sikandra, Agra-282007
Fashion Shoe Division III	A-3, Export Promotion Industrial Park, Shastrapuram, Agra
Fashion Shoe Division IV	D-18, UPSIDC Industrial Area, Site-II, Unnao-209801
Tannery I	A-1, Site-II, Industrial Area, Unnao-209801
Tannery II	B-16, UPSIDC Industrial Area, Site-II, Unnao-209 801
Shoe Upper Division I	71-A, Jajmau, Kanpur-208010
Shoe Upper Division II	150 Feet Road, Jajmau, Kanpur-208010
Safety Footwear Division I	B-6, UPSIDC Industrial Area, Site-I, Unnao-209 801
Safety Footwear Division II	Banhar, Unnao-209801
Sports Shoe Division	E-55, UPSIDC, Industrial, Site-I, Unnao-209801
Readymade Garments Division I	A-14, Sector-65, Phase-III, Noida-201303
Readymade Garments Division II	C-10, Sector-58, Phase-II, Noida-201303
Safety Garments Division	E-23, 24 UPSIDC Industrial Area, Site-I, Unnao-209801
Leather Garments and Bags Division	A-69, Sector-57, Noida-201301

r. Address for Communication

150 FEET ROAD, JAJMAU, KANPUR-208010  
Phone No. (0512) 2463373, 2461391  
Fax No. (0512) 2460814 • Email share@superhouse.in

**Kapoor Tandon & Co.**  
Chartered Accountants

24/57 First Floor, Birhana Road  
(Opp. Central Chest Clinic) KANP208001  
Ph: 2361244 Fax: (0512) 2361244  
Email: ktc\_rajesh@yahoo.co.in

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

#### To the members of Superhouse Limited:

We have examined the compliance of conditions of Corporate Governance by Superhouse Limited (the company) for the financial year ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange (s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure 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 statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and Management, we certify that the company has complied with, in all material respect, with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

**FOR KAPOOR TANDON & CO.**  
Chartered Accountant  
(Registration No. 000952C)

**(RAJESH PARASRAMKA)**  
PARTNER  
M No. 074192

PLACE : KANPUR  
DATE : 29<sup>th</sup> June, 2013

## Superhouse Limited



**Kapoor Tandon & Co.**  
Chartered Accountants

24/57 First Floor, Birhana Road  
(Opp. Central Chest Clinic) KANPUR - 208001  
Ph: 2361244 Fax: (0512) 2361244  
Email: ktc\_rajesh@yahoo.co.in

### INDEPENDENT AUDITORS' REPORT

To the Members of  
Superhouse Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Superhouse Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

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

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by Section 227(3) of the Act, we report that:
  - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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;
  - the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
  - on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

For KAPOOR TANDON & CO.,  
Chartered Accountants  
Firm Reg. No. 000952C

(RAJESH PARASRAMKA)  
Partner  
M.No. 074192

Place : KANPUR  
Date : 29<sup>th</sup> June, 2013



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

(This is the Annexure referred to in para 1 of our report of even date on the Financial Statements for the year ended 31st March, 2013 of Superhouse Limited)

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- i. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets of the company are physically verified in a phased manner, so as to cover all the fixed assets over a period of two years. In our opinion, the frequency of physical verification of fixed assets is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies between book records and the physical inventory were noticed in respect of the assets verified during the year.  
(c) The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the company.
- ii. (a) The inventory of the company has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operation of the company.
- iii. (a) The company has not granted any loans secured or unsecured to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 (the Act) excepting unsecured demand loan to four such entities and interest free unsecured loan to a Wholly Owned Subsidiary (WOS). Year-end balance and maximum balance outstanding at any time during the year of such loans was Rs. 255.83 Lacs (including Rs 4.89 lacs to WOS).  
(b) Rate of interest and other terms and conditions of such loans are, prima facie, not prejudicial to the interest of the company.  
(c) No irregularity was noticed during the year in respect of repayment of principal amount and interest on loan.  
(d) There is no overdue amount of loan granted to companies/firms or other parties listed in the register maintained under Section 301 of the Act.  
(e) The company has not taken any loans secured or unsecured from the companies/firms/other parties listed in the register maintained under Section 301 of the Act. Hence para (iii) (f) and (g) of the Order is not applicable.
- iv. In our opinion, and according to information and explanations given to us, there is an adequate internal control system commensurate with the size of company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.  
Further, during the course of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor we have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.
- v. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered in the register maintained under Section 301 of the Act have been so entered.  
(b) In our opinion, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding Rs. 5.00 Lacs during the year in respect of each party have been entered into at the prices which are reasonable having regard to prevailing market prices as far as we could ascertain on the basis of information and explanations given to us.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion and according to the information and explanations given to us, the company has an adequate internal audit system commensurate with the size of the company and the nature of its business.

## Superhouse Limited



viii. We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Act and are of the opinion that prima facie the prescribed records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

ix. (a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor education & Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with appropriate authorities.

According to the information and explanations given to us, no undisputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.

b) Dues of Income Tax / Sales Tax / Wealth Tax / Service Tax / Custom Duty / Excise Duty / Cess which have not been paid on account of any dispute are as under:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (Rs.)
Trade Tax & Central Sales Tax Act	Tax & Interest	Joint Commissioner of Trade Tax	2001-02, 2005-06, 2007-08 & 2009-10	4,05,108
		Dy. Commissioner of Trade Tax	2008-09	27,45,913
	Entry Tax	Joint Commissioner of Trade Tax	2005-06	5,86,500
Income Tax Act	Income Tax & Interest	CIT (Appeals)	A.Y. 2002-03, 08-09 to 10-11	1,09,99,558
		ITAT, Allahabad	A.Y. 2003-04	20,69,740

x. The company does not have accumulated losses as at 31st March, 2013 and has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.

xi. According to the information and explanation given to us, the company has not defaulted in repayment of dues to any bank, during the year. There are no dues to any financial institution or debenture holder.

xii. According to the information and explanations given to us the company has not granted any loan/ advance on the basis of security by way of pledge of Shares, Debentures and other Securities.

xiii. In our opinion and according to the information and explanations given to us the nature of activities of the company does not attract any special statute applicable to Chit Fund and Nidhi/Mutual Benefit Fund/Societies.

xiv. In our opinion and according to the information and explanations given to us, the company is not a dealer / trader in share, securities, debentures and other investments.

xv. The company has given corporate guarantees aggregating to Rs. 3,012.40 Lacs for loans taken by its wholly owned subsidiaries from Banks. The terms and conditions thereof are, prima facie, not prejudicial to the interest of the company.

xvi. In our opinion and according to the information and explanations given to us the term loans were applied for the purpose for which the loans were obtained.

xvii. Based on the information and explanations given to us and on an overall review of the financial statements of the company, in our opinion, during the year, there are no fund raised on a short term basis which have been used for long term investment.

xviii. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.

xix. The company has not issued any debenture during the year.

xx. The company has not raised any money by public issue during the year.

xxi. Based on the audit procedures performed and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For KAPOOR TANDON & CO.,  
Chartered Accountants  
Firm Reg. No. 000952C

Place: KANPUR  
Date : 29<sup>th</sup> June, 2013

(RAJESH PARASRAMKA)  
Partner  
M.No. 074192



## Superhouse Limited

### BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	114,197,718	114,197,718
(b) Reserves and Surplus	3	1,547,870,374	1,361,086,890
		1,662,068,092	1,475,284,608
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	4	353,627,863	310,412,204
(b) Deferred Tax Liabilities (Net)	5	129,928,000	103,065,000
		483,555,863	413,477,204
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	6	1,011,529,803	789,116,086
(b) Trade Payables	7	947,098,446	762,975,798
(c) Other Current Liabilities	8	488,626,174	481,134,395
(d) Short Term Provisions	9	46,469,368	61,637,459
		2,493,723,791	2,094,863,738
<b>TOTAL</b>		<b>4,639,347,746</b>	<b>3,983,625,550</b>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	1,550,380,893	1,403,758,069
(ii) Capital Work in Progress		54,805,637	75,239,527
(b) Non Current Investments	11	295,927,723	193,205,897
(c) Long Term Loans and Advances	12	62,678,242	49,211,458
(d) Other Non Current Assets	13	8,864,654	10,112,064
		1,972,657,149	1,731,527,015
<b>2. Current Assets</b>			
(a) Inventories	14	1,319,490,604	1,156,391,143
(b) Trade Receivables	15	870,930,399	704,585,643
(c) Cash and Bank Balances	16	222,265,872	224,112,187
(d) Short Term Loans and Advances	17	129,418,138	92,971,856
(e) Other Current Assets	18	124,585,584	74,037,706
		2,666,690,597	2,252,098,535
<b>TOTAL</b>		<b>4,639,347,746</b>	<b>3,983,625,550</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

## Superhouse Limited



### STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	2012-13 (Rupees)	2011-12 (Rupees)
<b>REVENUE</b>			
Revenue from operations (gross)	19	5,215,946,035	4,655,270,590
Less : Excise Duty		42,392,236	22,307,596
Revenue from operations (net)		5,173,553,799	4,632,962,994
Other Income	20	56,320,716	28,770,414
<b>Total Revenue</b>		<b>5,229,874,515</b>	<b>4,661,733,408</b>
<b>EXPENSES</b>			
Cost of Material consumed	21	2,907,086,203	2,678,070,595
Purchase of Stock-in-trade	22	261,769,333	215,183,678
(Increase)/decrease in Inventories of Finished Goods, Work-in-Process and Traded Goods	23	(23,229,607)	(102,685,898)
Employee Benefits Expense	24	305,641,449	251,449,483
Finance Costs	25	171,945,978	159,823,065
Depreciation and Amortisation	26	113,327,007	96,718,573
Other Expenses	27	1,167,509,373	1,066,785,415
<b>Total Expenses</b>		<b>4,904,049,736</b>	<b>4,365,344,911</b>
<b>Profit Before Tax</b>		<b>325,824,779</b>	<b>296,388,497</b>
<b>Tax Expenses</b>			
- Current Tax		93,300,000	101,800,000
- Deferred Tax		26,863,000	1,115,000
- Tax adjustments relating to earlier years		(7,706,802)	1,886,070
<b>Profit for the year</b>		<b>213,368,581</b>	<b>191,587,427</b>
Earning per Equity Share (EPS) (Face value of Rs 10 each)	28		
EPS - Basic (Rupees per share)		19.35	17.38
EPS - Diluted (Rupees per share)		19.35	17.38

#### Significant Accounting Policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

For **KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013



## Superhouse Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2012-13 (Rupees)	2011-12 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	325,824,779	296,388,497
Adjustment for :		
Depreciation	113,327,007	96,718,573
Finance Cost	171,945,978	159,823,065
Interest Income	(14,790,856)	(9,417,977)
Dividend Income	(4,086,363)	(341,325)
Fixed Assets - Loss on sale	4,630,150	3,590,223
Fixed Assets - Profit on sale	(606,600)	(1,154,076)
Investments - Profit on sale	(7,643,000)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	588,601,095	545,606,980
ADJUSTMENTS FOR:		
Trade and Other receivables	(265,558,290)	110,372,242
Inventories	(163,099,461)	(84,019,281)
Trade and Other Payables	188,552,667	(53,084,485)
<b>CASH GENERATED FROM OPERATIONS</b>	348,496,011	518,875,456
Income Tax Paid (net of Refunds)	(99,475,797)	(104,045,592)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	249,020,214	414,829,864
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including CWIP)	(257,778,291)	(284,298,430)
Sale of Fixed Assets	7,001,751	12,693,446
Purchase of Investments	(110,364,826)	(144,695,461)
Sale of Investments	15,286,000	-
Interest Income	14,790,856	9,417,977
Dividend Income	4,086,363	341,325
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(326,978,147)	(406,541,143)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Borrowings	396,131,419	296,223,296
Repayments of Long term Borrowings	(352,915,760)	(136,843,512)
Net Increase/(Decrease) in working capital loans and short term loans	222,413,717	21,625,704
Finance Cost	(171,945,978)	(159,823,065)
Dividend paid	(14,888,984)	(13,902,836)
Dividend Distribution Tax paid	(2,682,796)	(2,682,796)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	76,111,618	4,596,791
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(1,846,315)	12,885,512
<b>OPENING CASH AND CASH EQUIVALENTS</b>	224,112,187	211,226,675
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	222,265,872	224,112,187

#### Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K. AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013****1. SIGNIFICANT ACCOUNTING POLICIES**

- 1.1 Basis of Preparation of Financial Statements :** The financial statements are prepared under the historical cost convention, except for certain fixed assets which were revalued, on accrual basis of accounting in accordance with the applicable Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 (AS), Generally Accepted Accounting Principles (GAAP) in India and the relevant provisions of the Companies Act, 1956 (the Act).
- 1.2 Use of Estimates :** The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialised.
- 1.3 Fixed Assets :** Fixed Assets, other than those revalued, are stated at their cost of acquisition or construction as the case may be and including all related acquisition/installation expenses and borrowing cost as per Accounting Standard (AS) 16. Subsidy received on Fixed Assets is credited to the cost of respective fixed assets. Assets revalued are stated at their revalued amount. Cost/revalued amount so ascertained is adjusted for accumulated depreciation/amortization and provision for impairment. Intangible Assets are stated at cost of acquisition less accumulated amortisation/impairment.
- 1.4 Depreciation :** Depreciation on Fixed Assets is provided on 'Straight Line Method' in accordance with the provisions of Schedule XIV to the Companies Act, 1956 except for leasehold land, intangible assets and Shoe moulds. Leasehold Land is amortised over the period of lease. Shoe Moulds are depreciated over economic life of the asset or three years whichever is earlier. Depreciation attributable to appreciation due to revaluation of fixed assets (other than leasehold land) is provided according to the rates prescribed in Schedule XIV to the Companies Act, 1956 and equivalent amount is withdrawn from Revaluation Reserve and credited to Profit and Loss Account. In case of impaired assets, depreciation is charged on the adjusted cost net of impairment. Intangible Assets are amortised over a period of five years.
- 1.5 Impairment of assets :** The company assesses at each Balance Sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the "recoverable amount" of asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the "carrying amount", the carrying amount is reduced to its recoverable amount. If at the Balance Sheet date there is an indication that a previously assessed / impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount.
- 1.6 Capital work in progress :** Capital work in Progress includes, cost of assets not yet commissioned, borrowing cost and incidental expenses during construction period.
- 1.7 Investments :** Long term Investments (non current) are stated at cost of acquisition less provision for diminution in value, other than temporary. Current Investments are stated as lower of cost and market/fair value.
- 1.8 Inventories :** Raw materials, Chemicals, Components & Spares parts are valued at lower of cost, arrived at on FIFO method (net of CENVAT) or net realisable value. Finished Goods (including stock at port or in transit) and Work in Process are valued at lower of cost or net realisable value. Saleable waste / scrap is valued at estimated realisable value. Inter-unit goods transfers are valued at lower of their respective transfer price or net realisable value. Import entitlements/Licenses are valued at estimated net realizable / utilization value.
- 1.9 Provisions, Contingent Liabilities and Contingent Assets :** Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent liabilities are disclosed by way of notes on accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable. Contingent assets are not recognised in the accounts.
- 1.10 Revenue Recognition**
- Sales are inclusive of excise duty but net of sales tax, returns and discounts. Domestic sales are recognised on dispatch of goods to customers. Export sales are recognised on the issuance of Bill of Lading/ Airway Bill by the carrier.
  - Revenue is accounted for on accrual basis when its collection or receipt is reasonably certain.
  - All expenses are accounted for on accrual basis.
- 1.11 Government Grants :** Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoter's contribution are credited to capital reserve. Revenue grants are recognized in the Statement of Profit and Loss in accordance with the related scheme and in the period in which those are accrued.
- 1.12 Foreign Currency Translations**
- All foreign currency transactions are recorded at the rates prevailing on the date of the transaction.
  - All foreign currency assets and liabilities other than investments are restated/reported at the closing exchange rate prevailing on the date of Balance Sheet.
  - Gains and losses arising out of fluctuations in the exchange rates are recognised in Statement of Profit and Loss.
  - Investments in wholly owned subsidiaries are carried in Balance sheet at the rates prevailing on the dates of transactions.
- 1.13 Accounting for Retirement Benefits**
- Provident Fund & Family Pension (PF & FPF) and Employees State Insurance (ESI) are defined contribution obligations and company's contributions to PF and ESI are charged to Statement of Profit and Loss.
  - Gratuity is a defined benefit obligation. The company has created a trust with Life Insurance Corporation of India under the Group Gratuity Scheme in which actuarial valuation is carried out annually in the month of March. The amount required to be contributed to meet the accrued liability as per the actuarial valuation is charged to Statement of Profit and Loss.
  - Leave encashment is a defined benefit obligation and provision for the same is done on the basis of leaves accrued as at the end of the year.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

- 1.14 Excise Duty :** Excise Duty is accounted for as and when paid on clearance of goods from bonded premises. No provision is made for Excise Duty in respect of finished products lying in bonded premises since major sales comprises of Export Sales.
- 1.15 Borrowing Cost :** Interest and other cost in connection with the borrowing of funds are capitalized up to the date when such qualifying assets are ready for its intended use and other borrowing costs are charged to Statement of Profit and Loss.
- 1.16 Taxation :** Provision for Income Tax is made after considering the various deductions/benefits admissible under the Income Tax Act, 1961. In accordance with AS 22 on "Accounting for Taxes on Income", the company has recognised Deferred Tax arising out of timing differences between taxable income and accounting income and quantified the same using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
- 1.17 Prior Period Items :** Prior period items, if material, are disclosed separately.
- 1.18 Cash Flow Statement :** Cash flow statement is prepared in accordance with the "indirect method" prescribed in AS-3 on Cash Flow Statement.

Particulars	<u>As at 31st March, 2013</u> (Rupees)	<u>As at 31st March, 2012</u> (Rupees)
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
1,50,00,000 Equity Shares of Rs.10/- each	<u>150,000,000</u>	<u>150,000,000</u>
<b>Issued, Subscribed and fully paid up</b>		
1,10,25,000 Equity Shares of Rs.10/- each fully paid up	<u>110,250,000</u>	<u>110,250,000</u>
Add: Equity shares forfeited (amount originally paid up in respect of 39,47,718 Shares)	<u>3,947,718</u>	<u>3,947,718</u>
<b>Total</b>	<u><u>114,197,718</u></u>	<u><u>114,197,718</u></u>

**2.1 Reconciliation of the shares outstanding at the beginning and at the end of the year:**

Equity shares	<u>As at 31st March 2013</u>		<u>As at 31st March 2012</u>	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	<u>11,025,000</u>	<u>110,250,000</u>	11,025,000	110,250,000
Changes during the year	-	-	-	-
Outstanding at the end of the year	<u><u>11,025,000</u></u>	<u><u>110,250,000</u></u>	<u>11,025,000</u>	<u>110,250,000</u>

**2.2 Term/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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.

**2.3 Bonus Shares/Shares issued for consideration other than cash and Buy Back of shares during preceding five years:** NIL (NIL)

**2.4 Shares held by holding/ultimate holding company and/or their subsidiaries/associates:** NIL (NIL)

**2.5 Details of shareholders holding more than 5% shares in the company**

Name of the Share Holder	<u>As at 31st March 2013</u>		<u>As at 31st March 2012</u>	
	No. of Shares	% held	No. of Shares	% held
Mr.Mukhtarul Amin	<u>1,306,106</u>	<u>11.85%</u>	1,303,106	11.82%
Steven Construction Limited	<u>1,308,719</u>	<u>11.87%</u>	1,325,719	12.02%



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>3. RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
Balance as per last Balance Sheet	102,545,571	101,098,825
Add: Share Warrant Money forfeited during the year	–	1,446,746
Less: Transfer to Fixed Assets	<u>550,000</u>	–
	<b>101,995,571</b>	<b>102,545,571</b>
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet	178,721,597	178,721,597
<b>Revaluation Reserve</b>		
Balance as per last Balance Sheet	39,644,319	46,331,368
Less: Amount transferred to the Statement of profit and loss as reduction from depreciation	<u>6,687,049</u>	<u>6,687,049</u>
	<b>32,957,270</b>	<b>39,644,319</b>
<b>General Reserves</b>		
Balance as per last Balance Sheet	500,000,000	400,000,000
Add : From the Statement of Profit and Loss	<u>100,000,000</u>	<u>100,000,000</u>
	<b>600,000,000</b>	<b>500,000,000</b>
<b>Surplus in the Statement of profit and loss</b>		
Balance as per last Balance Sheet	540,175,403	467,808,272
Profit for the year	<u>213,368,581</u>	<u>191,587,427</u>
	<b>753,543,984</b>	<b>659,395,699</b>
Less: Appropriations		
Proposed Dividend on Equity Share [ Rs. 1.50 per share (Rs 1.50 per share) ]	16,537,500	16,537,500
Dividend Distribution Tax	2,810,548	2,682,796
Transfer to General Reserve	<u>100,000,000</u>	<u>100,000,000</u>
	<b>634,195,936</b>	<b>540,175,403</b>
<b>TOTAL</b>	<b><u>1,547,870,374</u></b>	<b><u>1,361,086,890</u></b>
<b>4. LONG TERM BOROWINGS</b>		
<b>Secured</b>		
<b>Term Loans</b>		
Indian rupee loan from bank(s)	63,215,783	144,882,812
Foreign currency loan from bank(s)	<u>290,412,080</u>	<u>165,529,392</u>
<b>TOTAL</b>	<b><u>353,627,863</u></b>	<b><u>310,412,204</u></b>

4.1 Indian rupee & foreign currency loans from bank(s) are primarily secured by equitable mortgage/hypothecation of specific fixed assets. Also secured collaterally by equitable mortgage of company's specific land and building. Further secured by personal guarantee of promoter director(s) of the company. External Commercial Borrowing (ECB) carries a non disposable undertaking of the Shares of the acquired Wholly Owned Subsidiaries (WOS).

4.2 These Loans are repayable over a period upto 6 years.

4.3 Continuing default in respect of principal and or interest Nil

4.4 Long term borrowings repayable within twelve months from the reporting date, as per sanctioned terms, are reduced from long term borrowings and disclosed separately as Current Maturities of Long term Borrowings in Note 8, Other Current Liabilities.



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)		As at 31st March, 2012 (Rupees)	
<b>5. DEFERRED TAX LIABILITIES (NET)</b>				
<b>Deferred Tax Liability</b>				
<i>on account of</i>				
Depreciation	134,946,000		118,081,465	
<b>Gross deferred tax liability</b>		134,946,000		118,081,465
<b>Deferred Tax Assets</b>				
<i>on account of</i>				
Provision for doubtful debts	658,000		886,595	
Provision for Gratuity	2,098,000		8,272,512	
Other Timing Differences	2,262,000		5,857,358	
<b>Gross deferred tax assets</b>		5,018,000		15,016,465
<b>Net Deferred Tax Liability @</b>		<b>129,928,000</b>		<b>103,065,000</b>
<p>@ Deferred Tax Assets has been recognised and carried forward only to the extent there is virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred Tax Assets and Deferred Tax Liabilities have been set off in accordance with clause 29 of AS 22.</p>				
<b>6. SHORT TERM BORROWING</b>				
<b>Secured</b>				
<b>Working Capital Loans</b>				
Indian rupee loan from bank(s)		956,526,359		743,426,295
Foreign currency loan from bank(s)		55,003,444		45,689,791
<b>TOTAL</b>		<b>1,011,529,803</b>		<b>789,116,086</b>
<p>6.1 Working Capital Loans are primarily secured by hypothecation of present and future stock of raw materials, stock in process, finished goods, stores and spares, book debts, outstanding monies, receivable claims, bills and materials in transit. Also secured collaterally by equitable mortgage of company's specific factory land and building. Further secured by personal guarantee of promoter director(s) of the company.</p>				
<b>7. TRADE PAYABLES</b>				
Sundry Creditors		947,098,446		762,975,798
<b>TOTAL</b>		<b>947,098,446</b>		<b>762,975,798</b>
<p>7.1 The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). According to the information available with the company there was no amount (principal and/or interest) due to any micro/ small enterprises (SME as defined in the Act) as at the end of the year. There is no delay in payment to SME during the year. No interest was paid/payable on account of delay in payment to SME during the year in terms of Section 16 of the Act.</p>				
<b>8. OTHER CURRENT LIABILITIES</b>				
Current maturity of long term borrowings		183,350,550		255,769,080
Interest accrued but not due on borrowings		603,340		57,985
Interest accrued and due on borrowings		3,918,555		5,509,162
Advance from Customers		53,572,675		38,467,806
Book overdraft with banks		127,372		1,237,225
Unpaid dividend (refer Note 8.1)		10,391,015		8,742,499
Other Liabilities		236,662,667		171,350,638
<b>TOTAL</b>		<b>488,626,174</b>		<b>481,134,395</b>
<p>8.1 There are no amounts due for payment to Investor Education &amp; Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.</p>				
<b>9. SHORT TERM PROVISIONS</b>				
Provision for Tax	280,100,000		315,627,000	
Less: Advance Tax	265,955,306	14,144,694	287,599,707	28,027,293
Provision for Gratuity		6,171,410		8,272,512
Provision for Leave Encashment		6,655,216		5,857,358
Proposed Final Dividend		16,537,500		16,537,500
Provision for Dividend Distribution Tax		2,810,548		2,682,796
Provision for Wealth Tax		150,000		260,000
<b>TOTAL</b>		<b>46,469,368</b>		<b>61,637,459</b>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

10. FIXED ASSETS

(Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION					NET BLOCK	
	AS AT 01.04.2012	ADDITIONS	SALES/ ADJ.	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	ON REVALU- ATION	ADJ.	UP TO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
Land leasehold	127,607,646	-	-	127,607,646	11,350,059	1,003,338	220,061	-	12,573,458	115,034,188	116,257,587
Land Freehold	5,301,129	-	-	5,301,129	-	-	-	-	-	5,301,129	5,301,129
<b>Building :</b>											
Factory	663,673,581	91,204,300	-	754,877,881	148,599,189	21,687,119	2,140,371	-	172,426,679	582,451,202	515,074,392
Non-Factory	79,517,618	23,605,593	-	103,123,211	7,310,325	1,442,151	-	-	8,752,476	94,370,735	72,207,293
Plant and Machinery	1,223,732,765	129,323,475	17,300,928	1,335,755,312	627,259,196	71,561,060	4,326,617	10,927,778	692,219,095	643,536,217	596,473,569
Furniture & Fittings	69,157,168	11,289,657	171,579	80,275,246	38,659,016	5,333,476	-	21,951	43,970,541	36,304,705	30,498,152
Vehicles	89,719,885	19,356,250	8,696,445	100,379,690	27,983,638	8,966,722	-	4,219,132	32,731,228	67,648,462	61,736,247
Computer	31,574,058	2,882,906	84,800	34,372,164	25,364,358	3,333,141	-	59,590	28,637,909	5,734,255	6,209,700
<b>TOTAL</b>	<b>2,290,283,850</b>	<b>277,662,181</b>	<b>26,253,752</b>	<b>2,541,692,279</b>	<b>886,525,781</b>	<b>113,327,007</b>	<b>6,687,049</b>	<b>15,228,451</b>	<b>991,311,386</b>	<b>1,550,380,893</b>	<b>1,403,758,069</b>
Previous Year	2,016,732,860	296,895,926	23,344,936	2,290,283,850	791,335,502	96,718,573	6,687,049	8,215,343	886,525,781	1,403,758,069	-

10.1 Building and Plant and Machinery include Gross Block Rs. 1,79,88,995 (Rs. 1,79,88,995) and Rs. 10,07,184 (Rs. 10,07,184) respectively and Net block Rs. 1,48,38,260 (Rs. 1,51,31,480) and Rs. 6,55,985 (Rs. 6,89,624) respectively in respect of expenditure incurred on capital assets, ownership whereof does not vest with the company.

10.2 Certain Fixed Assets of the Company were revalued by the Approved Valuer, on the basis of fair market value as on 31.12.1994. Accordingly value of Fixed Assets of the Company was increased by Rs. 15,59,29,935 (Leasehold Land Rs. 3,09,83,028, Factory Building Rs. 6,40,82,953 and Plant and Machinery Rs. 6,08,63,954) and the corresponding amount was credited to the Revaluation Reserve.

10.3 Subsidy amounting of Rs. 5,50,000 (Rs. 13,39,827), received during the year under IDLS Scheme of the Government of India has been adjusted/credited to cost of respective machines.

10.4 Fixed Assets given on operating Lease

(Rupees)

Particular	Building Factory		Plant & Machinery	
	2012-13	2011- 12	2012-13	2011- 12
Gross carrying amount	5,101,357	5,101,357	28,124,302	28,124,302
Accumulated Depreciation	2,144,094	1,973,709	24,129,285	22,025,052
Depreciation for the year	170,385	170,385	2,104,233	2,104,233

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>11. NON CURRENT INVESTMENTS</b>		
<i>(Long Term Investments)</i>		
Trade (valued at cost unless stated otherwise)		
<b>EQUITY SHARES - UNQUOTED</b>		
<b>A. INVESTMENT IN SUBSIDIARIES</b>		
i. Superhouse (U.K.) Ltd. 150,000 Ordinary Shares of GBP 1 each fully paid	10,618,924	10,618,924
ii. Superhouse (USA) International Inc. 240 Non assessable Shares, no par value amounting to USD 113,070	5,025,924	5,025,924
iii. Superhouse Middle East FZC 100 Shares of DHR 2000 each fully paid up	2,419,366	2,419,366
iv. Briggs Industrial Footwear Ltd. 4,08,441 Ordinary Shares of GBP 1 each fully paid	134,461,183	134,461,183
v. Linea De Seguridad S.L.U., Spain 43,722 (Nil) shares of EURO 1 each fully paid	104,663,476	-
vi. Superhouse GMBH Germany Share Capital Euro 25000 (Nil)	1,701,350	-
	<b>258,890,223</b>	<b>152,525,397</b>



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>B. INVESTMENT IN ASSOCIATES</b>		
i. Steven Construction Ltd. 21,00,000(16,00,000) Equity Shares of Rs. 10/- each fully paid	21,000,000	16,000,000
Nil (5,00,000) Equity Shares of Rs. 10/- each, Paid up Rs. 2/- each	–	1,000,000
ii. Unnao Tanneries Pollution Control Company 153,080 Equity Shares of Rs.10/- each fully paid	1,530,800	1,530,800
iii. Tritan Leather Works (P) Ltd. Nil (764,300) Equity Shares of Rs.10/- each fully paid	–	7,643,000
iv. Knowledgehouse Ltd. 860,000 Equity Shares of Rs.10/- each fully paid	8,600,000	8,600,000
v. Amin International Ltd. 304,900 Equity Shares of Rs.10/- each fully paid	3,049,000	3,049,000
	<b>34,179,800</b>	<b>37,822,800</b>
<b>C. OTHERS</b>		
i. Industrial Infrastructure Services India 185,120 Equity Shares of Rs.10/- each fully paid	1,851,200	1,851,200
ii. Kanpur Unnao Leather Cluster Development Co. Ltd. 1,00,000 Equity Shares of Rs. 10/- each fully paid	1,000,000	1,000,000
	<b>2,851,200</b>	<b>2,851,200</b>
<b>Total (A)</b>	<b>295,921,223</b>	<b>193,199,397</b>
<b>Non Trade (valued at cost unless stated otherwise)</b>		
<b>EQUITY SHARES - QUOTED</b>		
i. Super Tannery Ltd. 3,000 Equity Shares of Rs. 1/- each fully paid	6,500	6,500
ii. Mideast Integrated Steels Ltd. (Delisted) 20,000 Equity Shares of Rs.10/- each fully paid	400,000	400,000
iii. Somani Iron & Steels Ltd. (Delisted) 8,700 Equity Shares of Rs.10/- each fully paid	261,000	261,000
	<b>667,500</b>	<b>667,500</b>
Less: Provision for Diminution in value	<b>661,000</b>	<b>661,000</b>
<b>Total (B)</b>	<b>6,500</b>	<b>6,500</b>
<b>TOTAL (A+B)</b>	<b>295,927,723</b>	<b>193,205,897</b>
Book value of Quoted Investments (Net of Provisions)	<b>6,500</b>	<b>6,500</b>
Book value of Unquoted Investments	<b>295,921,223</b>	<b>193,199,397</b>
Market value of Quoted Investments	<b>5,910</b>	<b>5,850</b>
<b>12. LONG TERM LOANS &amp; ADVANCES (unsecured considered good)</b>		
Capital Advances	<b>50,220,556</b>	<b>36,022,518</b>
Security Deposit	<b>11,969,166</b>	<b>12,733,430</b>
Advance to Subsidiaries (refer Note 46)	<b>488,520</b>	<b>455,510</b>
<b>TOTAL</b>	<b>62,678,242</b>	<b>49,211,458</b>
<b>13. OTHER NON CURRENT ASSETS (unsecured considered good)</b>		
Foreign Currency Monetary Item Translation Difference Account (refer Note No. 13.1)	<b>9,830,818</b>	<b>10,092,857</b>
Less: Current portion carried over to Note 18	<b>1,966,164</b>	<b>1,682,143</b>
Share Application Money	<b>1,000,000</b>	<b>1,701,350</b>
<b>TOTAL</b>	<b>8,864,654</b>	<b>10,112,064</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>13.1</b> The Company (Accounting Standards) Second Amendment Rules, 2011 has amended the provisions of AS-11 relating to "The effect of the Change in Foreign Exchange Rates" vide notification dated December 29, 2011. In terms of the amendments, the company has opted to carry over the Long Term Monetary Loss and amortise the same over balance period of such long term asset/liability.		
<b>14. INVENTORIES (valued at lower of cost and net realisable value)</b>		
Raw Materials	310,330,621	192,943,361
Work in process (refer Note 30)	424,156,252	404,210,784
Finished Goods (refer Note 29)	364,646,042	389,371,485
[including stock at port Rs.7,27,53,739 (Rs.7,76,76,790)]		
Chemicals, Components and Spare Parts	192,348,107	165,961,355
Import Entitlements/Licenses in hand	28,009,582	3,904,158
<b>TOTAL</b>	<b>1,319,490,604</b>	<b>1,156,391,143</b>
Finished Goods include Stock in Trade, as both are stocked together		
<b>15. TRADE RECEIVABLES</b> (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	43,669,524	40,171,555
Considered Doubtful	1,559,060	788,858
Less: Provision for Doubtful Receivables	1,559,060	788,858
Others		
Considered Good	827,260,875	664,414,088
Considered Doubtful	377,860	-
Less: Provision for Doubtful Receivables	377,860	-
<b>TOTAL</b>	<b>870,930,399</b>	<b>704,585,643</b>
<b>Trade receivable include:</b>		
Due from subsidiary companies	70,091,202	46,411,187
Due from associates	33,007,134	34,372,892
<b>16. CASH AND BANK BALANCES</b>		
Cash and Cash Equivalents		
Cash on Hand (as Certified by the Management)	6,303,769	6,541,918
Cheques in hand/Remittance in Transit	2,808,813	-
Balances with Banks on:		
Current Accounts	59,201,570	93,575,337
Foreign Currency Account (EEFC A/c)	1,624,372	3,928,512
	<b>69,938,524</b>	<b>104,045,767</b>
<b>Other bank balances</b>		
Deposits with original maturity for more than 3 months but less than 12 months	58,548,794	34,165,000
Margin Money Deposit Accounts	83,387,539	77,158,921
Unclaimed Dividend Account	10,391,015	8,742,499
	<b>152,327,348</b>	<b>120,066,420</b>
<b>TOTAL</b>	<b>222,265,872</b>	<b>224,112,187</b>



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>17. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured considered good)		
Advance recoverable in cash or kind or for value to be received	83,037,816	77,956,887
Balance with Government/Revenue Authorities	21,285,657	15,014,969
Loan to Associates (refer Note 46)	16,033,094	–
Other Loans	9,061,571	–
<b>TOTAL</b>	<b>129,418,138</b>	<b>92,971,856</b>
<b>18. OTHER CURRENT ASSETS</b> (Unsecured considered good)		
Interest accrued on fixed deposits	7,836,173	10,888,613
Export Incentive Receivable	113,271,332	61,260,889
Other Claim Receivable	1,511,915	206,061
Foreign Currency Monetary Item Translation Difference Account (current portion) - (refer Note 13)	1,966,164	1,682,143
<b>TOTAL</b>	<b>124,585,584</b>	<b>74,037,706</b>
Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>19. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
<b>Sale of products (refer Note 19.1)</b>		
Sales (Export)	4,196,032,947	3,804,038,827
Sales (Indigenous)	643,735,042	516,748,425
	<b>4,839,767,989</b>	<b>4,320,787,252</b>
<b>Other operating revenue</b>		
Export Incentives (refer Note 19.2)	376,178,046	334,483,338
<b>Revenue from operations (gross)</b>	<b>5,215,946,035</b>	<b>4,655,270,590</b>
<b>19.1 Details of product sold</b>		
Gross Sales	4,839,767,989	4,320,787,252
Less Excise Duty	42,392,236	22,307,596
	<b>4,797,375,753</b>	<b>4,298,479,656</b>
<b>Breakup of Sales (net of excise)</b>		
Leather Foot wear	2,437,418,057	2,107,854,620
Finished Leather	1,117,204,731	892,703,273
Leather Shoe Upper	253,011,722	317,795,171
Other Leather Products	243,598,633	307,769,323
Textile Products	671,883,190	638,942,758
Others	74,259,420	33,414,511
<b>TOTAL</b>	<b>4,797,375,753</b>	<b>4,298,479,656</b>
<b>19.2 Details of other operating revenue</b>		
Export Incentives		
– Duty Draw Back Received	259,408,156	198,211,941
– Licences/Entitlements Received	116,769,890	136,271,397
<b>TOTAL</b>	<b>376,178,046</b>	<b>334,483,338</b>
<b>20. OTHER INCOME</b>		
Interest income		
– from Fixed Deposit with Banks	11,739,277	8,895,659
– from Others	3,051,579	14,790,856
		522,318
Dividend income		
– from subsidiary companies	4,076,363	341,325
– from Investments - non trade	10,000	–
		341,325
Profit on Sale of Fixed Assets		
		606,600
Profit on Sale of Investment		
		7,643,000
Miscellaneous Income		
		26,605,497
Rent		
		2,588,400
<b>TOTAL</b>	<b>56,320,716</b>	<b>28,770,414</b>

## Superhouse Limited



### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>21. COST OF MATERIAL CONSUMED</b>		
Raw Material consumed		
Finished Leather	780,822,610	619,379,389
Raw Hide/Skin	458,515,198	463,391,889
Fabric	314,287,021	306,569,173
Sole	160,403,404	145,837,311
PU / PVC Compound	146,895,203	142,314,703
Others	<u>129,030,230</u>	<u>126,643,473</u>
Raw Material consumed	1,989,953,666	1,804,135,938
Chemicals, Components and Spare Parts consumed	791,981,555	753,724,289
Packing Material consumed	<u>125,150,982</u>	<u>120,210,368</u>
<b>Cost of material consumed</b>	<u><u>2,907,086,203</u></u>	<u><u>2,678,070,595</u></u>
<b>22. PURCHASE OF STOCK-IN-TRADE</b>		
Leather and Leather Products	<u>261,769,333</u>	<u>215,183,678</u>
<b>TOTAL</b>	<u><u>261,769,333</u></u>	<u><u>215,183,678</u></u>
<b>23. DECREASE/(INCREASE) IN INVENTORIES</b>		
Inventories at the commencement of the year		
Finished Goods	389,371,485	276,171,192
Work in process	<u>404,210,784</u>	<u>414,725,179</u>
<b>TOTAL 'A'</b>	793,582,269	690,896,371
Inventories at the end of the year		
Finished Goods	364,646,042	389,371,485
Work in process	424,156,252	404,210,784
Import Entitlements/Licenses in hand	<u>28,009,582</u>	-
<b>TOTAL 'B'</b>	<u>816,811,876</u>	<u>793,582,269</u>
<b>Decrease/(Increase) in Stocks (A-B)</b>	<u><u>(23,229,607)</u></u>	<u><u>(102,685,898)</u></u>
<b>24. EMPLOYEE BENEFITS EXPENSES</b>		
Salary, Wages and Bonus	229,765,396	187,491,193
Directors Remuneration	30,508,647	28,536,697
Contribution to Provident and other funds	19,243,168	17,329,815
Gratuity - contribution/provision	5,880,351	3,610,577
Workmen and Staff Welfare expenses	<u>20,243,887</u>	<u>14,481,201</u>
<b>TOTAL</b>	<u><u>305,641,449</u></u>	<u><u>251,449,483</u></u>
(refer Note 36 for disclosure in terms of AS-15, Employee Benefits)		
<b>25. FINANCE COSTS</b>		
Interest on		
– Term Loan	38,362,148	44,833,461
– Others	<u>86,309,178</u>	<u>67,799,922</u>
	124,671,326	112,633,383
Bank Charges	23,970,267	26,942,830
Exchange fluctuation to be regarded as interest cost	<u>25,989,332</u>	<u>25,131,559</u>
	174,630,925	164,707,772
Less: Interest capitalised	<u>2,684,947</u>	<u>4,884,707</u>
<b>TOTAL</b>	<u><u>171,945,978</u></u>	<u><u>159,823,065</u></u>



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
25.1 Exchange fluctuation includes Rs. 19,66,164 (Rs.16,82,143) being amortisation of Foreign Currency Monetary Item Translation Difference Account in terms of provisions contained in AS-11(Revised).		
<b>26. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of tangible assets	120,014,056	103,405,622
Less: recoupment from revaluation reserve	6,687,049	6,687,049
<b>TOTAL</b>	<b>113,327,007</b>	<b>96,718,573</b>
<b>27. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumable Stores	44,060,123	68,147,090
Production Charges	377,731,098	337,658,138
Job Work Charges	63,526,887	58,504,060
Power and Fuel	118,647,791	103,974,965
Effluent Treatment Expenses	4,418,843	4,525,820
Repairs and Maintenance		
– Building	8,734,815	6,518,565
– Machinery	33,086,981	25,332,160
	<b>650,206,538</b>	604,660,798
<b>Selling and Distribution Expenses</b>		
Freight, Handling and Other Sales and Distribution Expenses	188,718,239	174,458,550
Commission on Sale	151,810,279	147,273,972
Advertisement and Publicity	11,480,612	2,532,288
Bad Debts - Provision/write off	2,378,347	7,032,879
	<b>354,387,477</b>	331,297,689
<b>Establishment Expenses</b>		
Rent	5,891,108	10,225,465
Rates and Taxes	14,700,004	5,060,964
Insurance	11,679,736	9,455,868
Communication cost	12,047,498	12,501,909
Travelling and Conveyance	31,925,074	23,522,467
Vehicle Running and Maintenance	19,604,114	15,599,202
Repairs and Maintenance - Others	22,120,206	16,757,524
Printing and Stationery	5,309,192	5,058,567
Legal and Professional Charges	13,389,085	7,098,373
Auditor's Remuneration (refer Note No. 27.1)	1,109,282	1,083,166
Cost Audit fee	40,047	49,120
Miscellaneous Expenses	13,679,757	13,249,269
Research & Development Expenses	5,200,453	3,317,042
Charity and Donation	1,589,652	1,541,931
Loss on Sale of Fixed Assets	4,630,150	3,590,223
Losses of Subsidiary written off	–	2,715,838
	<b>162,915,358</b>	130,826,928
<b>TOTAL</b>	<b>1,167,509,373</b>	<b>1,066,785,415</b>
<b>27.1 Payment to auditor</b>		
<b>As Auditor:</b>		
Audit Fees	842,700	827,250
Tax audit Fee	89,888	82,725
<b>In other capacity:</b>		
Taxation & other services	176,694	173,191
<b>TOTAL</b>	<b>1,109,282</b>	<b>1,083,166</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>28. Earning per share (EPS)</b>		
Profit for the year	213,368,581	191,587,427
Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS	11,025,000	11,025,000
Nominal value of equity shares (Rupees)	10.00	10.00
EPS- Basic and diluted (Rupees per share)	19.35	17.38
<b>29. Closing Inventory of Finished Goods</b>		
Leather and Leather Products	346,311,001	368,552,560
Textile Products	13,799,719	16,373,272
Others	4,535,322	4,445,653
<b>TOTAL</b>	<u>364,646,042</u>	<u>389,371,485</u>
<b>30. Closing Inventory of Work-in-Progress</b>		
Leather and Leather Products	363,637,517	367,143,672
Textile Products	60,518,735	37,067,112
<b>TOTAL</b>	<u>424,156,252</u>	<u>404,210,784</u>

**31. Imported and indigenous raw materials, components and spare parts consumed**

PARTICULARS	2012-13		2011-12	
	Rupees	%	Rupees	%
<b>Raw Material</b>				
Imported (Direct)	375,617,791	18.88%	331,141,656	18.35%
Indigenous	1,614,335,875	81.12%	1,472,994,282	81.65%
<b>Chemicals Components, Stores &amp; Spare parts (including Packing Material)</b>				
Imported (Direct)	205,274,663	22.38%	195,252,058	22.34%
Indigenous	711,857,874	77.62%	678,682,599	77.66%

In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>32. Value of Imports on CIF basis</b> (excluding purchases from canalising agencies and imported items purchased locally)		
Raw Materials	263,042,022	255,291,893
Chemicals, Stores, Components and Spare Parts	307,860,192	215,269,685
Capital Goods	75,462,297	46,059,886
Finished Goods	27,593,171	23,380
	<u>673,957,682</u>	<u>516,644,844</u>
<b>33. Earnings in foreign exchange</b>		
Export of goods calculated on FOB Basis	4,146,496,806	3,774,925,803
Dividend from Wholly Owned Subsidiaries	4,076,363	341,325
Others		



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>34. Expenditure in foreign currency</b>		
- Travelling	9,112,973	5,844,952
- Commission on Sales	147,371,711	151,970,810
- Interest on Loans	28,623,300	19,565,486
- Foreign Bank Charges	9,062,863	9,728,379
- Others	34,146,960	29,609,717
<b>35. Remittance in foreign currency on account of Dividend</b>	<b>NIL</b>	<b>NIL</b>
<b>36. Disclosure in terms of AS 15</b>		
<b>Defined Benefit Plan</b>		
The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust maintained with LIC. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
<i>Reconciliation of Opening and Closing balance of present value of defined benefit obligation for Gratuity</i>		
Present Value of Obligation at beginning of the year	26,054,881	24,258,918
Current Service Cost	3,908,200	3,250,719
Interest Cost	2,149,528	2,062,008
Benefits paid	(2,723,996)	(2,814,227)
Actuarial (Gain)/Loss on Obligations	1,492,009	(702,537)
Plan amendments	-	-
Present Value of Obligation at end of the year	30,880,622	26,054,881
<i>Reconciliation of Opening and Closing Fair Value of Plan Assets</i>		
Fair Value of Plan Assets at beginning of the year	17,782,369	12,754,769
Expected Return on Plan Assets	1,644,869	1,167,061
Contributions	7,981,453	6,714,367
Benefit Paid	(2,723,996)	(2,814,227)
Actuarial Gain / (Loss) on Plan Assets	24,517	(39,601)
Fair Value of Plan Assets at end of the year	24,709,212	17,782,369
<i>Reconciliation of Present Value of Obligations and Fair Value of Plan Assets</i>		
Fair Value of Plan Assets at end of the year	24,709,212	17,782,369
Present Value of Obligation at end of the year	30,880,622	26,054,881
<b>Asset/(Liability) recognised in the Balance Sheet</b>	<b>(6,171,410)</b>	<b>(8,272,512)</b>
<i>Expenses recognised during the year</i>		
Current Service Cost	3,908,200	3,250,719
Interest Cost	2,149,528	2,062,008
Expected Return on Plan Assets	(1,644,869)	(1,167,061)
Plan amendments	-	-
Total Actuarial Loss/(Gain) recognised during the year	1,467,492	(662,936)
<b>Net Cost recognised in Statement of Profit and Loss</b>	<b>5,880,351</b>	<b>3,482,730</b>
<i>Assumptions</i>		
Discount Rate (p.a.)	8.25%	8.50%
Expected Rate of increase in Salary (p.a.)	5.00%	5.00%
Expected Rate of return on Plan Assets (p.a.)	9.25%	9.25%
<b>Defined Contribution Plan</b>		
Employers contribution to PF and FPF	13,995,987	12,432,846
Employers contribution to ESI	5,247,181	4,896,969



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

37. The related party disclosure in accordance with AS 18 "Related Party Disclosures" is given below:

**A. Relationship**

**i. Subsidiary (Wholly owned) Company**

- a) Superhouse (U.K.) Ltd., UK
- b) Superhouse (USA) International Inc., USA
- c) Superhouse Middle East FZC, Azman
- d) Briggs Industrial Footwear Ltd. (U.K.)
- e) Linea De Seguridad S.L.U., Spain
- f) Superhouse GMBH, Germany

**ii. Joint Ventures & Associates:**

**Proportion of voting power held by co.**

As at 31.03.2013      As at 31.03.2012

**Joint Venture: Nil**

**Associates:**

a) Unnao Tanneries Pollution Control Company (A company registered under Section 25 of the Companies Act, 1956)	34.05%	34.05%
b) Tritan Leather Works Pvt. Ltd. (investment disposed off during the year)	Nil	19.11%
c) Steven Construction Ltd.	46.67%	35.56%
d) Amin International Ltd.	31.13%	31.13%
e) Knowledgehouse Ltd.	31.85%	27.74%

**iii. Key Management Personnel (KMP) & Relatives:**

- a) Mr. Mukhtarul Amin – Chairman & Managing Director
- b) Mr. Zafarul Amin – Jt. Managing Director (Son of Mr. Mukhtarul Amin)
- c) Mr. Vinay Sanan – Executive Director
- d) Mr. A.K. Agarwal – Director (Finance)
- e) Mr. Mohd. Shadab – Director
- f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin)
- g) Mr. Deepak Sanan & Mr Manu Sanan (Son of Mr. Vinay Sanan)

**iv. Others: Enterprise over which KMP or relatives of KMP are able to exercise significance influence:**

- a) M/s Prime International (a partnership firm)
- b) M/s Shoe House (a partnership firm)
- c) Chowdhary Overseas Ltd.
- d) Super Tannery Ltd.
- e) Rojus Enterprises Ltd.
- f) Modriba Hygiene Solutions Ltd.
- g) Superhouse Accessories Ltd.
- h) Creemos International Ltd.
- i) Rivera Trendz Pvt. Ltd.
- j) Super Shoes Ltd.

B. The following transactions were carried out at arms length price with related parties in the ordinary course of business during the year: (Excluding Reimbursements)

**Key Management Personnel and relatives:**

(Rupees)

Particulars	2012-13	2011-12
Rent paid	1,380,000	1,530,000
Director Remuneration	30,508,647	28,536,697
Salary, Wags and Bonus	2,550,000	1,050,000
Remuneration Payable (including Provisions)	19,819,886	17,897,503



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

#### Subsidiary/Associates/Others :

Particulars	Subsidiary Companies	Associates	Others	Total
Purchases of Materials/Finished Goods	Nil	7,764,207	190,419,845	198,184,052
	(805,370)	(9,279,520)	(117,627,194)	(127,712,084)
Sale of Materials/Finished Goods	203,408,781	12,388,662	113,026,388	328,823,831
	(115,619,263)	(2,672,746)	(118,570,205)	(236,862,214)
Purchase of Fixed Assets	Nil	Nil	1,270,006	1,270,006
	(Nil)	(226,903)	(1,179,002)	(1,405,905)
Sale of Fixed Assets	Nil	Nil	10,900	10,900
	(Nil)	(659,890)	(Nil)	(659,890)
Services rendered/other receipts	Nil	116,890	121,228	238,118
	(Nil)	(2,449,943)	(192,457)	(2,642,400)
Services availed	30,145,598	3,035,088	14,564,864	47,745,550
	(15,918,916)	(3,024,611)	(24,805,118)	(43,748,645)
Rent received	Nil	142,368	2,622,231	2,764,599
	(Nil)	(282,596)	(2,673,849)	(2,956,445)
Interest received	Nil	889,440	984,678	1,874,118
	(Nil)	(Nil)	(Nil)	(Nil)
Dividend received	4,076,363	Nil	Nil	4,076,363
	(341,325)	(Nil)	(Nil)	(341,325)
Investments & Advances w/off	Nil	Nil	Nil	Nil
	(2,715,838)	(Nil)	(Nil)	(2,715,838)
Preferential warrant money w/back	Nil	Nil	Nil	Nil
	(Nil)	(269,854)	(1,176,892)	(1,446,746)
<b>Balances at the end of the year:</b>				
Receivables	70,091,202	5,316,210	34,132,952	109,540,364
	(46,411,187)	(3,830,121)	(33,222,995)	(83,464,303)
Loans and Advances (refer Note No. 46)	488,520	8,300,497	7,732,597	16,521,614
	(455,510)	(Nil)	(Nil)	(455,510)
Payables (Trade payable & other liabilities)	7,150,991	4,078,042	28,070,226	39,299,259
	(2,650,596)	(1,140,426)	(12,603,413)	(16,394,435)
Investments (refer Note No. 11)	258,890,223	34,179,800	6,500	293,076,523
	(152,525,397)	(37,822,800)	(6,500)	(190,354,697)

#### C. Disclosure in respect of material transactions with related parties included in B above: (Rupees)

Particulars	2012-13	2011-12	Particulars	2012-13	2011-12
Purchases of Materials/Finished Goods			Superhouse Middle East FZC, Azman	20,653,866	19,079,953
Superhouse Middle East FZC, Azman	-	805,370	Briggs Industrial Footwear Ltd. (U.K.)	45,195,197	-
Amin International Ltd.	7,764,207	9,279,520	Knowledgehouse Ltd.	745,673	-
Modriba Hygiene Solutions Ltd.	13,410,708	1,029,398	Amin International Ltd.	11,642,989	2,672,746
Creemos International Ltd.	335,741	-	Modriba Hygiene Solutions Ltd.	49,439	674,810
Superhouse Accessories Ltd.	27,928,960	25,020,180	M/s Prime International	-	38,217
Chowdhary Overseas Ltd.	75,574,669	61,754,540	Superhouse Accessories Ltd.	169,412	390,496
Rojus Enterprises Ltd.	337,356	1,863,040	Chowdhary Overseas Ltd.	75,064,901	112,081,536
Rivera Trendz Pvt. Ltd.	19,267,598	25,901,787	Rojus Enterprises Ltd.	5,895,826	1,459,540
Super Tannery Ltd.	2,180,978	42,039	Rivera Trendz Pvt. Ltd.	1,348,432	920,005
Super Shoes Ltd.	51,383,835	2,016,210	Super Tannery Ltd.	180,057	54,468
Sale of Materials/Finished Goods			Super Shoes Ltd.	30,318,321	2,951,133
Superhouse (U.K.) Ltd., UK	137,559,718	96,539,310			

## Superhouse Limited



Particulars	2012-13	2011-12
Purchase of Fixed Assets		
Amin International Ltd.	–	226,903
Modriba Hygiene Solutions Ltd.	–	1,179,002
Creemos International Ltd.	291,293	–
Chowdhary Overseas Ltd.	919,033	–
Rojus Enterprises Ltd.	59,680	–
Sale of Fixed Assets		
Amin International Ltd.	–	659,890
Rojus Enterprises Ltd.	10,900	–
Services rendered/other receipts		
Amin International Ltd.	116,890	262,344
Knowledgehouse Ltd.	–	2,187,599
Creemos International Ltd.	105,988	–
Chowdhary Overseas Ltd.	–	186,257
Rojus Enterprises Ltd.	15,240	6,200
Services availed		
Superhouse (U.K.) Ltd., UK	25,121,419	15,090,099
Superhouse (USA) International Inc., USA	1,020,970	165,680
Superhouse Middle East FZC, Azman	2,202,687	663,137
Briggs Industrial Footwear Ltd. (U.K.)	54,702	–
Superhouse GMBH, Germany	1,745,820	–
Unnao Tanneries Pollution Control Company	3,010,102	2,115,791
Amin International Ltd.	24,986	908,820
Modriba Hygiene Solutions Ltd.	2,037	6,807,384
Creemos International Ltd.	1,039,754	–
Superhouse Accessories Ltd.	11,178,643	13,325,159
Chowdhary Overseas Ltd.	1,933,210	857,042
Rojus Enterprises Ltd.	172,455	3,815,533
Super Tannery Ltd.	238,765	–
Rent paid		
Mr. Mukhtarul Amin	480,000	480,000
Mrs. Shahina Mukhtar	720,000	720,000
Mr. Zafarul Amin	–	150,000
Mr. Deepak Sanan	180,000	180,000
Rent received		
Steven Construction Ltd.	6,180	–
Knowledgehouse Ltd.	1,356	1,332
Amin International Ltd.	134,832	281,264
Modriba Hygiene Solutions Ltd.	300,831	101,332
Superhouse Accessories Ltd.	1,348,320	1,323,600
Chowdhary Overseas Ltd.	741,576	690,900
Rojus Enterprises Ltd.	231,504	558,017
Interest received		
Steven Construction Ltd.	889,440	–
Superhouse Accessories Ltd.	665,745	–
Rojus Enterprises Ltd.	318,933	–
Dividend received		
Superhouse (U.K.) Ltd., UK	390,972	341,325
Briggs Industrial Footwear Ltd. (U.K.)	3,685,391	–
Investments & Advances w/off		
Superhouse RO SRL	–	2,715,838

Particulars	2012-13	2011-12
Preferential warrant money w/back		
Amin International Ltd.	–	269,854
Modriba Hygiene Solutions Ltd.	–	69,892
Rojus Enterprises Ltd.	–	1,080,000
Superhouse Accessories Ltd.	–	27,000
Receivables		
Superhouse (U.K.) Ltd., UK	43,976,610	26,000,454
Superhouse Middle East FZC, Azman	3,636,983	20,410,733
Briggs Industrial Footwear Ltd. (U.K.)	22,477,609	–
Steven Construction Ltd.	6,180	–
Knowledgehouse Ltd.	–	1,462,811
Amin International Ltd.	5,310,030	2,367,310
Modriba Hygiene Solutions Ltd.	486,486	738,143
M/s Prime International	–	36,232
Creemos International Ltd.	429,679	5,491
Superhouse Accessories Ltd.	62,360	114,314
M/s Shoe House	7,454,802	8,074,802
Chowdhary Overseas Ltd.	11,579,020	19,070,095
Rojus Enterprises Ltd.	9,390,256	2,503,692
Super Tannery Ltd.	–	31,500
Super Shoes Ltd.	4,730,349	2,648,726
Payables (Trade payable & other liabilities)		
Superhouse (U.K.) Ltd., UK	6,481,059	2,461,780
Superhouse Middle East FZC, Azman	132,975	188,816
Superhouse GMBH, Germany	536,957	–
Steven Construction Ltd.	–	4,067
Unnao Tanneries Pollution Control Company	899,160	512,511
Amin International Ltd.	3,178,882	623,848
Modriba Hygiene Solutions Ltd.	2,792,940	2,075,516
Creemos International Ltd.	454,897	–
Superhouse Accessories Ltd.	10,412,453	4,191,057
Chowdhary Overseas Ltd.	9,674,581	1,680,475
Rojus Enterprises Ltd.	–	2,642,858
Rivera Trendz Pvt. Ltd.	4,290,790	1,981,389
Super Tannery Ltd.	442,986	30,331
Super Shoes Ltd.	1,579	1,787
Mr. Mukhtarul Amin	9,719,538	8,806,615
Mrs. Shahina Mukhtar	4,549,923	4,128,077
Mr. Zafarul Amin	5,021,308	4,564,846
Mr. Vinay Sanan	387,930	318,772
Mr. A.K. Agarwal	87,449	79,193
Mr. Mohd. Shadab	53,738	–
Remuneration		
Mr. Mukhtarul Amin	12,995,716	12,401,149
Mrs. Shahina Mukhtar	5,774,846	5,456,846
Mr. Zafarul Amin	6,481,462	6,163,462
Mr. Vinay Sanan	3,297,126	2,608,114
Mr. A.K. Agarwal	1,058,994	1,000,089
Mr. Mohd. Shadab	900,503	907,037
Mr. Deepak Sanan	1,650,000	1,050,000
Mr Manu Sanan	900,000	–



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

**38. Capital and other commitments**

(Rupees)

	2012-13	2011-12
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	29,428,810	24,185,673
ii. Uncalled Liability on Shares partly paid-up	Nil	4,000,000
iii. Forward Exchange Contracts	355,090,142	424,670,505
iv. Company has given undertaking to bankers for non disposal of Investments in case of following subsidiaries:		
– Briggs Industrial Footwear Ltd.	134,461,183	134,461,183
– Linea De Seguridad S.L., Spain	104,663,476	Nil

**39. Contingent liabilities**

(Rupees)

	2012-13	2011-12
Claim against the company not acknowledged as debt	4,322,094	2,563,214
<b>Contingent Liabilities in respect of:</b>		
i. Guarantees issued by the Bank	11,760,899	16,352,506
ii. Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain	301,240,242	295,422,620
iii. Letter of Credit opened and outstanding	206,672,425	215,111,043
iv. Duty on Export obligation pending	97,527,847	52,234,566
v. Electricity demand pending litigation	1,583,688	1,583,688

vi. The detail of disputed dues (net of amounts paid) as per the clause ix(b) of Section 227 (4A) of the Companies Act, 1956

Forum where dispute is pending	Period to which relates	2012-13	2011-12
<b>Income Tax:</b>			
CIT Appeals, Kanpur	A.Y. 2002-03	210,378	210,378
CIT Appeals, Kanpur	A.Y. 2008-09	7,726,990	7,726,990
CIT Appeals, Kanpur	A.Y. 2009-10	2,122,820	2,122,820
CIT Appeals, Kanpur	A.Y. 2010-11	939,370	Nil
ITAT Appeals, Allahabad.	A.Y. 2003-04	2,069,740	2,069,740
<b>Entry Tax:</b>			
Sales Tax Appellate Tribunal	1999-2000	Nil	860,729
Joint Commissioner of Trade Tax, Kanpur	2005-2006	586,500	586,500
<b>UP Trade Tax and Central Sales Tax:</b>			
Deputy Commissioner of Trade Tax, Kanpur	1997-1998	Nil	389,872
	2002-2003	Nil	26,503
	2008-2009	2,745,913	2,745,913
	2001-2002	151,473	151,473
Joint Commissioner of Trade Tax, Kanpur	2005-2006	28,000	28,000
	2007-2008	165,805	165,805
	2009-2010	59,830	Nil

Above claims are likely to be decided in favour of the company, hence not provided for.

**40. Disclosure in respect of Derivative Instruments:**

a) Derivative instruments outstanding:

(Foreign Currency in Millions)

Forward Contracts		2012-13	2011-12
Against Exports	USD/INR	1.33	1.99
	EURO/INR	2.65	2.92
	GBP/INR	1.19	1.43

b) All the Derivative Instruments have been acquired for hedging purposes.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

c) Foreign Currency exposures that are not hedged by Derivative Instruments: *(Foreign Currency in Millions)*

Particulars	USD		EURO		GBP		AED		Aus \$	
	12-13	11-12	12-13	11-12	12-13	11-12	12-13	11-12	12-13	11-12
Debtors	2.90	3.94	4.01	4.13	2.78	1.57	-	-	0.01	0.06
Creditors	0.74	0.21	0.65	0.21	*	*	-	-	-	-
Other Payables	0.92	0.60	0.75	0.78	0.35	0.22	-	-	-	0.01
Loan Taken (Principal)	5.13	4.93	1.28	-	1.25	1.50	-	-	-	-
Advances	0.14	0.11	0.07	0.11	-	-	-	-	-	-
Cash & Bank Balances	0.01	0.06	*	0.01	0.02	0.01	-	-	-	-
Corporate Guarantee	-	-	0.42	-	2.58	2.59	3.50	4.04	-	-
Letter of Credit	1.44	1.29	0.55	0.36	-	-	-	-	-	-

\* denotes amount less than 0.01 million

41. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 08.02.2011 and 21.02.2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956 subject to fulfilment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.
42. Financial Statements of the subsidiary companies and related detailed information will be made available to the investors, of the company and subsidiary companies, seeking such information. The financial statements of the subsidiary companies are also kept at Registered Office of the company and that of subsidiary companies for inspection of investors of the company and subsidiary companies.
43. **Disclosure in terms of AS 28**  
The management has carried out an exercise of identifying the asset that may have been impaired, during the year, in respect of each cash generating unit. On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.
44. **Disclosure in terms of AS 29**  
The company has recognised contingent liabilities as disclosed in Note 39 above and as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the year.
45. **Disclosure as per clause 32 of the Listing Agreement**

**Loan and Advances :**

*(Rupees)*

Name of the company	Relationship	Amount Outstanding as on		Maximum balance outstanding during the year	
		31.03.2013	31.03.2012	2012-13	2011-12
Superhouse (USA) International Inc.	WOS	488,520	455,510	488,520	2,041,430
Rojus Enterprises Ltd.	Associate	2,583,669	NIL	2,583,669	NIL
Steven Constructions Ltd.	Associate	8,300,497	NIL	8,300,497	NIL
Superhouse Accessories Ltd.	Associate	5,148,928	NIL	5,148,928	NIL

46. **Segment information as per AS-17 "SEGMENT REPORTING":**

**A) BUSINESS SEGMENTS (Primary Segment):**

*(Rupees)*

Particulars	Leather & Leather Products		Textile Garments		Others		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Segment Revenue	4,406,840,218	3,944,717,092	691,728,990	654,517,356	74,984,591	33,728,546	5,173,553,799	4,632,962,994
Intra Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	4,406,840,218	3,944,717,092	691,728,990	654,517,356	74,984,591	33,728,546	5,173,553,799	4,632,962,994
Eliminations	-	-	-	-	-	-	-	-
Net Revenue	4,406,840,218	3,944,717,092	691,728,990	654,517,356	74,984,591	33,728,546	5,173,553,799	4,632,962,994
Profit Before Tax & Finance Cost	436,346,028	399,267,927	52,211,295	54,977,344	9,213,434	1,966,291	497,770,757	456,211,562
Finance Cost	(142,369,883)	(135,794,400)	(26,402,481)	(20,916,322)	(3,173,614)	(3,112,343)	(171,945,978)	(159,823,065)
Profit Before Tax	293,976,145	263,473,527	25,808,814	34,061,022	6,039,820	(1,146,052)	325,824,779	296,388,497
Segment Assets	4,035,571,414	3,488,214,095	574,921,064	467,013,039	28,855,268	28,398,416	4,639,347,746	3,983,625,550
Segment Liabilities	2,593,621,677	2,180,392,078	357,841,356	297,849,274	25,816,621	30,099,590	2,977,279,654	2,508,340,942
Capital Expenditure	223,086,535	217,432,175	47,752,377	70,961,888	587,417	626,297	271,426,329	289,020,360
Depreciation	98,695,075	87,013,780	14,176,190	9,204,509	455,742	500,284	113,327,007	96,718,573



## Superhouse Limited

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

#### B) GEOGRAPHICAL SEGMENTS (secondary segment):

Particulars	Within India		Outside India		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
External	977,520,852	828,924,167	4,196,032,947	3,804,038,827	5,173,553,799	4,632,962,994
Inter Segments	-	-	-	-	-	-
Total Revenue	977,520,852	828,924,167	4,196,032,947	3,804,038,827	5,173,553,799	4,632,962,994
Eliminations	-	-	-	-	-	-
Net Revenue	977,520,852	828,924,167	4,196,032,947	3,804,038,827	5,173,553,799	4,632,962,994
Carring amount of Segment Assets	4,639,347,746	3,983,625,550	-	-	4,639,347,746	3,983,625,550
Segment Liabilities	2,977,279,654	2,508,340,942	-	-	2,977,279,654	2,508,340,942
Capital Expenditure	271,426,329	289,020,360	-	-	271,426,329	289,020,360
Depreciation on Fixed Assets	113,327,007	96,718,573	-	-	113,327,007	96,718,573

47. Losses incurred by the two WOS have not been provided in the accounts of the company. Considering the fact that investment is of a strategic nature and business of WOS is in the initial stage, no provision is considered necessary by the management at present, for any diminution in value of investment.

#### 48. Debtors include due from firm in which director is interested as partner

(Rupees)

Name of the Firm	Amount Outstanding as on	
	31.03.2013	31.03.2012
M/s Shoe House	7,454,802	8,074,802
M/s Prime International	Nil	36,232

49. Confirmation of balances with sundry debtors / creditors, loans and advances and other parties have not been received in few cases.

#### 50. Expenditure on Reserch & Development :

(Rupees)

Nature	2012-13	2011-12
Capital Expenditure	NIL	NIL
Revenue Expenditure	5,200,453	3,317,042

#### 51. Previous Year Figures

Figures of the previous year have been regrouped/rearranged wherever required in order to make them comparable with those of current year. Figures in bracket pertains to previous year. Figures have been rounded off to the nearest rupee.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARULAMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

## Superhouse Limited



Statement pursuant to Section 212 of the Companies Act, 1956 relating to Company's Interest in Subsidiary Companies.

Name of Subsidiary	Superhouse (U.K.) Ltd.	Superhouse (USA) International	Superhouse Middle East, FZC	Briggs Industrial Footwear Limited	Linea De Seguridad SLU	Superhouse GMBH Germany
1. Financial Year of the subsidiary ended on	31st March 2013	31st March 2013	31st March 2013	31st March 2013	31st March 2013	31st March 2013
2. Dates from which they became Subsidiary Companies	1st April, 1999	26th June, 2001	19th October, 2005	06th May, 2011	21st September, 2012	27th January, 2012
3. (a) Number of Shares held by Superhouse Limited in the subsidiaries at the end of the financial year	1,50,000 Ordinary Shares of Sterling Pound 1 each fully paid up	240 Non Assessable shares, no par value amounting to USD 1,13,070	100 fully paid share of AED 2000 each	4,08,441 Ordinary Shares of Sterling Pound 1 each fully paid up	43,722 Ordinary Shares of EURO 1 each fully paid up	Share Capital EURO 25,000
(b) Extent of interest of holding company at the end of financial year of the Subsidiary Companies	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
4. Net aggregate amount of Subsidiary Companies Profit / (Losses) after tax so far as it concerns the members of Holding Companies						
(a) Not dealt with in the Holding Company's accounts						
(i) For the financial year ended 31st March 2013	Profit Rs. 32,80,842 (GBP 37,399)	Profit Rs. 2,71,778 (USD 2,859)	Profit Rs. 19,21,617 (AED 3,622)	Profit Rs. 2,69,26,941 (GBP 3,03,905)	Loss Rs. 1,99,82,917 (GBP 2,80,667)	Loss Rs. 5,40,344 (GBP 8,304)
(ii) For the Previous financial years of the subsidiary companies since they became the Holding Company's subsidiary	Profit Rs. 2,12,96,375 (GBP 2,71,522)	Loss Rs. 42,18,450 (USD 96,104)	Profit Rs. 3,16,10,326 (AED 22,50,516)	Profit Rs. 2,68,76,980 (GBP 13,78,417)	N.A. N.A.	N.A. N.A.
(b) Dealt with in the Holding Company's accounts						
(i) For the financial year ended 31st March 2013	NIL	NIL	NIL	NIL	NIL	NIL
(ii) For the Previous financial years of the subsidiary companies since they became the Holding Company's subsidiary	NIL	NIL	NIL	NIL	NIL	NIL

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

For and on behalf of the **BOARD OF DIRECTORS**

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

**R.K.AGRAWAL**  
Company Secretary



## Superhouse Limited

### Details of Subsidiary Companies

S. No.	Name of Subsidiary Company	Superhouse (UK) Limited		Superhouse (USA) International INC.		Superhouse Middle East FZC		Briggs Industrial Footwear Ltd. U.K.		Linea De Seguridad SLU Spain		Superhouse GMBH Germany	
		Rupees	GBP	Rupees	USD	Rupees	AED	Rupees	GBP	Rupees	EURO	Rupees	EURO
1	Capital	10,618,924	150,000	5,025,924	113,070	2,419,366	200,000	33,265,412	408,441	18,336,021	262,769	1,701,350	25,000
2	Reserves	34,376,560	428,498	(3,946,672)	(93,245)	33,531,944	2,254,138	154,024,787	1,874,599	79,540,575	303,696	(540,344)	(8,304)
3	Total Assets	116,330,868	1,445,060	1,630,212	29,973	42,217,837	2,878,344	416,814,741	5,071,239	161,988,326	1,488,402	1,709,800	24,587
4	Total Liabilities	71,335,384	866,562	550,960	10,148	6,266,527	424,206	229,524,542	2,788,199	64,111,730	921,937	548,794	7,891
5	Investments	-	-	-	-	-	-	-	-	-	-	-	-
6	Turnover/ Total Income	166,661,153	1,928,620	5,686,725	103,862	69,134,977	4,565,371	664,643,869	7,719,023	38,778,830	564,115	2,714,992	38,166
7	Profit/(Loss) Before Taxation	3,280,842	37,399	271,778	2,859	1,921,617	3,622	26,926,941	303,905	(19,982,917)	(280,667)	(540,344)	(8,304)
8	Provision for Taxation	693,138	8,056	-	-	-	-	6,415,486	74,564	(12,991,798)	(185,415)	-	-
9	Profit/(Loss) After Taxation	2,587,704	29,343	271,778	2,859	1,921,617	3,622	20,511,455	229,341	(6,991,119)	(95,252)	(540,344)	(8,304)
10	Proposed Dividend	1,677,780	19,500	-	-	-	-	3,685,391	39,302	-	-	-	-

#### Notes :

- Interest on Holding Company 100% 100% 100% 100% 100% 100%
- Refer Note No. 1.12 and 1.13 of Financial Statements for procedures / rates adopted for conversion of figures (of subsidiaries) in foreign currency into Indian rupees.
- Closing Exchange Rate :
  - Exchange Rate as on 31.03.2013 : 1 AED = Rs. 14.79
  - Exchange Rate as on 31.03.2013 : 1 GBP = Rs. 82.32
  - Exchange Rate as on 31.03.2013 : 1 USD = Rs. 54.39
  - Exchange Rete as on 31.03.2013 : 1 EURO = Rs. 69.54

For **KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

For and on behalf of the **BOARD OF DIRECTORS**

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

**R.K.AGRAWAL**  
Company Secretary

## Superhouse Limited



**Kapoor Tandon & Co.**  
Chartered Accountants

24/57 First Floor, Birhana Road  
(Opp. Central Chest Clinic) KANPUR - 208001  
Ph: 2361244 Fax: (0512) 2361244  
Email: ktc\_rajesh@yahoo.co.in

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Superhouse Limited

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Superhouse Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

#### Other Matters

- In respect of the financial statements of certain subsidiaries, we did not carry out the audit, whose financial statements reflect total assets (net) of Rs. 6,968.44 Lacs as at March 31, 2013 and total revenue (net) of Rs. 8,727.99 Lacs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of other auditors.
- We report that the consolidated financial statements have been prepared by the Group in accordance with the requirements of the Accounting Standard (AS) 21-'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India and on the basis of the separate audited / certified financial statements of the Superhouse Group included in the consolidated financial statements.

Our opinion is not qualified in respect of other matters.

For KAPOOR TANDON & CO.,  
Chartered Accountants  
Firm Reg. No. 000952C

(RAJESH PARASRAMKA)  
Partner  
M.No. 074192

Place : KANPUR  
Date : 29<sup>th</sup> June, 2013



## Superhouse Limited

### CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>I. EQUITY AND LIABILITIES :</b>			
<b>1. Shareholders' Funds</b>			
a) Share Capital	2	114,197,718	114,197,718
b) Reserves and Surplus	3	<u>1,672,993,905</u>	<u>1,467,943,505</u>
		1,787,191,623	1,582,141,223
<b>2. Non Current Liabilities</b>			
a) Long Term Borrowings	4	378,382,863	310,412,204
b) Deferred Tax Liabilities (Net)	5	<u>82,649,000</u>	<u>103,673,837</u>
		461,031,863	414,086,041
<b>3. Current Liabilities</b>			
a) Short Term Borrowings	6	1,101,129,878	857,881,992
b) Trade Payables	7	1,076,739,994	906,566,553
c) Other Current Liabilities	8	526,360,658	513,484,315
d) Short Term Provisions	9	<u>61,900,274</u>	<u>62,096,489</u>
		2,766,130,804	2,340,029,349
<b>TOTAL</b>		<u><u>5,014,354,290</u></u>	<u><u>4,336,256,613</u></u>
<b>II. ASSETS :</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets :			
(i) Tangible Assets	10	1,678,791,956	1,435,240,398
(ii) Capital Work in Progress		54,805,637	75,239,527
(b) Non Current Investments	11	52,697,406	50,675,649
(c) Long Term Loans and Advances	12	62,611,844	49,230,279
(d) Other Non Current Assets	13	<u>8,864,654</u>	<u>10,112,064</u>
		1,857,771,497	1,620,497,917
<b>2. Current Assets</b>			
(a) Inventories	14	1,629,473,688	1,384,543,108
(b) Trade Receivables	15	1,022,706,767	912,519,919
(c) Cash and Bank Balances	16	229,068,110	238,500,314
(d) Short Term Loans and Advances	17	149,310,772	106,157,649
(e) Other Current Assets	18	<u>126,023,456</u>	<u>74,037,706</u>
		3,156,582,793	2,715,758,696
<b>TOTAL</b>		<u><u>5,014,354,290</u></u>	<u><u>4,336,256,613</u></u>
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013

## Superhouse Limited



### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	2012-13 (Rupees)	2011-12 (Rupees)
<b>REVENUE</b>			
Revenue from operations (gross)	19	5,918,565,624	5,373,615,654
Less: Excise Duty		42,392,236	22,307,596
Revenue from operations (net)		5,876,173,388	5,351,308,058
Other Income	20	57,556,343	49,673,438
<b>Total Revenue</b>		<b>5,933,729,731</b>	<b>5,400,981,496</b>
<b>EXPENSES</b>			
Cost of Material consumed	21	2,942,697,985	2,678,070,595
Purchase of Stock-in-trade	22	778,961,197	776,485,778
(Increase)/decrease in Inventories of Finished Goods, Work-in-Process and Traded Goods	23	(77,249,079)	(145,717,676)
Employee Benefits Expense	24	420,783,091	330,701,830
Finance Costs	25	187,515,902	171,577,405
Depreciation and Amortisation	26	118,854,982	99,482,020
Other Expenses	27	1,232,482,640	1,136,485,828
<b>Total Expenses</b>		<b>5,604,046,718</b>	<b>5,047,085,780</b>
<b>Profit Before Tax</b>		<b>329,683,013</b>	<b>353,895,716</b>
<b>Tax Expenses</b>			
– Current Tax		100,093,202	104,255,267
– Deferred Tax		14,186,625	3,863,719
– Tax adjustments relating to earlier years		(7,706,802)	1,886,070
<b>Profit for the year</b>		<b>223,109,988</b>	<b>243,890,660</b>
<b>Earning per Equity Share (EPS)</b>	28		
(Face value of Rs 10 each)			
EPS - Basic (Rupees per share)		20.24	22.12
EPS - Diluted (Rupees per share)		20.24	22.12
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARULAMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013



## Superhouse Limited

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	<u>2012-13</u> (Rupees)	<u>2011-12</u> (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	329,683,013	353,895,716
Adjustment for :		
Depreciation	118,854,982	99,482,020
Finance Cost	187,515,902	171,577,405
Interest Income	(14,792,475)	(9,418,818)
Dividend Income	(10,000)	-
Fixed Assets - Loss on sale	4,894,637	3,615,664
Fixed Assets - Profit on sale	(1,020,994)	(1,154,076)
Investments - Profit on sale	(4,510,348)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	620,614,717	617,997,911
<b>ADJUSTMENTS FOR:</b>		
Trade and Other receivables	(218,707,286)	(95,747,349)
Inventories	(244,930,580)	(287,685,781)
Trade and Other Payables	181,205,053	185,565,019
<b>CASH GENERATED FROM OPERATIONS</b>	338,181,904	420,129,800
Income Tax Paid (net of Refunds)	(92,386,400)	(108,640,741)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	245,795,504	311,489,059
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including CWIP)	(265,253,791)	(290,171,141)
Fixed Assets on the date of acquisition of WOS	(38,067,588)	(6,015,362)
Deferred Tax Assets on acquisition of WOS	(35,211,462)	-
Capital Reserve/(Goodwill) on acquisition of WOS	(58,484,851)	9,125,973
Sale of Fixed Assets	8,927,127	16,430,176
Purchase of Investments	(4,000,000)	(8,600,000)
Sale of Investments	16,096,669	-
Interest Income	14,792,475	9,418,818
Dividend Income	10,000	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(361,191,421)	(269,811,536)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Borrowings	442,326,363	296,538,051
Repayments of Long term Borrowings	(373,108,294)	(137,354,509)
Net Increase/(Decrease) in working capital loans and short term loans	243,247,886	16,701,349
Finance Cost	(187,515,902)	(171,577,405)
Dividend paid	(16,175,792)	(18,379,993)
Dividend Distribution Tax paid	(2,810,548)	(2,682,796)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	105,963,713	(16,755,303)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(9,432,204)	24,922,220
<b>OPENING CASH AND CASH EQUIVALENTS</b>	238,500,314	213,578,094
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	229,068,110	238,500,314

#### Significant accounting policies

1

The accompanying notes form an integral part of these financial statements.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

For **KAPOOR TANDON & CO.**,  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K.AGARWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS.**

**A) BASIS OF CONSOLIDATION**

1. The financial statements of the subsidiary companies considered in the consolidation are drawn upto the same reporting date as of the company i.e. year ended March 31, 2013.
2. The consolidated financial statement's have been prepared in accordance with Accounting Standard (AS-21) Consolidated Financial Statements.

**B) PRINCIPLES OF CONSOLIDATION :**

The consolidated financial statements (CFS) have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary Companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except unrealized profit or loss on closing stocks, in accordance with AS 21 'Consolidated Financial Statements'.
- ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets (except fixed assets and share capital) and liabilities are converted at the rates prevailing at the end of the year.
- iii) Exchange differences arising on consolidation is recognized in the Profit and Loss account.
- iv) Investments in 100% foreign subsidiaries have been eliminated with the corresponding Share Capital of the subsidiary company.
- v) In case of associates, where the company directly or indirectly through subsidiaries holds more than 20% of equity, investments are accounted for using equity method except where the associate operates under severe long term restrictions that significantly impair its ability to transfer funds to the parent Company, in accordance with the AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'.
- vi) The difference between the cost of investment in the associates, over the net assets of the Associates is recognized in the financial statements as goodwill or capital reserve, as the case may be.
- vii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prescribed in the same manner as the Company's separate financial statements.

**C) OTHER SIGNIFICANT ACCOUNTING POLICIES:**

These are set out in the notes to accounts under 'Statement of Accounting Policies' of the financial statements of respective companies.

**D) NOTES :**

The subsidiaries (which along with Superhouse Ltd., the parent company, constitute the Group) considered in the preparation of these consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest
1. Superhouse (U.K.) Ltd.	United Kingdom	100%
2. Superhouse (USA) International Inc.	USA	100%
3. Superhouse Middle East FZC	Azman (UAE)	100%
4. Briggs Industrial Footwear Ltd.	United Kingdom	100%
5. Linea De Seguridad S.L.U.	Spain	100%
6. Superhouse GMBH	Germany	100%

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
15,000,000 Equity Shares of Rs.10/- each	150,000,000	150,000,000
<b>Issued, Subscribed and fully paid up</b>		
11,025,000 Equity Shares of Rs.10/- each fully paid up	110,250,000	110,250,000
Add: Equity shares forfeited (amount originally paid up in respect of 39,47,718 Shares)	3,947,718	3,947,718
<b>Total</b>	<b>114,197,718</b>	<b>114,197,718</b>

**2.1 Reconciliation of the shares outstanding at the beginning and at the end of the year:**

Equity shares	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At the beginning of the year	11,025,000	110,250,000	11,025,000	110,250,000
Changes during the year	-	-	-	-
Outstanding at the end of the year	<b>11,025,000</b>	<b>110,250,000</b>	11,025,000	110,250,000



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

#### 2.2 Term/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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.

#### 2.3 Bonus Shares/Shares issued for consideration other than cash/Buy Back of shares during preceding five years: NIL

#### 2.4 Shares held by holding/ultimate holding company and/or their subsidiaries/associates: NIL

#### 2.5 Details of shareholders holding more than 5% shares in the company

Name of the Share Holder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	% held	No. of Shares	% held
Mr. Mukhtarul Amin	1,306,106	11.85%	1,303,106	11.82%
Steven Construction Limited	1,308,719	11.87%	1,325,719	12.02%

Particulars	As at 31st March, 2013 (Rupees)		As at 31st March, 2012 (Rupees)	
<b>3. RESERVES AND SURPLUS</b>				
<b>Capital Reserves</b>				
Balance as per last Balance Sheet	111,671,544		101,098,825	
Add: Capital Reserve on acquisition of Subsidiary	–		9,125,973	
Add: Subsidies/Grants from Public Bodies	204,239		–	
Add: Share Warrant Money forfeited during the year	–		1,446,746	
	<u>111,875,783</u>		<u>111,671,544</u>	
Less: Transfer to Fixed Assets	550,000		–	
		111,325,783		111,671,544
<b>Securities Premium Reserve</b>				
Balance as per last Balance Sheet		178,721,597		178,721,597
<b>Revaluation Reserve</b>				
Balance as per last Balance Sheet	51,814,580		62,237,226	
Less: Amount transferred to the Statement of profit and loss as reduction from depreciation	6,687,049		10,422,646	
		45,127,531		51,814,580
<b>General Reserves</b>				
Balance as per last Balance Sheet	500,000,000		400,000,000	
Add : From the Statement of Profit and Loss	100,000,000		100,000,000	
		600,000,000		500,000,000
<b>Surplus in the Statement of profit and loss</b>				
Balance as per last Balance Sheet	625,735,784		498,735,786	
Profit for the year	223,109,988		243,890,660	
Share of Profits of Associates	9,608,078		4,172,127	
	<u>858,453,850</u>		<u>746,798,573</u>	
Less: Appropriations				
Proposed Dividend on Equity Share [Rs. 1.50 per share (Rs 1.50 per share)]	17,824,308		18,379,993	
Dividend Distribution Tax	2,810,548		2,682,796	
Transfer to General Reserve	100,000,000		100,000,000	
		737,818,994		625,735,784
<b>TOTAL</b>		<u>1,672,993,905</u>		<u>1,467,943,505</u>
<b>4. LONG TERM BORROWINGS</b>				
<b>Secured</b>				
<b>Term Loans</b>				
Indian rupee loan from bank(s)		63,215,783		144,568,057
Foreign currency loan from bank(s)		315,167,080		165,844,147
<b>TOTAL</b>		<u>378,382,863</u>		<u>310,412,204</u>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
4.1 Indian rupee & foreign currency loans from bank(s) are primarily secured by equitable mortgage/hypothecation of specific fixed assets. Also secured collaterally by equitable mortgage of company's specific land and building. Further secured by personal guarantee of promoter director(s) of the company. External Commercial Borrowing (ECB) carries a non disposable undertaking of the Shares of the acquired Wholly Owned Subsidiaries (WOS).		
4.2 These Loans are repayable over a period upto 6 years.		
4.3 Continuing default in respect of principal and or interest	Nil	Nil
4.4 Long term borrowings repayable within twelve months from the reporting date, as per sanctioned terms, are reduced from long term borrowings and disclosed separately as Current Maturities of Long term Borrowings in Note 8, Other Current Liabilities.		
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
on account of Depreciation	135,905,000	118,690,302
<b>Gross deferred tax liability</b>	<b>135,905,000</b>	118,690,302
<b>Deferred Tax Assets</b>		
on account of Provision for doubtful debts	658,000	886,595
Provision for Gratuity	2,098,000	8,272,512
Other Timing Differences	50,500,000	5,857,358
<b>Gross deferred tax assets</b>	<b>53,256,000</b>	15,016,465
<b>Net Deferred Tax Liability @</b>	<b>82,649,000</b>	<b>103,673,837</b>
<p>@ Deferred Tax Assets has been recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised. Deferred Tax Assets and Deferred Tax Liabilities have been set off in accordance with clause 29 of AS22.</p>		
<b>6. SHORT TERM BOROWING</b>		
<b>Secured</b>		
<b>Working Capital Loans</b>		
Indian rupee loan from bank(s)	956,526,359	743,426,295
Foreign currency loan from bank(s)	144,603,519	114,455,697
<b>TOTAL</b>	<b>1,101,129,878</b>	<b>857,881,992</b>
6.1 Working Capital Loans are primarily secured by hypothecation of present and future stock of raw materials, stock in process, finished goods, stores and spares, book debts, outstanding monies, receivable claims, bills and materials in transit. Also secured collaterally by equitable mortgage of company's specific factory land and building. Further secured by personal guarantee of promoter director(s) of the company.		
<b>7. TRADE PAYABLES</b>		
Sundry Creditors	1,076,739,994	906,566,553
<b>TOTAL</b>	<b>1,076,739,994</b>	<b>906,566,553</b>
7.1 The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). According to the information available with the company there was no amount (principal and/or interest) due to any micro/small enterprises (SME as defined in the Act) as at the end of the year. There is no delay in payment to SME during the year. No interest was paid/payable on account of delay in payment to SME during the year in terms of Section 16 of the Act.		
<b>8. OTHER CURRENT LIABILITIES</b>		
Current maturity of long term borrowings	199,187,833	256,083,835
Interest accrued but not due on borrowings	786,452	57,985
Interest accrued and due on borrowings	3,918,555	5,648,973
Advance from Customers	54,272,687	41,075,783
Book overdraft with banks	127,372	1,237,225
Unpaid dividend (refer Note 8.1)	10,391,015	8,742,499
Other Liabilities	257,676,744	200,638,015
<b>TOTAL</b>	<b>526,360,658</b>	<b>513,484,315</b>
8.1 There are no amounts due for payment to Investor Education & Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
<b>9. SHORT TERM PROVISIONS</b>		
Provision for Tax	293,644,606	315,627,000
Less: Advance Tax	265,955,306	287,599,707
Provision for Gratuity	8,057,710	8,731,542
Provision for Leave Encashment	6,655,216	5,857,358
Proposed Final Dividend	16,537,500	16,537,500
Provision for Dividend Distribution Tax	2,810,548	2,682,796
Provision for Wealth Tax	150,000	260,000
<b>TOTAL</b>	<b>61,900,274</b>	<b>62,096,489</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

**10. FIXED ASSETS**

(Rupees)

DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK				
	AS AT 01.04.2012	ADDITIONS	ON ACQUISITION	SALES/ADJ.	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	ON ACQUISITION	ON REVALUATION	ADJ.	UP TO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
Goodwill	-	-	58,484,851	-	58,484,851	-	-	-	-	-	-	58,484,851	-
Land leasehold	127,607,646	-	-	-	127,607,646	1,003,338	-	220,061	-	-	12,573,457	115,034,189	116,267,688
Land Freehold	5,301,129	-	-	-	5,301,129	-	-	-	-	-	-	5,301,129	5,301,129
<b>Building :</b>													
Factory	663,673,581	91,204,300	39,279,808	-	794,157,689	148,599,189	22,061,940	12,490,497	2,140,371	-	185,291,997	608,865,692	515,074,392
Non-Factory	100,817,147	23,605,593	-	-	124,422,740	7,310,325	1,442,151	-	-	-	8,752,476	115,670,264	93,506,822
Plant and Machinery	1,258,244,164	131,901,080	129,182,372	28,790,717	1,490,536,899	657,292,547	74,461,708	120,655,377	4,326,617	22,127,002	834,599,247	655,937,652	600,961,617
Furniture & Fixtures	74,722,726	11,456,601	21,818,506	1,525,504	106,472,229	42,129,449	5,911,190	21,302,745	-	1,375,790	67,967,594	38,504,735	32,593,277
Vehicles	96,775,619	24,147,820	8,320,392	15,729,164	113,514,667	31,479,927	10,386,125	6,632,864	-	9,767,033	38,731,883	74,782,764	65,295,682
Computer	31,897,234	3,026,526	9,600,710	84,800	44,439,670	25,647,353	3,588,530	9,052,717	-	59,590	38,229,010	6,210,660	6,249,881
TOTAL	2,359,039,246	285,341,920	266,686,639	46,130,185	2,864,937,620	923,798,848	118,854,982	170,134,200	6,687,049	33,329,415	1,186,145,664	1,678,791,956	1,435,240,398
PREVIOUS YEAR	2,050,424,096	299,033,040	36,727,458	27,145,348	2,359,039,246	795,171,267	99,482,020	30,712,096	6,687,049	8,253,584	923,798,848	1,435,240,398	-

(48)

**10.1** Building and Plant and Machinery include Gross Block Rs. 1,79,88,995 (Rs. 1,79,88,995) and Rs. 10,07,184 (Rs. 10,07,184) respectively and Net block Rs. 1,48,38,260 (Rs. 1,51,31,480) and Rs. 6,55,985 (Rs. 6,89,624) respectively in respect of expenditure incurred on capital assets, ownership whereof does not vest with the company.

**10.2** Certain Fixed Assets of the Company were revalued by the Approved Valuer, on the basis of fair market value as on 31.12.1994. Accordingly value of Fixed Assets of the Company was increased by Rs. 15,59,29,935 (Leasehold Land Rs. 3,09,83,028; Factory Building Rs. 6,40,82,953 and Plant and Machinery Rs. 6,08,63,954) and the corresponding amount was credited to the Revaluation Reserve.

**10.3** Subsidy amounting to Rs. 5,50,000 (Rs. 13,39,827) received during the year under IDLS Scheme of the Government of India has been adjusted/credited to cost of respective machines.

**10.4 Fixed Assets given on operating Lease**

(Rupees)

Particular	Building Factory		Plant & Machinery	
	2012-13	2011-12	2012-13	2011-12
Gross carrying amount	5,101,357	5,101,357	28,124,302	28,124,302
Accumulated Depreciation	2,144,094	1,973,709	24,129,285	22,025,052
Depreciation for the year	170,385	170,385	2,104,233	2,104,233

## Superhouse Limited



### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>11. NON CURRENT INVESTMENTS</b> <i>(Long Term Investments)</i>		
<b>Trade (valued at cost unless stated otherwise)</b>		
<b>EQUITY SHARES - UNQUOTED</b>		
<b>A. INVESTMENT IN ASSOCIATES</b>		
i. Steven Construction Limited 21,00,000 (16,00,000) Equity Shares of Rs. 10/- each fully paid	21,00,000	16,00,000
Nil (5,00,000) Equity Shares of Rs. 10/- each, Paid up Cost of Investment	— 21,00,000	1,00,000 17,00,000
Add: Share of post acquisition profit/loss (net)	3,596,159	24,596,159
ii. Unnao Tanneries Pollution Control Company 153,080 Equity Shares of Rs.10/- each fully paid	1,530,800	1,530,800
iii. Tritan Leather Works (P) Limited Nil (764,300) Equity Shares of Rs.10/- each fully paid	—	7,643,000
Add: Share of post acquisition profit (Investment disposed off during the year)	—	3,943,321
iv. Knowledgehouse Ltd. 860,000 Equity Shares of Rs.10/- each fully paid (Cost of investment - including Capital reserve (net) Rs.13,33,000 arising on consolidation)	8,600,000	8,600,000
Add: Share of post acquisition profit	5,435,217	14,035,217
v. Amin International Ltd. 304,900 Equity Shares of Rs.10/- each fully paid Cost of Investment (including Goodwill (net) Rs.7,25,662 arising on consolidation)	3,049,000	3,049,000
Add: Share of post acquisition profit	6,628,530	9,677,530
<b>Total (A)</b>	<u>49,839,706</u>	<u>47,817,949</u>
<b>B. OTHERS</b>		
i. Industrial Infrastructure Services India 185,120 Equity Shares of Rs.10/- each fully paid	1,851,200	1,851,200
ii. Kanpur Unnao Leather Cluster Development Co. Ltd. 1,00,000 Equity Shares of Rs. 10/- each fully paid	1,000,000	1,000,000
<b>Total (B)</b>	2,851,200	2,851,200
<b>Non Trade (valued at cost unless stated otherwise)</b>		
<b>EQUITY SHARES - QUOTED</b>		
i. Super Tannery Ltd. 3,000 Equity Shares of Rs. 1/- each fully paid	6,500	6,500
ii. Mideast Integrated Steels Ltd. (Delisted) 20,000 Equity Shares of Rs.10/- each fully paid	400,000	400,000
iii. Somani Iron & Steels Ltd. (Delisted) 8,700 Equity Shares of Rs.10/- each fully paid	261,000	261,000
	<u>667,500</u>	<u>667,500</u>
Less: Provision for Diminution in value	661,000	661,000
<b>Total (C)</b>	6,500	6,500
<b>TOTAL (A+B+C)</b>	<u>52,697,406</u>	<u>50,675,649</u>
<b>Book value of Quoted Investments (Net of Provisions)</b>	6,500	6,500
Book value of Unquoted Investments	52,690,906	50,669,149
Market value of Quoted Investments	5,910	5,850
<b>12. LONG TERM LOANS &amp; ADVANCES</b> <b>(unsecured considered good)</b>		
Capital Advances	50,220,556	36,022,518
Security Deposit	12,391,288	13,207,761
<b>TOTAL</b>	<u>62,611,844</u>	<u>49,230,279</u>



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>13. OTHER NON CURRENT ASSETS</b> (unsecured considered good)		
Foreign Currency Monetary Item Translation Difference Account (refer Note No. 13.1)	9,830,818	10,092,857
Less: Current portion carried over to Note 18	<u>1,966,164</u> <b>7,864,654</b>	<u>1,682,143</u> 8,410,714
Share Application Money	<u>1,000,000</u>	<u>1,701,350</u>
<b>TOTAL</b>	<b><u>8,864,654</u></b>	<b><u>10,112,064</u></b>
<b>13.1</b> The Company (Accounting Standards) Second Amendment Rules, 2011 has amended the provisions of AS-11 relating to "The effect of the Change in Foreign Exchange Rates" vide notification dated December 29, 2011. In terms of the amendments, the company has opted to carry over the Long Term Monetary Loss and amortise the same over balance period of such long term asset/liability.		
<b>14. INVENTORIES</b> (valued at lower of cost and net realisable value)		
Raw Materials	314,918,383	192,943,361
Work in Process (refer Note 30)	431,275,966	404,210,784
Finished Goods (refer Note 29) [including stock at port Rs. 7,27,53,739 (Rs. 7,76,76,790)]	662,921,650	617,523,450
Chemicals, Components and Spare Parts	192,348,107	165,961,355
Import Entitlements/Licenses in hand	<u>28,009,582</u>	<u>3,904,158</u>
<b>TOTAL</b>	<b><u>1,629,473,688</u></b>	<b><u>1,384,543,108</u></b>
Finished Goods include Stock in Trade, as both are stocked together		
<b>15. TRADE RECEIVABLES</b> (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	53,099,161	62,961,707
Considered Doubtful	2,722,442	788,858
Less: Provision for Doubtful Receivables	<u>2,722,442</u> –	<u>788,858</u> –
Others		
Considered Good	969,607,606	849,558,212
Considered Doubtful	377,860	–
Less: Provision for Doubtful Receivables	<u>377,860</u> –	<u>–</u> –
<b>TOTAL</b>	<b><u>1,022,706,767</u></b>	<b><u>912,519,919</u></b>
<b>Trade receivable include:</b>		
Due from associates	33,007,134	34,372,892
<b>16. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on Hand (as Certified by the Management)	6,474,313	16,845,121
Cheques in hand/Remittance in Transit	2,808,813	–
<b>Balances with Banks on:</b>		
Current Accounts	65,546,708	96,174,298
Foreign Currency Account (EEFC A/c)	<u>1,624,372</u>	<u>3,928,512</u>
	<b><u>76,454,206</u></b>	<b><u>116,947,931</u></b>
<b>Other bank balances</b>		
Deposits with original maturity for more than 3 months but less than 12 months	58,548,794	34,165,000
Margin Money Deposit Accounts	83,674,095	78,644,884
Unclaimed Dividend Account	<u>10,391,015</u>	<u>8,742,499</u>
	<b><u>152,613,904</u></b>	<b><u>121,552,383</u></b>
<b>TOTAL</b>	<b><u>229,068,110</u></b>	<b><u>238,500,314</u></b>

## Superhouse Limited



### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>17. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured considered good)		
Advance recoverable in cash or kind or for value to be received	100,318,983	91,142,680
Balance with Government/Revenue Authorities	23,136,388	15,014,969
Loan to Associates	16,033,094	-
Other Loans	9,822,307	-
<b>TOTAL</b>	<b>149,310,772</b>	<b>106,157,649</b>
<b>18. OTHER CURRENT ASSETS</b> (Unsecured considered good)		
Interest accrued on fixed deposits	7,836,173	10,888,613
Export Incentive Receivable	113,271,332	61,260,889
Other Claim Receivable	2,949,787	206,061
Foreign Currency Monetary Item Translation Difference Account (current portion - refer Note 13)	1,966,164	1,682,143
<b>TOTAL</b>	<b>126,023,456</b>	<b>74,037,706</b>
Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>19. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
<b>Sale of products (refer Note 19.1)</b>		
Sales (Export)	4,800,496,620	4,447,014,570
Sales (Indigenous)	741,890,958	592,117,746
	5,542,387,578	5,039,132,316
<b>Other operating revenue</b>		
Export Incentives (refer Note 19.2)	376,178,046	334,483,338
<b>Revenue from operations (gross)</b>	<b>5,918,565,624</b>	<b>5,373,615,654</b>
<b>19.1 Details of product sold</b>		
Gross Sales	5,542,387,578	5,039,132,316
Less : Excise Duty	42,392,236	22,307,596
	5,499,995,342	5,016,824,720
<b>Breakup of Sales (net of excise)</b>		
Leather and Leather Products	4,753,852,732	4,344,467,451
Textile Products	671,883,190	638,942,758
Others	74,259,420	33,414,511
<b>TOTAL</b>	<b>5,499,995,342</b>	<b>5,016,824,720</b>
<b>19.2 Export Incentives</b>		
- Duty Draw Back Received	259,408,156	198,211,941
- Licences/Entitlements Received	116,769,890	136,271,397
<b>TOTAL</b>	<b>376,178,046</b>	<b>334,483,338</b>
<b>20. OTHER INCOME</b>		
<b>Interest income</b>		
- from Fixed Deposit with Banks	11,740,089	8,896,500
- from Others	3,052,386	522,318
	14,792,475	9,418,818
Dividend income		
- from Investments - non trade	10,000	-
Profit on Sale of Fixed Assets	1,020,994	1,154,076
Profit on Sale of Investment	4,510,348	-
Miscellaneous Income	34,634,126	36,535,144
Rent	2,588,400	2,565,400
<b>TOTAL</b>	<b>57,556,343</b>	<b>49,673,438</b>



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>21. COST OF MATERIAL CONSUMED</b>		
Raw Material consumed		
Finished Leather	780,822,610	619,379,389
Raw Hide/Skin	458,515,198	463,391,889
Fabric	314,287,021	306,569,173
Sole	160,403,404	145,837,311
PU / PVC Compound	146,895,203	142,314,703
Others	<u>164,642,012</u>	<u>126,643,473</u>
Raw Material consumed	2,025,565,448	1,804,135,938
Chemicals, Components and Spare Parts consumed	791,981,555	753,724,289
Packing Material consumed	125,150,982	120,210,368
<b>Cost of material consumed</b>	<u><u>2,942,697,985</u></u>	<u><u>2,678,070,595</u></u>
<b>22. PURCHASE OF STOCK-IN-TRADE</b>		
Leather and Leather Products	778,961,197	776,485,778
<b>TOTAL</b>	<u><u>778,961,197</u></u>	<u><u>776,485,778</u></u>
<b>23. DECREASE/(INCREASE) IN INVENTORIES</b>		
<b>Inventories at the commencement of the year</b>		
Finished Goods	617,523,450	300,656,656
Work in Process	404,210,784	414,725,179
	<u>1,021,734,234</u>	<u>715,381,835</u>
Add: Finished Goods on the date of acquisition	17,334,907	160,634,723
Add: Work in Process on the date of acquisition	<u>5,888,978</u>	-
<b>TOTAL 'A'</b>	1,044,958,119	876,016,558
<b>Inventories at the end of the year</b>		
Finished Goods	662,921,650	617,523,450
Work in Process	431,275,966	404,210,784
Import Entitlements/Licenses in hand	<u>28,009,582</u>	-
<b>TOTAL 'B'</b>	1,122,207,198	1,021,734,234
<b>Decrease/(Increase) in Stocks (A-B)</b>	<u><u>(77,249,079)</u></u>	<u><u>(145,717,676)</u></u>
<b>24. EMPLOYEE BENEFITS EXPENSES</b>		
Salary, Wages and Bonus	315,757,529	241,315,985
Directors Remuneration	52,070,701	47,764,438
Contribution to Provident and other funds	26,214,215	23,053,321
Gratuity - contribution/provision	6,043,891	3,747,510
Workmen and Staff Welfare expenses	20,696,755	14,820,576
<b>TOTAL</b>	<u><u>420,783,091</u></u>	<u><u>330,701,830</u></u>
<b>25. FINANCE COSTS</b>		
Interest on		
- Term Loan	41,927,425	47,971,965
- Others	<u>93,862,901</u>	<u>72,033,300</u>
	135,790,326	120,005,265
Bank Charges	28,421,191	31,325,288
Exchange fluctuation to be regarded as interest cost	<u>25,989,332</u>	<u>25,131,559</u>
	190,200,849	176,462,112
Less: Interest capitalised	<u>2,684,947</u>	<u>4,884,707</u>
<b>TOTAL</b>	<u><u>187,515,902</u></u>	<u><u>171,577,405</u></u>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
25.1 Exchange fluctuation includes Rs. 19,66,164 (Rs.16,82,143) being amortisation of Foreign Currency Monetary Item Translation Difference Account in terms of provisions contained in AS-11(Revised).		
<b>26. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of tangible assets	125,542,031	106,169,069
Less: recoupment from revaluation reserve	6,687,049	6,687,049
<b>TOTAL</b>	<u>118,854,982</u>	<u>99,482,020</u>
<b>27. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumable Stores	44,060,123	68,147,090
Production Charges	377,731,098	337,658,138
Job Work Charges	63,526,887	58,504,060
Power and Fuel	124,794,781	107,380,166
Effluent Treatment Expenses	4,641,175	4,525,820
Repairs and Maintenance		
– Building	8,757,658	6,518,565
– Machinery	33,281,635	25,332,160
	<u>656,793,357</u>	608,065,999
<b>Selling and Distribution Expenses</b>		
Freight, Handling and Other Sales and Distribution Expenses	207,140,018	196,133,677
Commission on Sale	132,162,208	142,971,259
Advertisement and Publicity	15,930,482	6,194,446
Bad Debts - Provision/write off	4,573,301	7,932,795
	<u>359,806,009</u>	353,232,177
<b>Establishment Expenses</b>		
Rent	12,368,165	16,027,817
Rates and Taxes	20,251,823	8,871,872
Insurance	16,778,559	13,085,921
Communication cost	17,778,699	16,675,158
Travelling and Conveyance	39,765,743	28,005,100
Vehicle Running and Maintenance	26,616,023	22,255,094
Repairs and Maintenance - Others	24,442,428	18,262,853
Printing and Stationery	9,047,062	7,357,667
Legal and Professional Charges	18,682,366	9,434,302
Auditor's Remuneration (refer Note No. 27.1)	1,983,857	1,640,886
Cost Audit fee	72,914	49,120
Miscellaneous Expenses	16,406,591	23,897,421
Research & Development Expenses	5,200,453	3,317,042
Charity and Donation	1,593,954	1,572,491
Loss on Sale of Fixed Assets	4,894,637	3,615,664
Losses of Subsidiary written off	–	1,119,244
	<u>215,883,274</u>	175,187,652
<b>TOTAL</b>	<u>1,232,482,640</u>	<u>1,136,485,828</u>
<b>27.1 Payment to auditor</b>		
<b>As Auditor:</b>		
Audit Fees	1,717,275	1,346,770
Tax audit Fee	89,888	82,725
<b>In other capacity:</b>		
Taxation & other services	176,694	211,391
<b>TOTAL</b>	<u>1,983,857</u>	<u>1,640,886</u>



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	2012-2013 (Rupees)	2011-2012 (Rupees)
<b>28. Earning per share (EPS)</b>		
Profit for the year	223,109,988	243,890,660
Weighted average number of equity shares for the purpose of calculation of Basic and Diluted EPS	11,025,000	11,025,000
Nominal value of equity shares (Rupees)	10.00	10.00
EPS- Basic and diluted (Rupees per share)	20.24	22.12
<b>29. Closing Inventory of Finished Goods</b>		
Leather and Leather Products	644,586,609	596,704,525
Textile Products	13,799,719	16,373,272
Others	4,535,322	4,445,653
<b>TOTAL</b>	<b>662,921,650</b>	<b>617,523,450</b>
<b>30. Closing Inventory of Work-in-process</b>		
Leather and Leather Products	370,757,231	367,143,672
Textile Products	60,518,735	37,067,112
<b>TOTAL</b>	<b>431,275,966</b>	<b>404,210,784</b>

31. Superhouse (UK) Ltd. is following the written down value (WDV) method of depreciation as against the straight line method is being followed by the parent company and other subsidiaries. Further to aforesaid Briggs Industrial Footwear Ltd. Is following WDV method of depreciation for all the except for equipments. The relevant figures are as under:

(Rupees in Lacs)

Description of Item	As per CFS of the group		As per the Balance Sheet of Superhouse (UK) Ltd. included in CFS		As per the Balance Sheet of Briggs Industrial Footwear Ltd. included in CFS		As per the Balance Sheet of Linea De Seguridad SLU, Spain included in CFS	
	as at 31.03.2013		as at 31.03.2013		as at 31.03.2013		as at 31.03.2013	
	Gross Block	Depreciation for the year	Gross Block	Depreciation for the year	Gross Block	Depreciation for the year	Gross Block	Depreciation for the year
Fixed Assets @ (including Revaluation)	28,649.38	1,188.55	274.42	6.62	312.57	24.19	2,602.15	20.70

@ Fixed assets excluding Equipments in respect of Briggs Industrial Footwear Ltd.

32. The group has given effect to AS 23 "Accounting for Investment in Associates in consolidated financial statements" on the basis of latest available financial statements of associates and Capital Reserve/Goodwill has been recognized accordingly.
33. **Segment information as per AS-17 "SEGMENT REPORTING"**

**A) BUSINESS SEGMENTS : (Primary Segment) :** (Rupees)

Particulars	Leather & Leather Products		Textile Garments		Others		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Segment Revenue	5,109,459,807	4,663,062,156	691,728,990	654,517,356	74,984,591	33,728,546	5,876,173,388	5,351,308,058
Intra Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	5,109,459,807	4,663,062,156	691,728,990	654,517,356	74,984,591	33,728,546	5,876,173,388	5,351,308,058
Eliminations	-	-	-	-	-	-	-	-
Net Revenue	5,109,459,807	4,663,062,156	691,728,990	654,517,356	74,984,591	33,728,546	5,876,173,388	5,351,308,058
Profit Before Tax & Finance Cost	455,774,188	468,870,811	52,211,295	54,977,344	9,213,434	1,966,291	517,198,917	525,814,446
Finance Cost	(157,939,809)	(147,548,740)	(26,402,481)	(20,916,322)	(3,173,614)	(3,112,343)	(187,515,904)	(171,577,405)
Profit Before Tax	297,834,379	321,322,071	25,808,814	34,061,022	6,039,820	(1,146,052)	329,683,013	354,237,041
Segment Assets	4,410,577,958	3,840,845,158	574,921,064	467,013,039	28,855,268	28,398,416	5,014,354,290	4,336,256,613
Segment Liabilities	2,843,504,691	2,426,166,526	357,841,356	297,849,274	25,816,621	30,099,590	3,227,162,668	2,754,115,390
Capital Expenditure	438,968,062	257,092,129	47,752,377	70,961,888	587,417	626,297	487,307,856	328,680,314
Depreciation	104,223,050	89,777,227	14,176,190	9,204,509	455,742	500,284	118,854,982	99,482,020

The audited financial statements of subsidiary companies don't contain the segment wise reporting and therefor the turnover of these subsidiary companies have been merged with "Leather and Leather products".



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

**B) GEOGRAPHICAL SEGMENTS (Secondary Segment) :** (Rupees)

Particulars	Within India		Outside India		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
External	977,520,851	828,924,166	4,898,652,537	4,522,383,892	5,876,173,388	5,351,308,058
Inter Segments	–	–	–	–	–	–
Total Revenue	977,520,851	828,924,166	4,898,652,537	4,522,383,892	5,876,173,388	5,351,308,058
Eliminations	–	–	–	–	–	–
Net Revenue	977,520,851	828,924,166	4,898,652,537	4,522,383,892	5,876,173,388	5,351,308,058
Carring amount of Segment Assets	4,639,347,747	3,983,625,550	375,006,543	352,631,063	5,014,354,290	4,336,256,613
Segment Liabilities	2,977,279,654	2,508,340,942	249,883,014	245,774,448	3,227,162,668	2,754,115,390
Capital Expenditure	271,426,329	289,020,360	215,881,527	39,659,954	487,307,856	328,680,314
Depreciation on Fixed Assets	113,327,007	96,718,573	5,527,975	2,763,447	118,854,982	99,482,020

34. The related party disclosure in accordance with AS 18 'Related Party Disclosures' issued by ICAI, is given below:

**A. Relationship**

**i. Joint Ventures & Associates:**

**Proportion of voting power held by co.**  
As at 31.03.2013      As at 31.03.2012

**Joint Venture: Nil**

**Associates:**

a) Unnao Tanneries Pollution Control Company (A company registered under Section 25 of the Companies Act, 1956)	34.05%	34.05%
b) Tritan Leather Works Pvt. Ltd. (investment disposed off during the year)	Nil	19.11%
c) Steven Construction Ltd.	46.67%	35.56%
d) Amin International Ltd.	31.13%	31.13%
e) Knowledgehouse Ltd.	31.85%	27.74%

**ii. Key Management Personnel (KMP) and Relatives:**

- a) Mr. Mukhtarul Amin – Chairman and Managing Director
- b) Mr. Zafarul Amin – Jt. Managing Director (Son of Mr. Mukhtarul Amin)
- c) Mr. Vinay Sanan – Executive Director
- d) Mr. A.K. Agarwal – Director (Finance)
- e) Mr. Mohd. Shadab – Director
- f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin)
- g) Mr. Deepak Sanan & Mr Manu Sanan (Son of Mr. Vinay Sanan)
- h) Mr. Akbar Waris, Director of Subsidiary
- i) Mr. A. Davis, Director of Subsidiary
- j) Mr. G. Lomas, Director of Subsidiary

**iii. Others: Enterprise over which KMP or relatives of KMP are able to exercise significance influence:**

- a) M/s Prime International (a partnership firm)
- b) M/s Shoe House (a partnership firm)
- c) Chowdhary Overseas Ltd.
- d) Super Tannery Ltd.
- e) Rojus Enterprises Ltd.
- f) Modriba Hygiene Solutions Ltd.
- g) Superhouse Accessories Ltd.
- h) Creemos International Ltd.
- i) Rivera Trendz Pvt. Ltd.
- j) Super Shoes Ltd.



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

- B. The following transactions were carried out at arms Length Price with related parties in the ordinary course of business during the year: (Rupees)

Particulars	Associates		Others	
	2012-13	2011-12	2012-13	2011-12
Purchases of Materials/Finished Goods	7,764,207	9,279,520	190,419,845	117,627,194
Sale of Materials/Finished Goods	12,388,662	2,672,746	113,026,388	118,570,205
Purchase of Fixed Assets	Nil	226,903	1,270,006	1,179,002
Sale of Fixed Assets	Nil	659,890	10,900	Nil
Services rendered/other receipts	116,890	2,449,943	121,228	192,457
Services availed	3,035,088	3,024,611	14,564,864	24,805,118
Rent received	142,368	282,596	2,622,231	2,673,849
Interest received	889,440	Nil	984,678	Nil
Preferential warrant money w/back	Nil	269,854	Nil	1,176,892
<b>Balances at the end of the year:</b>				
Receivables	5,316,210	3,830,121	34,132,952	33,222,995
Loans and Advances	8,300,497	Nil	7,732,597	Nil
Payables (Trade payable & other liabilities)	4,078,042	1,140,426	28,070,226	12,603,413
Investments	34,179,800	37,822,800	6,500	6,500

#### Key Management Personnel and relatives :

(Rupees)

Particulars	2012-13	2011-12
Rent paid	1,380,000	1,530,000
Director Remuneration	52,070,701	47,764,438
Salary, Wags & Bonus	2,550,000	1,050,000
Remuneration Payable (including Provisions)	19,819,886	17,897,503

#### C. Disclosure in respect of material transactions with related parties included in B above:

(Rupees)

Particulars	2012-13	2011-12	Particulars	2012-13	2011-12
Purchases of Materials/Finished Goods			Sale of Fixed Assets		
Amin International Ltd.	7,764,207	9,279,520	Amin International Ltd.	-	659,890
Modriba Hygiene Solutions Ltd.	13,410,708	1,029,398	Rojus Enterprises Ltd.	10,900	-
Creemos International Ltd.	335,741	-	Services rendered/other receipts		
Superhouse Accessories Ltd.	27,928,960	25,020,180	Amin International Ltd.	116,890	262,344
Chowdhary Overseas Ltd.	75,574,669	61,754,540	Knowledgehouse Ltd.	-	2,187,599
Rojus Enterprises Ltd.	337,356	1,863,040	Creemos International Ltd.	105,988	-
Rivera Trendz Pvt. Ltd.	19,267,598	25,901,787	Chowdhary Overseas Ltd.	-	186,257
Super Tannery Ltd.	2,180,978	42,039	Rojus Enterprises Ltd.	15,240	6,200
Super Shoes Ltd.	51,383,835	2,016,210	Services availed		
Sale of Materials/Finished Goods			Unnao Tanneries Pollution Control Company	3,010,102	2,115,791
Knowledgehouse Ltd.	745,673	-	Amin International Ltd.	24,986	908,820
Amin International Ltd.	11,642,989	2,672,746	Modriba Hygiene Solutions Ltd.	2,037	6,807,384
Modriba Hygiene Solutions Ltd.	49,439	674,810	Creemos International Ltd.	1,039,754	-
M/s Prime International	-	38,217	Superhouse Accessories Ltd.	11,178,643	13,325,159
Superhouse Accessories Ltd.	169,412	390,496	Chowdhary Overseas Ltd.	1,933,210	857,042
Chowdhary Overseas Ltd.	75,064,901	112,081,536	Rojus Enterprises Ltd.	172,455	3,815,533
Rojus Enterprises Ltd.	5,895,826	1,459,540	Super Tannery Ltd.	238,765	-
Rivera Trendz Pvt. Ltd.	1,348,432	920,005	Rent paid		
Super Tannery Ltd.	180,057	54,468	Mr. Mukhtarul Amin	480,000	480,000
Super Shoes Ltd.	30,318,321	2,951,133	Mrs. Shahina Mukhtar	720,000	720,000
Purchase of Fixed Assets			Mr. Zafarul Amin	-	150,000
Amin International Ltd.	-	226,903	Mr. Deepak Sanan	180,000	180,000
Modriba Hygiene Solutions Ltd.	-	1,179,002	Rent received		
Creemos International Ltd.	291,293	-	Steven Construction Ltd.	6,180	-
Chowdhary Overseas Ltd.	919,033	-	Knowledgehouse Ltd.	1,356	1,332
Rojus Enterprises Ltd.	59,680	-	Amin International Ltd.	134,832	281,264

## Superhouse Limited



### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

(Rupees)

Particulars	2012-13	2011-12
Modriba Hygiene Solutions Ltd.	300,831	101,332
Superhouse Accessories Ltd.	1,348,320	1,323,600
Chowdhary Overseas Ltd.	741,576	690,900
Rojus Enterprises Ltd.	231,504	558,017
Interest received		
Steven Construction Ltd.	889,440	–
Superhouse Accessories Ltd.	665,745	–
Rojus Enterprises Ltd.	318,933	–
Preferential warrant money w/back		
Amin International Ltd.	–	269,854
Modriba Hygiene Solutions Ltd.	–	69,892
Rojus Enterprises Ltd.	–	1,080,000
Superhouse Accessories Ltd.	–	27,000
Receivables		
Steven Construction Ltd.	6,180	–
Knowledgehouse Ltd.	–	1,462,811
Amin International Ltd.	5,310,030	2,367,310
Modriba Hygiene Solutions Ltd.	486,486	738,143
M/s Prime International	–	36,232
Creemos International Ltd.	429,679	5,491
Superhouse Accessories Ltd.	62,360	114,314
M/s Shoe House	7,454,802	8,074,802
Chowdhary Overseas Ltd.	11,579,020	19,070,095
Rojus Enterprises Ltd.	9,390,256	2,503,692
Super Tannery Ltd.	–	31,500
Super Shoes Ltd.	4,730,349	2,648,726

Particulars	2012-13	2011-12
Payables (Trade payable & other liabilities)		
Steven Construction Ltd.	–	4,067
Unnao Tanneries Pollution Control Company	899,160	512,511
Amin International Ltd.	3,178,882	623,848
Modriba Hygiene Solutions Ltd.	2,792,940	2,075,516
Creemos International Ltd.	454,897	–
Superhouse Accessories Ltd.	10,412,453	4,191,057
Chowdhary Overseas Ltd.	9,674,581	1,680,475
Rojus Enterprises Ltd.	–	2,642,858
Rivera Trendz Pvt. Ltd.	4,290,790	1,981,389
Super Tannery Ltd.	442,986	30,331
Super Shoes Ltd.	1,579	1,787
Mr. Mukhtarul Amin	9,719,538	8,806,615
Mrs. Shahina Mukhtar	4,549,923	4,128,077
Mr. Zafarul Amin	5,021,308	4,564,846
Mr. Vinay Sanan	387,930	318,772
Mr. A.K. Agarwal	87,449	79,193
Mr. Mohd. Shadab	53,738	–
Remuneration		
Mr. Mukhtarul Amin	12,995,716	12,401,149
Mrs. Shahina Mukhtar	5,774,846	5,456,846
Mr. Zafarul Amin	6,481,462	6,163,462
Mr. Vinay Sanan	3,297,126	2,608,114
Mr. A.K. Agarwal	1,058,994	1,000,089
Mr. Mohd. Shadab	900,503	907,037
Mr. Akbar Waris	3,337,922	2,678,890
Mr. Deepak Sanan	1,650,000	1,050,000
Mr Manu Sanan	900,000	–

#### 35. Expenditure on Research and Development

(Rupees)

Particulars	2012-13	2011-12
Capital Expenditure	NIL	NIL
Revenue Expenditure	5,200,453	3,317,041

#### 36. Capital and other Commitments

(Rupees)

	2012-13	2011-12
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	29,428,810	24,185,673
ii. Uncalled Liability on Shares partly paid-up	Nil	4,000,000
iii. Forward Exchange Contracts	355,090,142	424,670,505

#### 37. Contingent liabilities

(Rupees)

	2012-13	2011-12
Claim against the company not acknowledged as debt	4,322,094	2,563,214
<b>Contingent Liabilities in respect of:</b>		
i. Guarantees issued by the Bank	11,760,899	16,352,506
ii. Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain	301,240,242	295,422,620
iii. Letter of Credit opened and outstanding	206,672,425	215,111,043
iv. Duty on Export obligation pending	97,527,847	52,234,566
v. Electricity demand pending litigation	1,583,688	1,583,688

vi. The detail of disputed dues (net of amounts paid) as per the clause ix(b) of Section 227 (4A) of the Companies Act, 1956



## Superhouse Limited

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

(Rupees)

Forum where dispute is pending	Period to which Relates	2012-13	2011-12
<b>Income Tax:</b>			
CIT Appeals, Kanpur	A.Y. 2002-03	210,378	210,378
CIT Appeals, Kanpur	A.Y. 2008-09	7,726,990	7,726,990
CIT Appeals, Kanpur	A.Y. 2009-10	2,122,820	2,122,820
CIT Appeals, Kanpur	A.Y. 2010-11	939,370	Nil
ITAT Appeals, Allahabad.	A.Y. 2003-04	2,069,740	2,069,740
<b>Entry Tax:</b>			
Sales Tax Appellate Tribunal	1999-2000	Nil	860,729
Joint Commissioner of Trade Tax, Kanpur	2005-2006	586,500	586,500
<b>UP Trade Tax and Central Sales Tax:</b>			
Deputy Commissioner of Trade Tax, Kanpur	1997-1998	Nil	389,872
	2002-2003	Nil	26,503
	2008-2009	2,745,913	2,745,913
Joint Commissioner of Trade Tax, Kanpur	2001-2002	151,473	151,473
	2005-2006	28,000	28,000
	2007-2008	165,805	165,805
	2009-2010	59,830	Nil

Above claims are likely to be decided in favour of the company, hence not provided for.

#### 38. Disclosure in respect of Derivative Instruments:

a) Derivative instruments outstanding:

(Foreign Currency in Millions)

Forward Contracts		2012-13	2011-12
Against Exports	USD/INR	1.33	1.99
	EURO/INR	2.65	2.92
	GBP/INR	1.19	1.43

b) All the Derivative Instruments have been acquired for hedging purposes.

#### 39. Previous Year Figures

Figures of the previous year have been regrouped/rearranged wherever required in order to make them comparable with those of current year. Figures in bracket pertains to previous year. Figures have been rounded off to the nearest rupee.

As per our report of even date

For and on behalf of the **BOARD OF DIRECTORS**

**For KAPOOR TANDON & CO.,**  
Chartered Accountants  
Firm Reg. No. 000952C

**A.K. AGARWAL**  
Director (Finance)

**MUKHTARUL AMIN**  
Chairman and Managing Director

**RAJESH PARASRAMKA**  
Partner  
M. No. 074192

**R.K. AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 29<sup>th</sup> June, 2013



**ELECTRONIC CLEARING SERVICE**

ECS Mandate Form for Payment of dividend on equity shares

1.	First Shareholder's Name	:											
2.	Shareholder's Folio No./Client ID No.	:											
3.	Particulars of Bank Account	:											
	A. Bank Name	:											
	B. Branch Name	:											
	C. Account No. (as appearing on the cheque book)	:											
	D. Account Type	:	Saving <input type="checkbox"/> Current <input type="checkbox"/> Cash Credit <input type="checkbox"/>										
	E. Ledger Folio No. of the Bank A/c (If appearing on the cheque book)	:											
	F. 9 Digit Code No. of the Branch appearing on MICR cheque issued by the bank.	:	<table border="1" style="display: inline-table; vertical-align: middle;"> <tr> <td style="width: 20px; height: 20px;"></td> </tr> </table> <small>Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the bank name, branch name and code number.</small>										
	G. Email ID	:											

I, hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the company responsible. I further undertake to inform the company any change in my bank/branch and account number.

Place :  
Date

Signature of the First Shareholder

**PROXY FORM**  
**Superhouse Limited**

Regd. Office: 150 Feet Road, Jajmau, Kanpur-208010.

I.....son of.....in the district of.....being a member of the above named company, hereby appoint.....in the district of.....or failing him.....in the district of.....as my proxy to vote for me on my behalf at the Annual General Meeting of the company to be held on Monday the 30th September,2013 at 10.00 A M. or at any adjournment thereof.

Folios/Demat A/c No.

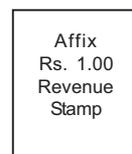
No. of shares.

Total :

Signature .....

Place:  
Date:

Name :





**Superhouse Limited**

**NOTES :-**

# BETTER FUTURE

Superhouse Ltd. is dedicated towards helping improve the education level of our nation. To support this thought the promoters of the company run various educational institutions.

In order to fulfill the mission the group has established various DPS (Delhi Public Schools) branches in different parts of Uttar Pradesh like Kanpur, Bareilly, Saharanpur & Gomti Nagar, Indira Nagar, Jankipuram and Eldeco in Lucknow.

Superhouse also runs a special institute called DPS Shiksha Niketan for underprivileged children. The institute located in Lucknow provides free education to children upto Class V.

Committed to the goal of education, Superhouse has also established the Allenhouse Institute of Technology in the year 2009 to create great future engineers for the nation. The institute boasts of every modern equipment and state-of-the-art laboratories which further supports its motto "Commitment for a better future".



Delhi Public School  
Bareilly



Delhi Public School  
Kalyanpur, Kanpur



Allenhouse Public School



Delhi Public School  
Gomti Nagar, Lucknow





THE WORLD AT YOUR FEET

The Allen Cooper logo, featuring a stylized 'C' with a red and blue arc above it, followed by the text 'Allen Cooper' in a serif font.

Allen<sup>®</sup>  
Cooper

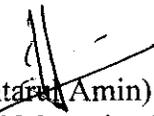
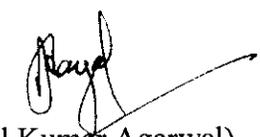
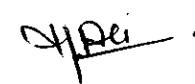


# Superhouse Limited

(A Government of India recognized Export Trading House)  
Regd. Office: 150 Feet Road, Jajmau, Kanpur-208010 (India)  
CIN: L24231UP1980PLC004910 Tel: (0512) 2463373 Fax: (0512) 2460814  
email: share@superhouse.in url: http://www.superhouse.in

## FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges.

1.	Name of the Company:	SUPERHOUSE LIMITED
2.	Annual financial statements for the year ended.	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	<ul style="list-style-type: none"><li>• CEO/Managing Director</li></ul>	 (Mukhtar Amin) Chairman and Managing Director
	<ul style="list-style-type: none"><li>• CFO</li></ul>	 (Anil Kumar Agarwal) CFO
	<ul style="list-style-type: none"><li>• Auditors of the company</li></ul>	 (Rajesh Parasramka) Auditors
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	 (Syed Javed Ali Hashmi) Chairman of Audit Committee