

# Superhouse Limited

**GROWING WITH EACH STITCH**

ANNUAL REPORT 2014-2015



LEGACY OF EXCELLENCE



LEGACY OF  
EXCELLENCE



Mr. Zafarul Amin, Joint Managing Director  
of Superhouse Group  
receiving the **Niryat Shree Award** from the  
Hon'ble President of India, Shri. Pranab Mukherjee



## BOARD OF DIRECTORS

### Managing Directors

Mr. Mukhtarul Amin	<i>Chairman and Managing Director</i>
Mr. Zafarul Amin	<i>Joint Managing Director</i>

### Wholetime Directors

Mrs. Shahina Mukhtar	<i>Wholetime Director</i>
Mr. Vinay Sanan	<i>Executive Director</i>
Mr. Anil Kumar Agarwal	<i>Chief Financial Officer</i>
Mr. Mohammad Shadab	<i>Wholetime Director</i>

### Independent Directors

Mr. Nemi Chand Jain
Dr. Krishna Kumar Agarwal
Mr. Anil Soni
Mr. Kamal Agarwal
Mr. Syed Javed Ali Hashmi
Mr. Dilip Kumar Dheer

## COMPANY SECRETARY

Mr. R.K. Agrawal

## BANKERS

Punjab National Bank  
State Bank of India  
Bank of Baroda

## AUDITORS

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

## REGISTERED OFFICE

150 Feet Road,  
Jajmau, Kanpur-208010  
Email : [share@superhouse.in](mailto:share@superhouse.in)  
Website : [www.superhouse.in](http://www.superhouse.in)  
Tel. 91-0512-2462124, 2465995  
Fax : 91-0515-2829325



PLANTS

**Fashion Shoe Division I**

D-15, UPSIDC Industrial Area, Site-II,  
Unnao-209801

**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

Please inform your  
Email ID to serve  
you better

**Tannery I**

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

**Tannery II**

B-16, UPSIDC Industrial Area, Site-II,  
Unnao-209801

**Shoe Upper Division**

71-A, Jajmau, Kanpur-208010

**Safety Footwear Division I**

B-6, UPSIDC Industrial Area, Site-I  
Unnao-209801

**Safety Footwear Division II**

Banthal, 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

**CONTENTS**

1. Chairman’s Speech.....	3
2. Financial Highlights.....	4
3. Awards and Recognition .....	5
4. Notice.....	6 - 9
5. Directors’ Report.....	10 - 28
6. Corporate Governance Report .....	29 - 38
7. Auditors’ Report .....	39 - 41
8. Balance Sheet.....	42
9. Profit & Loss Account.....	43
10. Cash Flow Statement.....	44
11. Notes on Accounts and Accounting Policies.....	45 - 61
12. Auditors’ Report on Consolidated Financial Statements	62 - 65
13. Consolidated Accounts. ....	66 - 84



### CHAIRMAN'S MESSAGE

Dear Fellow Shareholders,

It gives me immense pleasure to update you on the performance of the Superhouse Limited. In spite of a challenging year for Indian Exporting Industries, your company successfully managed to maintain positive growth during the year. Your company won the Export Excellency Award during the year in Overall Export Category for 2013-14. The Company also received the Best Export Award in Leather Footwear Category above Rs. 2000 Million and in Non-Leather Harness and Saddlery.

Your company achieved its highest ever turnover of Rs. 6583.83 millions and export turnover of Rs. 5765.42 million during the year. The export turnover contributing 87.57 % of the total turnover. The continued growth of exports is an indicator of the growing demand for the products of the company across the world.

The stakeholders of the company have also shared the growth of the company during the year. The share prices of the equity shares of the company also increased substantially from Rs 93.25 as on 31.03.2014 to Rs 208.30 as on 31.03.2015, indicating compounded annual growth of 11.59% since last public offer of the company made in June, 1990. This excludes the dividend accrued and paid by the company during the period.

Your company has strong financials to support its ambitious growth plans. Our results reflected sound execution of our business plans, centered on global expansion and disciplined cost and asset management.

As a responsible Corporate Citizen your company serves the society in the domains of Education and Healthcare. During the year, the company contributed 2% of the net profit towards Corporate Social Responsibility (CSR) activities.

I would like to thank all our customers, suppliers and colleagues in India and abroad for their wholehearted support and valued contribution during 2014-15. 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 share 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**

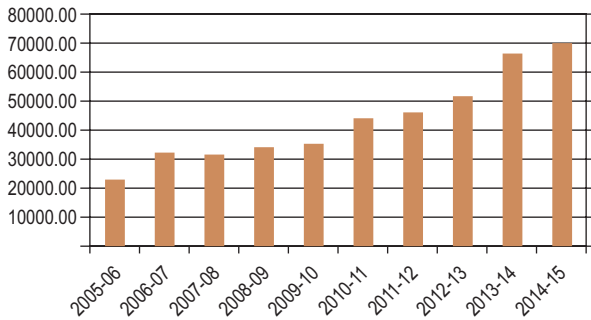
Chairman and Managing Director



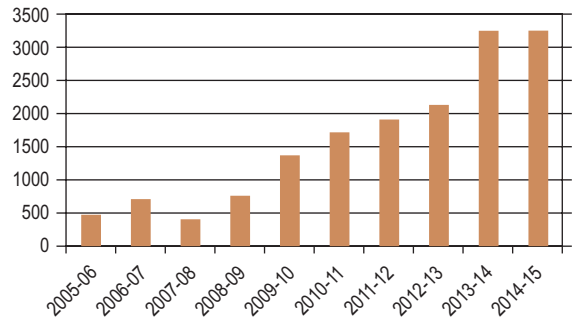


### FINANCIAL HIGHLIGHTS

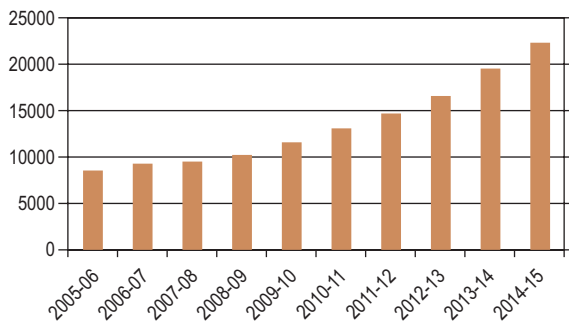
Turnover (Rs. in Lacs)



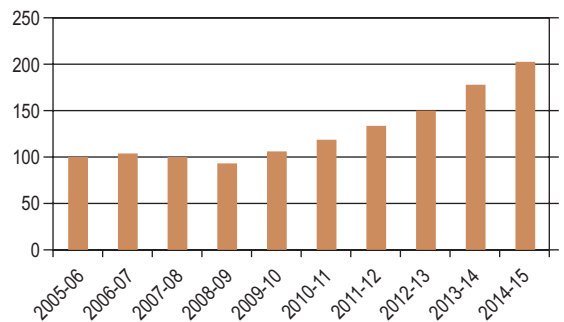
Net Profit (Rs. in Lacs)



Net Worth (Rs. in Lacs)



Book Value (Rs. per Share)





**AWARDS AND RECOGNITION**

2013-14 Overall Export Performance 2013-14 Presented by Council for Leather Exports.	2006-07 Best Overall Export Performance 2006-07 Gold Trophy Presented by Council for Leather Exports.
2013-14 Best Export Performance 2013-14 for Non Leather Harness & Saddlery Category Presented by Council for Leather Exports.	2006-07 Best Export Performance 2006-07 Non- Leather Saddlery & Harness Presented by Council for Leather Exports
2013-14 Best Export Performance 2013-14 for Leather Footwear Category above 200.00 Crores Presented by Council for Leather Exports.	2006-07 Certificate of Merit for Securing ISO 14001 Certification for Finished Leather, Shoes & Accessories Units. Presented by Council for Leather Exports.
2012-13 Overall Export Performance 2012-13 Presented by Council for Leather Exports.	2006-07 Certificate of Merit for Securing OHSAS 18001 Certification for Finished Leather, Shoes & Accessories Units.
2012-13 Best Export Performance 2012-13 for Non Leather Harness & Saddlery Presented by Council for Leather Exports.	2006-07 21st Century Millennium Award for Outstanding Achievements in Chosen Field of Activity. Presented by International Institute of Education & Management. Mr. Mukhtarul Amin, Chairman and Managing Director of Superhouse Ltd. unanimously elected as Chairman of Council for Leather Export.
2011-12 Best Overall Export Performance 2011-12 Gold Trophy presented by Council for Leather Exports.	2005-06 Best Overall Export Performance 2005-2006 Gold Trophy Presented by Council For Leather Exports.
2011-12 Best Export Performance 2011-12 for Non Leather Harness & Saddlery presented by Council for Leather Exports.	2004-05 Utkrast Puraskaar-2004-05 / Rajya Niryaat Puraskaar Presented by Niryaat Protsaahan Vibhag, Uttar Pradesh Govt.
2011-12 Excellent Export Performance 2011-12 for Leather Footwear Silver Trophy Presented by Council for Leather Exports	2003-04 Best Overall Export Performance 2003-04 Gold Trophy Presented by Council For Leather Exports.
2010-11 Best Overall Export Performance 2010-11 Gold Trophy presented by Council for Leather Exports.	2003-04 1st Prize Rajya Niryaat Puraskaar 2003-04 Presented by Rajya Niryaat Protsaahan Vibhag, Uttar Pradesh Govt.
2010-11 Best Export Performance 2010-11 for Non Leather Harness & Saddlery presented by Council for Leather Exports.	2002-03 2nd Prize Rajya Niryaat Puraskaar 2002-03 Presented by Niryaat Protsaahan Vibhag, Uttar Pradesh Govt.
2010-11 Excellent Export Performance 2010-11 for Leather Footwear Silver Trophy Presented by Council for Leather Exports	2001-02 Best Export Performance in Finished Leather. Presented by Council for Leather Exports.
2009-10 Niryat Shree Silver Trophy 2009-10 presented by Federation of Indian Export Organisations	1998-99 Commendable Export Performance during 1998-99 in Overall Exports. Presented by Council for Leather Exports.
2009-10 Best Overall Export Performance 2009-10 Gold Trophy presented by Council for Leather Exports.	1997-98 Certificate of Merit for Commendable Performance during 1997-98. Presented by Council for Leather Exports.
2009-10 Best Export Performance 2009-10 for Leather Garments presented by Council for Leather Exports.	1997-98 Certificate of Merit for Commendable Performance during 1997-98 in Footwear Components. Presented by Council for Leather Exports.
2009-10 Best Export Performance 2009-10 for Non Leather Harness & Saddlery presented by Council for Leather Exports.	1996-97 Certificate of Merit for Commendable Performance during 1996-97 in Footwear Components. Presented by Council for Leather Exports.
2009-10 Commendable Export Performance 2009-10 for Leather Goods presented by Council for Leather Exports.	1995-96 2nd Prize State Export Award. Presented by Uttar Pradesh Govt.
2008-09 Commendable Export Performance 2008-09 Silver Trophy Presented by Council for Leather Exports.	1995-96 Certificate of Merit for Commendable Performance during 1995-96 in Footwear Components. Presented by Council for Leather Exports.
2008-09 Best Export Performance 2008-09 Non-Leather Saddlery & Harness. Presented by Council for Leather Exports.	1994-95 Certificate of Merit for Commendable Performance during 1994-95 in Footwear Components. Presented by Council for Leather Exports.
2008-09 Commendable Export Performance 2008-09 for Finished Leather Presented by Council for Leather Exports	1991-92 2nd Prize State Export Award. Presented by Uttar Pradesh Sarkar.
2008-09 Commendable Export Performance 2008-09 for Footwear Components Presented by Council for Leather Exports	1991-92 State Export Award 1990-1991. Presented by Uttar Pradesh Govt. Action Award 1991 Presented to Mr. Mukhtarul Amin for Excellent Person of the year.
2007-08 Commendable Export Performance 2007-08 Silver Trophy. Presented by Council for Leather Exports.	1988-89 1st Prize state Export Award 1988-89 Presented by Uttar Pradesh Govt.
2007-08 Best Export Performance 2007-08 Non-Leather Saddlery & Harness. Presented by Council for Leather Exports.	
2007-08 Trading House Certificate. Presented by Ministry of Commerce and Industry, Government of India.	



## NOTICE

To,

**The Members of  
Superhouse Limited**

Notice is hereby given that the thirty fifth Annual General Meeting of the members of the Company will be held on Wednesday the 23<sup>rd</sup> September, 2015 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:-

### **Ordinary Business**

1. To consider and adopt:

(a) The audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2015, the reports of the Board of Directors and Auditors thereon; and

(b) The audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2015.

2. To declare a dividend on equity shares.

3. To appoint a Director in place of Mr. Vinay Sanan (DIN: 00014536), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an **Ordinary Resolution**:

“RESOLVED that M/s Kapoor Tandon & Company, Chartered Accountant (Registration No. 000952C) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company, on the recommendation of Audit Committee of the Company.”

### **Special Business :-**

5. To appoint Mr. Ajai Kumar Sengar (DIN: 07238070) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ajai Kumar Sengar (DIN:07238070 ), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to 2020.”

6. To appoint Mr. Yusuf Amin (DIN: 06863918 ) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Yusuf Amin (DIN: 06863918 ), who qualifies for being appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose term of office will be liable to be determined by retirement of Directors by rotation.”

By Order of the Board

Place : KANPUR  
Date : 30<sup>th</sup> July, 2015

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





## NOTES :-

1. **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorship and memberships/chairmanships of Board Committees, shareholders and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. The brief resume of directors proposed to be appointed are given in the explanatory statement.
3. The Company has notified closure of Register of Members and Share Transfer Books from Thursday the 10<sup>th</sup> September, 2015 to Wednesday the 23<sup>rd</sup> September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
4. The Company has transferred the unpaid or unclaimed dividend declared upto financial years 2006-07 to the Investor Education and Protection Fund ( the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed amounts lying with the Company as on 23<sup>rd</sup> September, 2014 (date of last Annual General Meeting) on the website of the Company ([www.superhouse.in](http://www.superhouse.in)) and also on the website of the Ministry of Corporate Affairs.
5. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company, electronically.
6. The route map including prominent land mark of venue of the meeting is provided at the overleaf of the Proxy form and also at the website of the company.
7. In compliance of provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of the Listing Agreement the company has made necessary arrangements with National Securities Depository Limited to facilitate e-voting. Information and other instructions relating to e-voting are as under :-
  - (i) The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') to vote on resolutions proposed to be passed in the meeting by electronic means.
  - (ii) The facility for voting through electronic voting or ballot/polling papers shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through electronic voting or ballot/polling paper.
  - (iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - (iv) The Company has engaged the services of National Securities Depository Limited (NSDL) as the Agency to provide e-voting facility.
  - (v) The Board of Directors of the Company has appointed Mr. Kailash Nath Shridhar, a Practicing Company Secretary failing him Mr. Rajesh Parasramka, Chartered Accountant as Scrutinizer to scrutinize remote e-voting and ballot/polling paper in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
  - (vi) Voting rights shall be reckoned on the paidup value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 16<sup>th</sup> September, 2015.
  - (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 16<sup>th</sup> September, 2015 only shall be entitled to avail the facility of remote e-voting.
  - (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 16<sup>th</sup> September, 2015, may obtain the User ID by sending a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [share@superhousegroup.com](mailto:share@superhousegroup.com).



- (ix) **The remote e-voting facility will be available during the following period:** Commencement of remote e-voting : From 9.00 a.m. (IST) on 19<sup>th</sup> September, 2015; End of remote e-voting : Up to 5.00 p.m. (IST) on 22<sup>nd</sup> September, 2015.
- The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled for voting thereafter.
- (x) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company <http://superhouse.in> and on the website of NSDL at <https://www.evoting.nsdl.com> The results shall simultaneously be communicated to the Stock Exchanges.
- (xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 23<sup>rd</sup> September, 2015.
- (xii) Instructions and other information relating to remote e-voting:
- A. In case a member receives an e-mail from National Securities Depository Limited (NSDL)** [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:
- Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
  - Launch internet browser by typing the URL <https://www.evoting.nsdl.com>
  - Click on "Shareholder - Login".
  - Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
  - Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
  - Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
  - Select "EVEN" of Superhouse Limited. Members can cast their vote online from 19<sup>th</sup> September, 2015 (9:00 A.M.) till 22<sup>nd</sup> September, 2015 (5:00 P.M.).
- Note: e-Voting shall not be allowed beyond said time.
- Now you are ready for "e-Voting" as "Cast Vote" page opens.
  - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
  - Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- B. In case a member receive physical copy of the Notice by Post** [for members whose e-mail addresses are not registered with the Company/Depository Participants(s):-]
- User ID and initial password provided in the attendance slip of AGM.
  - Please follow all steps from Sr. No. (a) to (j) as mentioned in (A) above, to cast your vote.
8. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

By Order of the Board

Place : KANPUR  
Date : 30<sup>th</sup> July, 2015

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



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 5**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Ajai Kumar Sengar be appointed as an Independent Director of the Company. The appointment of Mr. Ajai Kumar Sengar shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. Ajai Kumar Sengar for the office of Director of the Company and deposit of requisite amount under Section 160 of the Act.

Mr. Ajai Kumar Sengar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Ajai Kumar Sengar that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Ajai Kumar Sengar fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Ajai Kumar Sengar is independent of the management and possesses appropriate skills, experience and knowledge.

**Brief resume of Mr. Ajai Kumar Sengar**

Mr. Ajai Kumar Sengar (DIN: 07238070) is a Science and Law graduate. He is having experience of 33 years in General Insurance. He was born on 29.10.1953. He is neither director in any other body corporate nor a member of the committee of directors. Mr. Ajai Kumar Sengar does not hold any share of the company. He is not related to any director of the company.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Ajai Kumar Sengar is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Mr. Ajai Kumar Sengar as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mr. Ajai Kumar Sengar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

**Item No. 6**

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Yusuf Amin for the office of Director of the Company. Mr. Yusuf Amin is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

**Brief resume of Mr. Yusuf Amin**

Mr. Yusuf Amin (DIN:06863918 ) was born on 29.04.1996. He is also director of i. M/s Rojus Enterprises Limited and ii. M/s Amin International Limited. He is not a member of any committee of directors. Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director, Mrs. Shahina Mukhtar wholetime director and Mr. Mohd. Shadab, wholetime director are relatives of Mr. Yusuf Amin.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

By Order of the Board

Place : KANPUR  
Date : 30<sup>th</sup> July, 2015

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



## DIRECTORS' REPORT

To  
The Shareholders,  
Superhouse Limited,  
Kanpur.

The Directors have pleasure in presenting their 35th Annual Report along with the Audited Accounts of your Company for the year ended 31st March, 2015.

### FINANCIAL RESULTS :

	Current Year (Rs. in '000)	Previous Year (Rs. in '000)
Profit before Depreciation	641792	626308
Less: Depreciation	132480	130509
Profit before tax	509312	495799
Less : Provision for taxation	184654	171182
Profit after tax	324658	324617
Less: Adjustment related to fixed assets	19971	-
Income Tax relating to earlier year	-	(155)
Balance Brought forward from previous year	839310	634195
	<b>1143997</b>	<b>958657</b>
<b>Appropriations :</b>		
Proposed Dividend	16537	16537
Tax on Proposed Dividend	3367	2810
Transferred to General Reserve	100000	100000
Balance carried to Balance Sheet	1024093	839310
	<b>1143997</b>	<b>958657</b>

### Dividend and Reserves :-

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 31<sup>st</sup> March, 2015. The cash outflow on account of dividend on equity capital will be Rs. 199.04 lacs (previous year Rs. 193.48 lacs) including dividend distribution tax of Rs. 33.67 lacs (previous year Rs. 28.10 lacs). During the year under review your company transferred a sum of Rs. 10.00 crores to General Reserve (Previous year Rs 10.00 crores).

### Financial Performance :-

The company has achieved the sales and other Income of Rs. 712.02 crore against Rs. 671.75 crore reported last year. The Profit before tax was Rs. 50.93 crore and profit after tax was Rs. 32.47 crore during the year under review as compared to Rs. 49.58 crore and Rs. 32.45 crore, respectively, during previous year. Revenue from operations (Net) increased by Rs. 40.63 crore to Rs. 706.62 crore and export increased by 3.74% to Rs. 571.43 crore during the year. Earning per share increased from Rs. 29.43 per share during the previous year to Rs. 29.45 per share during the year under review.

### Export Awards:-

The company won the Export Excellence Award during the year in overall Export Category for 2013-14. The company

also received the Best Export Award in Leather Footwear Category above Rs. 200.00 crore and in Non-Leather Harness and Saddlery.

### Subsidiary Companies, Joint Venture and Associate 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 and five Associates namely M/s Unnao Tanneries Pollution Control Company, M/s Steven Construction Limited, M/s Amin International Limited, Knowledgehouse Limited and M/s Creemos International Limited. There is no joint venture of the company. During the year, no company become or ceased to be company's subsidiaries, joint venture or Associates Company, except M/s Creemos International Limited become Associates of the company during the year.

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 Financial Statements, including Consolidated Financial Statement and separate Financial Statement in respect of each of its subsidiaries have also been placed on the website of the company. A statement containing salient features of the Financial Statement of subsidiaries/associates companies is farming part of the Annual Financial Statement.

The policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:<http://superhouse.in/pdf/Policy-for-determining-Material-Subsidiary.pdf>.

### Consolidated Financial Statement :-

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates, the audited consolidated financial statement is provided in the Annual Report.

### Directors and Key Managerial Personnel :-

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Vinay Sanan, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. Mr. Syed Javed Ali Hashmi, Mr. Dilip Kumar Dheer, Mr. Anil Soni, Mr. Nemi Chand Jain, Dr. Krishna Kumar Agarwal and Mr. Kamal Agarwal were appointed during the year 2014-15 as Independent Directors for 5 (five) consecutive years for a term upto the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019. In addition to Independent Directors Mr. Mukhtarul Amin, Chairman and Managing Director, Mr. Zafarul Amin, Joint Managing Director, Mrs. Shahina Mukhtar, Wholetime Director, Mr. Vinay Sanan as Wholetime Director designated as Executive Director, Mr. Mohammad



Shadab, Wholetime Director and Mr. Anil Kumar Agarwal as Wholetime Director designated as Chief Financial Officer were also re-appointed for a term upto 31<sup>st</sup> March, 2017. No other key managerial personnel was appointed or resigned during the year.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are also put up on the website of the Company at the link: <http://superhouse.in/pdf/Familiarisation-Programme.pdf>

The following policies of the Company are attached herewith marked as Annexure II and Annexure III.

- a) Policy for selection of Directors and determining Directors independence; and
- b) Remuneration Policy for Directors, Key Managerial personnel and other employees.

### **Directors' Responsibility Statement :-**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors 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 March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **Management Discussion and Analysis :-**

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

### **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.

### **Internal Financial Controls**

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

### **Corporate Social Responsibility :-**

The Corporate Social Responsibility Committee comprises Mr. Mukhtarul Amin, Chairman, Mr. Anil Kumar Agarwal, Mr. Syed Javed Ali Hashmi and Mr. Dilip Kumar Dheer as other members. The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Corporate Social Responsibility Policy may be accessed on the Company's website at the link:<http://superhouse.in/pdf/CSR-Policy.pdf>.

To attain its Corporate Social Responsibility (CSR) objectives in professional and integrated manner the company has identified the promotion of Education Healthcare and Environment Sustainability as its focus areas.

In Education, the endeavors of the company are to spark the desire of learning and knowledge at every stage through quality primary education, formal schools, facility for preparation of higher education and development of sports skills. The proper arrangements have been made for free education of the financially weaker section of the society. The company is also assist in skill development by providing on job and vocational training.

In Healthcare, the endeavours of the company are to eradicate hunger, poverty and malnutrition and prompting Healthcare including preventive healthcare.



In Environment Sustainability, the endeavors of the company are:- 1. To ensure environmental sustainability by adopting best ecological practices and encouraging conservation/judicious use of water and other natural resources. 2. To use environment friendly and safe process in production. 3. To create a positive fast print within the society by creating inclusive and enabling infrastructure/environment for livable communities. 4. To run primary and secondary treatment plants for the disposal of effluent waste.

During the year, the Company has spent Rs 74.55 Lacs (around 2%) of the average net profiles of last three financial years) on CSR activities. The Annual Report on CSR activities is annexed herewith marked as Annexure-I.

### **Contracts and Arrangements with Related Parties :-**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link <http://superhouse.in/pdf/Policy-on-Materiality.pdf>.

Your Directors draw attention of the members to Note 36 to the financial statement which sets out related party disclosures.

### **Meetings of the Board**

Five meetings of the Board of Directors were held during the year. The details of the meeting are given in Corporate Governance Report.

### **Risk Management**

The details about development and implementation of risk management policy of the company including elements of risk are given in Corporate Governance Report.

### **Particulars of Loans given, Investments made, Guarantees given and Securities provided:-**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement.

### **Extract of Annual Return:-**

Extract of Annual Return of the Company is annexed herewith as Annexure IV to this Report.

### **Particulars of Employees and Related Disclosures:-**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

### **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 the use of power and fuel in factories and offices. The company is using electricity and generators as sources of energy. 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 newest 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.

The company has incurred revenue expenditure of Rs. 37.08 lacs which are .05% of total turnover for the Research and Development Activities during the year as compared to Rs. 39.77 lacs which were 0.06% of total turnover incurred during the 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 continue to enjoy the status of a Government of India Recognized Trading House. Continuous efforts are being made to identify the new markets. The company earned Foreign Exchange of Rs. 57220.59 lacs during the year in comparison to previous year of Rs. 54946.20 lacs. During the year, the total Foreign Exchange outage was Rs. 13214.72 lacs as compared to Rs. 11848.84 lacs during the preceding financial year.

### **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 under section 141 (3) (g) of the Companies Act, 2013 and they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further



comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### Secretarial Auditor:-

The Board has appointed Mr. Gautam Kumar Banthia, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### Audit Committee:-

The Audit Committee Comprises Independent Directors namely Mr. Syed Javed Ali Hashmi, Chairman, Mr. Kamal Agarwal, Mr. Dilip Kumar Dheer and Mr. Anil Kumar Agarwal as other member. All the recommendations made by the Audit Committee were accepted by the Board.

#### General :-

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. No fraud was reported by the auditors under sub-section (12) of Section 143.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### Acknowledgement :-

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Place : KANPUR

For and on behalf of the Board

Date : 30<sup>th</sup> July, 2015

(MUKHTARUL AMIN)  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

### Macroeconomic Overview.

Macroeconomic fundamentals have dramatically improved for the better, reflected in both temporal and cross-country comparisons. Inflation has declined by over 6 percentage points since late 2013, and the current account deficit has shrivelled from a peak of 6.7 percent of GDP (in Q3, 2012-13) to an estimated 1.0 percent in the coming fiscal year. Foreign portfolio flows have stabilized the rupee, exerting downward pressure on long-term interest rates, reflected in the yield on 10-years government securities, and contributed to the surge in equity prices. As a result of these improvements, India's macroeconomic position now compares favourably with other countries.

India ranks amongst the most attractive investment destinations, well above other countries. It ranks well above the mean for its investment grade category, and also above the mean for the investment category above it (on the basis of the new growth estimates). The reality and prospect of high and rising growth, combined with macroeconomic stability, is the promise of India going forward. Today, India's fortunes have improved dramatically and India demonstrated the greatest improvement in the MVI while many others maintained the status quo or showed only a marginal improvement or deteriorated dramatically (Russia). India is still more vulnerable than the mean of countries in its investor rating category (BBB) but is less so than many of its larger emerging market peers.

However, due to decrease in currency rate of Euro, Pound and Yen, the overall export from Indian marginally decreased by 1.22% in dollar terms.

India's exports during 2014-15 were valued as INR 18977.86 billion, registering a decline of .38% over the level of INR 19050.11 billion in 2013-14 in rupee terms. As against overall decrease of 1.22% in Export, the growth rate of Leather Industries was 9.37% in dollar terms during 2014-15.

### 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. With an annual turnover of over US\$ 12 billion, the export of leather and leather products increased manifold over the past decades and touched US\$ 6.5 billion during 2014-15, recording a cumulative annual growth rate of about 13.10% (5 years).

The Leather industry is bestowed with an affluence of raw materials as India is endowed with 21% of world cattle & buffalo and 11% of world goat & sheep population. Added to this are the strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and the dedicated support of the allied industries. The leather industry is an employment intensive sector, providing jobs to about 2.5 million people, mostly from the weaker sections of the society. Women's employment is predominant in the leather products sector with about 30% share.

India is the second largest producer of footwear and leather garments in the world.

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.



As per DGCI&S monthly export data, the export of leather and leather products for the year 2014-15 stands at US\$.6494.41 million against the export of US\$5937.97 million during the previous period, registering a positive growth of 9.37%. In Rupee terms impressive growth of 10.53% registered during the year.

The major markets for Indian Leather & Leather Products are Germany with a share of 12.32%, USA 11.83%, U.K. 11.57%, Italy 7.76%, Hong Kong 6.50%, France 5.72%, Spain 5.41%, UAE 4.3%, Netherlands 3.46%, China 2.99%, Vietnam 1.78%, Belgium 1.68% and Denmark 1.29%.

These 13 countries together accounts for nearly 75% of India's total leather & leather products export.

#### Opportunities and Threats :-

The Government of India had identified the Leather Sector as a Focus Sector in the Indian Foreign Trade Policy in view of its immense potential for export growth prospects and employment generation. Accordingly, the Government is also implementing various Special Focus Initiatives under the Foreign Trade Policy for the growth of leather sector. With the implementation of various industrial developmental programmes as well as export promotional activities; and keeping in view the past performance, and industry's inherent strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and dedicated support of the allied industries, the Indian leather industry aims to augment the production, thereby enhance export, and resultantly create additional employment opportunities.

However, with such good opportunities, there are certain threats like entry of multinationals in domestic market, International price fluctuation, Stringent Pollution norm like zero liquid discharging policy of the government, fast changing fashion trends and withdrawal of Government incentive.

#### Segment-wise Performance :-

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

#### Segments Turnover

- |                                 |  |
|---------------------------------|--|
| a. Leather and Leather Products | Rs. 585.37 Crores<br>(previous year Rs. 562.88 crores) |
| b. Textile Garments             | Rs. 117.62 Crores<br>(previous year Rs. 95.96 Crores)  |

#### Domestic Sales :

The company is manufacturing and selling its products in domestic market with reputed Allen Cooper Brand.

#### Outlook :-

As a medium to long-run prospects 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 the 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 locations 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, 2013 and Generally Accepted Accounting Principles in India. The company has achieved the sales and other income of Rs 712.02 crores during the year against Rs. 671.75 crores reported last year. The profit after tax was Rs 32.47 crores during the year as compared to Rs. 32.45 crores reported during the previous year. The gross block of the company as at 31.03.2015 was Rs 289.01 crores against Rs. 270.81 crores as at 31.03.2014. The net current assets as at 31.03.2015 were Rs 47.38 crores as against Rs. 41.15 crores as at 31.03.2014. The detailed information on financial performance is given in the attached annual financial statements. The summarized financial performance during the year is as under:-

#### Financial of the Company :-

(Rs.in lacs)

	2014-15	2013-14
Sales	70661.92	66598.70
Other Income	539.94	576.66
PBT	5093.12	4957.99
PAT	3246.58	3244.62
Share Capital	1141.98	1141.98
Reserves & Surplus	21171.15	18248.58
Net Worth	22313.12	19390.56
Earnings per share	29.45	29.43

#### 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 1844 permanent employees with the company as on 31<sup>st</sup> March, 2015.





**ANNEXURE I TO DIRECTORS' REPORT**

**Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2014-15**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs.	Refer Corporate Social Responsibility Section of the Board Report	
2. The Composition of the CSR Committee.	Refer Corporate Governance Report	
3. Average net profit of the company for last three financial years	372,670,788	
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)	7,453,416	
5. Details of CSR spent during the financial year.		
(a) Total amount spent for the financial year	7,455,778	
(b) Amount unspent, if any	-	
(c) Manner in which the amount spent during the financial year is detailed below.		

CSR project or activity identified	Sector in which the Project is covered	Projects or Programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
		Local area or other	Specify the State and district where projects		Direct expenditure on projects or programs	Overheads		
Chowdhary Ehsan Kareem Hospital	Hospital	Jajmau Road, Jajmau, Kanpur	Kanpur-208010 (U.P.)	70,778	70,778	-	70,778	Direct
The All India Federation of Educational Association	Education	Khalasi Line, Kanpur	Kanpur, Lucknow, Jhansi (U.P.)	7,300,000	7,300,000	-	7,300,000	Direct
Jyoti Bal Vikas Sansthan	Education	117/M/112"A" Kaka Dev, Kanpur	Kanpur-208019 (U.P.)	85,000	85,000	-	85,000	Direct

Sd-  
Anil Kumar Agarawl  
Director Finance/CFO

Sd-  
Mukhtarul Amin  
Chairman, CSR Committee

**ANNEXURE II TO DIRECTORS' REPORT**

**Policy for Selection of Directors and determining Directors' independence**

**1. Introduction**

- 1.1 Superhouse Limited believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, we ensure constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 The company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. The company aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

**2. Scope and Exclusion:**

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 3.1 **"Director"** means a director appointed to the Board of a company.
- 3.2 **"Nomination and Remuneration Committee"** means the committee constituted by company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.
- 3.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

**4. Policy:**

**4.1 Qualifications and criteria**

- 4.1.1 Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:
  - General understanding of the Company's business dynamics, global business and social perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.



- 4.1.3 The proposed appointee shall also fulfill the following requirements:
- Shall possess a Director Identification Number;
  - Shall not be disqualified under the Companies Act, 2013;
  - Shall give his written consent to act as a Director;
  - Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
  - Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
  - Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
  - Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.
- 4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

#### 4.2 Criteria of Independence

- 4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- 4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:  
An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director :-
- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - e. who, neither himself nor any of his relatives-
    - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
      - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
      - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
    - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
    - iv. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
    - v. is a material supplier, service provider or customer or a lesser or lessee of the company.
  - f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
  - g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
  - h. who is not less than 21 years of age.
- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### 4.3 Other directorships / committee memberships

- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.
- 4.3.5 For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.



## ANNEXURE III TO DIRECTORS' REPORT

### Remuneration Policy for Directors, Key Managerial Personnel and other employees

#### 1. Introduction

- 1.1 Superhouse Limited recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
- 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

#### 2. Scope and Exclusion:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

#### 3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 **"Director"** means a director appointed to the Board of the Company.
- 3.2 **"Key Managerial Personnel"** means
- (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013
- 3.3 **"Nomination and Remuneration Committee"** means the committee constituted by the company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

#### 4. Policy:

- 4.1 Remuneration to Executive Directors and Key Managerial Personnel
- 4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- 4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:
- (i) Basic Pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options, if any
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retiral benefits
- 4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee.

#### 4.2 Remuneration to Non-Executive Directors

- 4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.
- 4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

#### 4.3 Remuneration to other employees

- 4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## ANNEXURE IV TO DIRECTORS' REPORT

### Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31<sup>st</sup> March, 2015

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

I. REGISTRATION AND OTHER DETAILS:		
i)	CIN	L24231UP1980PLC004910
ii)	Registration Date	14 <sup>th</sup> January, 1980
iii)	Name of the Company	SUPERHOUSE LIMITED
iv)	Category/Sub-Category of the Company	Public Limited/Limited by shares
v)	Address of the Registered office and contact details	150 Feet Road, Jajmau, Kanpur-208010 Tel: (0512) 2462124, 2465995, Fax: 0515-2829325
vi)	Whether listed Company	Yes/No
		Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services (P) Limited D153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel: (011) 30857575, 26812682-83, Fax: (011)30857562



<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
All the business activities contributing 10% or more of the total turnover of the company.	As per Annexure 'A'
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Annexure 'B'
<b>IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i) Category wise Shareholding	As per Annexure 'C'
ii) Shareholding of Promoters	As per Annexure 'D'
iii) Change in Promoter's Shareholding	There is No change in shareholding of promoters
iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Annexure 'E'
v) Shareholding of Directors and Key Managerial Personnel	As per Annexure 'F'
<b>V. INDEBTEDNESS</b>	
Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per Annexure 'G'
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A Remuneration to Managing Director, Whole-time Directors and/or Manager:	As per Annexure 'H'
B. Remuneration to other directors	As per Annexure 'I'
C Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Annexure 'J'
<b>VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:</b>	NIL

**ANNEXURE 'A'**

**PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Leather Footwear	6402	47.66%
2	Finished Leather	4107	25.25%
3	Textile Products	6105	17.38%

**ANNEXURE 'B'**

**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%age of Shares held	Applicable Section
1	Superhouse (U.K.) Limited, 66, Commercial Square, Freemans Common, Leicester, LE2, 7SR	3520781	Subsidiary	100%	2(87) (ii)
2	Superhouse (USA) International Inc., PO Box 114, Breinigsville, PA18031 USA	3688159	Subsidiary	100%	2(87) (ii)
3	Superhouse Middle East FZC, PO Box No. 20376, Warehouse No. A-1, 16 Gate No.3, Ajman Freezone, Ajman UAE	265	Subsidiary	100%	2(87) (ii)
4	Briggs Industrial Footwear Limited, Edwin House, Cornwall Road, South Wigston, Leicester, LE18 4YU	391587	Subsidiary	100%	2(87) (ii)
5	Linea De Seguridad SLU Spain, C/ Raposal, 87, Arnedo (La Rioja) 26580 Spain.	B26185041	Subsidiary	100%	2(87) (ii)
6	Superhuose GmbH, Am Buchenbaum 40-42, 47-51, Duisburg	HRB68261	Subsidiary	100%	2(87) (ii)
7	Steven Construction Limited, 03 Floor, Office No.2, SomDutt Plaza, Kanpur	U51109UP1985PLC007002	Associate	46.67%	2 (6)
8	Unnao Tanneries Pollution Control Company, 150 Feet Road, Jajmau, Kanpur-208010	U90002UP1991NPL013823	Associate	34.05%	2 (6)
9	Knowledgehouse Limited, 150 Feet Road, Jajmau, Kanpur-208010	U80904UP2009PLC038784	Associate	31.85%	2 (6)
10	Amin International Limited, 150 Feet Road, Jajmau, Kanpur-208010	U15494UP1995PLC017879	Associate	31.13%	2 (6)
11	Creemos International Limited, Ilrld Floor, Apartment 2, Somdutt Plaza, The Mall, Kanpur	U29219UP2004PLC029284	Associate	48.63%	2 (6)



ANNEXURE 'C'

SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year at 01.04.2014				No. of Shares held at the end of the year at 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters.</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2369508	0	2369508	21.49	2369508	0	2369508	21.49	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3681366	0	3681366	33.39	3681366	0	3681366	33.39	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1) :-</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRIs-Individual	0	0	0	0	0	0	0	0	0
b) Other-Individuals									
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FII	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total shareholding of promoters <b>A=(A)(1)+(A)(2)</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>6050874</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	3587	3587	0.03	0	3587	3587	0.03	0
b) Banks/FII	550	3475	4025	0.04	50	3475	3525	0.03	(-).01
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Other (Specify)	0	0	0	0	0	0	0	0	0
Sub Total (B) (1)	550	7062	7612	0.07	50	7062	7112	0.06	(-).01
<b>2. Non-Institutions</b>									
a) Bodies Corp.	672796	12658	685454	6.22	566035	12558	578593	5.25	(-).097
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	1516860	2072428	3589288	32.56	1575894	1982420	3558314	32.28	(-).028
ii) Individual shareholders holding nominal share capital in excess upto Rs. 1 lakhs	558669	0	558669	5.07	582518	0	582518	5.29	.22
c) Others(Specify)	127494	5609	133103	1.20	242080	5509	247589	2.25	1.05
<b>Sub total (B) (2)</b>	<b>2875819</b>	<b>2090695</b>	<b>4966514</b>	<b>45.05</b>	<b>2966527</b>	<b>2000487</b>	<b>4967014</b>	<b>45.06</b>	<b>0</b>
Total Public Shareholding <b>(B)=(B) (1)+(B) (2)</b>	<b>2876369</b>	<b>2091245</b>	<b>4974126</b>	<b>45.12</b>	<b>2966577</b>	<b>2007549</b>	<b>4974126</b>	<b>45.12</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>8927243</b>	<b>2091245</b>	<b>11025000</b>	<b>100</b>	<b>9017451</b>	<b>2007549</b>	<b>11025000</b>	<b>100</b>	<b>0</b>



**ANNEXURE 'D'**

**SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year at 01.04.2014			Shareholding at the end of the year 31.03.2015			% change in Share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Mr. Mukhtarul Amin	1324487	12.01	0	1324487	12.01	0	0
2	Mrs. Shahina Mukhtar	505560	4.58	0	505560	4.58	0	0
3	Mr. Zafarul Amin	181988	1.65	0	181988	1.65	0	0
4	Mrs. Nausheen Shadab	169441	1.54	0	169441	1.54	0	0
5	Mrs. Shada Fatima	41282	0.37	0	41282	0.37	0	0
6	Mr. Mohd. Shadab	14400	0.13	0	14400	0.13	0	0
7	Mr. Yusuf Amin	132350	1.20	0	132350	1.20	0	0
8	M/s Amin International Ltd	465054	4.22	0	465054	4.22	0	0
9	M/s Superhouse Accessories Ltd	550000	4.99	0	550000	4.99	0	0
10	M/s Modriba Hygiene Solutions Ltd	550000	4.99	0	550000	4.99	0	0
11	M/s Steven Construction Ltd	1315119	11.93	0	1315119	11.93	0	0
12	M/s Rojus Enterprises Ltd	275300	2.50	0	275300	2.50	0	0
13	M/s Chowdhary Overseas Ltd	525893	4.77	0	525893	4.77	0	0
	<b>Total</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>	<b>6050874</b>	<b>54.88</b>	<b>0</b>	<b>0</b>

**ANNEXURE 'E'**

**SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**iii) Detail of Top 10 Shareholders as on 31.03.2015 transacted during the period of 01.04.2014 to 31.03.2015 (Other Than Promoters):**

Sl. No.	Folio No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
			No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company
1	1201060002239844	SEETHA KUMARI	71839	0.65	31/03/2014				
					04/04/2014	611	Transfer	72450	0.66
					04/11/2014	5991	Transfer	78441	0.71
					25/04/2014	6281	Transfer	84722	0.77
					05/02/2014	7331	Transfer	92053	0.83
					05/09/2014	870	Transfer	92923	0.84
					16/05/2014	7059	Transfer	99982	0.91
					23/05/2014	13238	Transfer	113220	1.03
					13/06/2014	912	Transfer	114132	1.04
					10/03/2014	-114132	Transfer	0	0.00
					10/10/2014	114132	Transfer	114132	1.04
					17/10/2014	-114132	Transfer	0	0.00
					31/12/2014	114132	Transfer	114132	1.04
					01/09/2015	1639	Transfer	115771	1.05
					16/01/2015	1642	Transfer	117413	1.06
					27/02/2015	4311	Transfer	121724	1.10
					31/03/2015	2311	Transfer	124035	1.13
			124035	1.13					



Sl. No.	Folio No.	Name  No. of Shares	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
			No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company
2	IN30114310760168	Satish Kumar	100000	0.91	31/03/2014				
					20/03/2015	19249	Transfer	119249	1.08
			119249	1.08	31/03/2015			119249	1.08
3	IN30009510001550	Dr. Sanjeev Arora	0	0.00	31/03/2014				
					17/10/2014	18027	Transfer	18027	0.16
					24/10/2014	6055	Transfer	24082	0.22
					31/10/2014	10001	Transfer	34083	0.31
					11/07/2014	5500	Transfer	39583	0.36
					14/11/2014	14341	Transfer	53924	0.49
					21/11/2014	18101	Transfer	72025	0.65
					28/11/2014	5000	Transfer	77025	0.70
					12/05/2014	9921	Transfer	86946	0.79
					31/12/2014	2704	Transfer	89650	0.81
					01/02/2015	1000	Transfer	90650	0.82
					23/01/2015	250	Transfer	90900	0.82
			90900	0.82	31/03/2015			90900	0.82
4	IN30114310095924	Master Capital Services Ltd	102370	0.93	31/03/2014				
					04/04/2014	-335	Transfer	102035	0.93
					04/11/2014	5999	Transfer	108034	0.98
					25/04/2014	-900	Transfer	107134	0.97
					05/02/2014	-100	Transfer	107034	0.97
					16/05/2014	-50	Transfer	106984	0.97
					23/05/2014	1406	Transfer	108390	0.98
					30/05/2014	-956	Transfer	107434	0.97
					06/06/2014	875	Transfer	108309	0.98
					13/06/2014	-700	Transfer	107609	0.98
					20/06/2014	195	Transfer	107804	0.98
					30/06/2014	-2050	Transfer	105754	0.96
					07/04/2014	350	Transfer	106104	0.96
					07/11/2014	-3451	Transfer	102653	0.93
					18/07/2014	575	Transfer	103228	0.94
					25/07/2014	2005	Transfer	105233	0.95
					08/01/2014	852	Transfer	106085	0.96
					08/08/2014	-12	Transfer	106073	0.96
					15/08/2014	-1575	Transfer	104498	0.95
					22/08/2014	-3965	Transfer	100533	0.91
					29/08/2014	-11610	Transfer	88923	0.81
					09/05/2014	-18142	Transfer	70781	0.64
					09/12/2014	797	Transfer	71578	0.65
					19/09/2014	4510	Transfer	76088	0.69
					30/09/2014	-3420	Transfer	72668	0.66
					10/03/2014	-28	Transfer	72640	0.66
					10/10/2014	20	Transfer	72660	0.66
					17/10/2014	-500	Transfer	72160	0.65



Sl. No.	Folio No.	Name  No. of Shares	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
			No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company
					24/10/2014	72	Transfer	72232	0.66
					31/10/2014	-40	Transfer	72192	0.65
					11/07/2014	300	Transfer	72492	0.66
					14/11/2014	1440	Transfer	73932	0.67
					21/11/2014	4677	Transfer	78609	0.71
					28/11/2014	-82	Transfer	78527	0.71
					12/05/2014	1514	Transfer	80041	0.73
					12/12/2014	91	Transfer	80132	0.73
					19/12/2014	-559	Transfer	79573	0.72
					31/12/2014	1182	Transfer	80755	0.73
					01/02/2015	-592	Transfer	80163	0.73
					01/09/2015	-8379	Transfer	71784	0.65
					16/01/2015	84	Transfer	71868	0.65
					23/01/2015	-2567	Transfer	69301	0.63
					30/01/2015	886	Transfer	70187	0.64
					02/06/2015	300	Transfer	70487	0.64
					13/02/2015	-566	Transfer	69921	0.63
					20/02/2015	-249	Transfer	69672	0.63
					27/02/2015	1274	Transfer	70946	0.64
					03/06/2015	-5421	Transfer	65525	0.59
					13/03/2015	-261	Transfer	65264	0.59
					20/03/2015	-17989	Transfer	47275	0.43
					27/03/2015	-1901	Transfer	45374	0.41
			44946	0.41	31/03/2015	-428	Transfer	44946	0.41
5	120765000000621	Jayakumar Kishore Kumar	40580	0.37	31/03/2014				
					10/03/2014	-40580	Transfer	0	0.00
					10/10/2014	40580	Transfer	40580	0.37
					17/10/2014	-40580	Transfer	0	0.00
					31/12/2014	40580	Transfer	40580	0.37
			40580	0.37	31/03/2015			40580	0.37
6	IN30072410153429	Rajasthan Global Securities Ltd	0	0.00	31/03/2014				0.00
					16/01/2015	30110	Transfer	30110	0.27
					30/01/2015	25	Transfer	30135	0.27
					20/02/2015	5311	Transfer	35446	0.32
					27/02/2015	4936	Transfer	40382	0.37
					13/03/2015	-2886	Transfer	37496	0.34
			37496	0.34	31/03/2015			37496	0.34
7	IN30051319838688	Abhay Mal Lodha	0	0.00	31/03/2014				
					13/03/2015	30000	Transfer	30000	0.27
			30000	0.27	31/03/2015			30000	0.27
8	1202890000879127	Babalbhai Manilal Patel	37843	0.34	31/03/2014				
					30/06/2014	-1000	Transfer	36843	





Sl. No.	Folio No.	Name  No. of Shares	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)		
			No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company	
9	IN30154917938920	Jatinder Kaur			07/11/2014	-2000	Transfer	34843		
					15/08/2014	-1000	Transfer	33843		
					22/08/2014	-693	Transfer	33150		
					29/08/2014	-90	Transfer	33060		
					10/03/2014	-500	Transfer	32560		
					19/12/2014	-3100	Transfer	29460		
					26/12/2014	-900	Transfer	28560		
					31/12/2014	-200	Transfer	28360		
					01/09/2015	-1000	Transfer	27360		
					03/06/2015	-1000	Transfer	26360		
			26360	0.24	31/03/2015		26360	0.24		
			25000	0.23	31/03/2014	0	No Movement			
10	IN30075710393376	Shashi Rani Gupta			31/03/2015			25000	0.23	
					31/03/2014	0	No Movement			
						24217	0.22	31/03/2015		24217

**ANNEXURE 'F'**

**SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**IV) Share Holding of Directors and Key Managerial Personnel :-**

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company
1	Mr. Mukhtarul Amin	1324487	12.01		0	There is no change	1324487	12.01
2	Mrs. Shahina Mukhtar	505560	4.58		0	There is no change	505560	4.58
3	Mr. Zafarul Amin	181988	1.65		0	There is no change	181988	1.65
4	Mr. Mohd Shadab	14400	.13		0	There is no change	14400	.13
5	Mr. Vinay Sanan	1445	0.01		0	There is no change	1445	0.01
6	Mr. Anil Kumar Agarwal	26	0		0	There is no change	26	0

**ANNEXURE 'G'**

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

Name	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	55,23,38,757.00	-	-	55,23,38,757.00
ii) Interest due but not paid	43,82,418.00	-	-	43,82,418.00
iii) Interest accrued but not due.	7,04,167.00	-	-	7,04,167.00
<b>Total(i+ii+iii)</b>	<b>55,74,25,342.00</b>	<b>-</b>	<b>-</b>	<b>55,74,25,342.00</b>



Name	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
- Addition	29,61,77,819.00	–	–	29,61,77,819.00
- Reduction	27,65,94,768.00	–	–	27,65,94,768.00
<b>Net Change</b>	<b>1,95,83,051.00</b>	<b>–</b>	<b>–</b>	<b>1,95,83,051.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	57,20,83,316.00	–	–	57,20,83,316.00
ii) Interest due but not paid	41,31,154.00	–	–	41,31,154.00
iii) Interest accrued but not due	7,93,923.00	–	–	7,93,923.00
<b>Total(i+ii+iii)</b>	<b>57,70,08,393.00</b>	<b>–</b>	<b>–</b>	<b>57,70,08,393.00</b>

**ANNEXURE 'H'**

**VI - A. Remuneration to Managing Director, Whole-time Directors and/or manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager Designation						Total Amount
		Mr. Mukhtarul Amin Chairman and Managing Director	Mrs. Shahina Mukhtar Wholetime Director	Mr. Zafarul Amin Joint Managing Director	Mr. Vinay Sanan Executive Director	Mr. Mohd. Shadab Wholetime Director	Mr. Anil Kumar Agarwal Director Finance	
1	Gross Salary							
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1960	4800000	1800000	2935716	2898288	2125736	1243513	15803253
	(b) Value of perquisites u/s 17(2) Income Tax Act.1961	0	0	0	0	0	0	0
	(C) Profits in lieu of salary under section 17(3) Income Tax Act.1961	0	0	0	0	0	0	0
2	Stock Option	0	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0	0
4	Commission : as % of profit : Others specify	15400000	7700000	7700000	0	0	0	30800000
5	Others							
	: P.F.	576000	216000	352284	194400	153582	114549	1606815
	: Club Fees	5398	0	1145532	0	0	0	1150930
	: Medical	6905	750	0	0	58067	43643	109365
	: L.T.C.	450353	322518	0	0	0	81825	854696
	: Leave Encashment	276923	103846	169368	0	0	0	550137
	<b>Total (A)</b>	<b>21515579</b>	<b>10143114</b>	<b>12302900</b>	<b>3092688</b>	<b>2337385</b>	<b>1483530</b>	<b>50875196</b>
	Ceiling as per the Act.	509.26 Lacs (being 10% of the net profit of the company as per Section 198 of the Companies Act, 2013)						



**ANNEXURE 'I'**

**B. Remuneration to other directors :**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager Designation						Total Amount
		Mr. Kamal Agarwal	Mr. Syed Javed Ali Hashmi	Mr. Nemi Chand Jain	Mr. Anil Soni	Mr. Krishna Kumar Agarwal	Mr. Dilip Kumar Dheer	
1	Independent Directors : Fee for attending board committee meeting : Commission : Other (Director Travelling)	1000 0 0	2000 0 0	4000 0 0	1000 0 0	1000 0 0	3000 0 0	12000 0 0
	<b>Total (1)</b>	<b>1000</b>	<b>2000</b>	<b>4000</b>	<b>1000</b>	<b>1000</b>	<b>3000</b>	<b>12000</b>
2	Other Non Executive Directors : Fee for attending board committee meeting. : Commission : Other Total (2)	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
	<b>Total (B) = (1+2)</b>	<b>1000</b>	<b>2000</b>	<b>4000</b>	<b>1000</b>	<b>1000</b>	<b>3000</b>	<b>12000</b>
	Total Managerial Remuneration(A+B)	0						50887196
	Ceiling as per the Act.	Rs. 555.14 Lacs (being 11% of the net profit of the company calculated as per Section 198 of the Companies Act, 2013)						

**ANNEXURE 'J'**

**C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration	Designation			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act. 1961 (b) Value of perquisites u/s 17(2) Income Tax Act.1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act.1961		976575		976575
2	Stock Option	Covered under Chairman and	0	Covered under Director	0
3	Sweat Equity	Managing Director	0	Finance	0
4	Commission : as % of profit : Others specify		0		0
5	Others : P.F. : Club Fees : Medical : L.T.C. : Leave Encashment		88677 0 0 0 48965		88677 0 0 0 48965
	<b>Total</b>				<b>1114217</b>



**DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013**

**Statement of Particulars of Employees Pursuant to Provisions of Section 197 (12) of the Companies Act 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Employed through out the Financial Year 2014-15

Name	Designation	Age	Qualifications	Date of Commencement of employment	Experience (Year)	Gross	Previous Employment
Mr. Mukhtarul Amin	Chairman and Managing Director	63	B.Sc.	02.09.1984	42	21515579/-	N. A.
Mr. Zafarul Amin	Joint Managing Director	32	Leather Technologist	30.01.2002	13	12302900/-	N. A.
Mrs. Shahina Mukhtar	Wholetime Director	59	Graduate	14.01.1980	35	10143114/-	N. A.

Notes :-

- All appointments are contractual and terminable by notice on either side.
- Mr. Mukhtarul Amin, Mrs. Shahina Mukhtar, Mr. Zafarul Amin and Mr. Mohammed Shadab, directors of the company are relatives of each other.
- No employee was employed for a part of the financial year who was in receipt of remuneration of Rs 5.00 lacs or more per month.

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:-

Sr. No.	Name of Director/KMP And Designation	Remuneration of Director/ KMP for the Financial year 2014-15 (Rs. In Lacs)	% increase in Remuneration In the Financial Year 2014-15	Ratio of remuneration of each Director/to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. Mukhtarul Amin	215.16	1.70%	195.70	Profit before tax increased by 2.73% and profit after tax increased by .06% during the financial year.
2	Mr. Zafarul Amin	123.03	11.83%	111.95	
3	Mrs. Shahina Mukhtar	101.43	2.89%	92.29	
4	Mr.Mohd. Shadab	23.37	85.15%	21.26	
5	Mr. Vinay Sanan	30.93	—	28.14	
6	Mr. Anil Kumar Agarwal	14.84	20.86%	N.A.	
7	Mr. R K Agrawal	10.65	9.70%	N.A.	

- The median remuneration of employees of the Company during the financial year was Rs. 1.10 Lacs.
- In the financial year, there was an increase of 25.39% in the median remuneration of employees;
- There were 1844 permanent employees on the rolls of Company as on March 31, 2015.
- Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March,31,2015 increased by 2.73%, whereas the increase in median remuneration was 25.39%. The average increase in median remuneration was in excess of performance of the Company.
- Comparison of Remuneration of the Key Managerial Personnel (s) against the performance of the Company:- The total remuneration of Key Managerial Personnel increased by 6.92% from Rs 485.80 Lacs in 2013-14 to Rs 519.40 Lacs in 2014-15, whereas the Profit before Tax increased by 2.73% to Rs 5093.12 Lacs in 2014-15 (Rs. 4957.99 Lacs in 2013-14).
- Variations in the market capitalization of the Company:- The market capitalization as on March 31, 2015 was Rs. 229.65 crores (Rs. 102.81 crores as on March 31,2014). Price Earnings ratio of the Company was 7.07 as at March 31,2015 and was 3.17 as at March 31, 2014. The company came out with the last public offer of the Equity Shares in June, 1990 at the rate of Rs. 15/- per share including premium of Rs. 5/- per share. The market quotation of the equity share of the company as on 31<sup>st</sup> March, 2015 was Rs. 208.30, indicating compounded Annual Growth of 11.59% on full year basis. This excludes the dividend accrued and paid by the company during the period.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e.2014-15 was 17.33% whereas the increase in the managerial remuneration for the same financial year was 6.86 %.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year –Not Applicable; and
- It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



**ANNEXURE V TO DIRECTORS' REPORT**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> March, 2015**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

To,  
**The Members,**  
**Super House Limited,**  
**150 Feet Road, Jajmau**  
**Kanpur.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Superhouse Ltd.(hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Superhouse Ltd. for the financial year ended on 31<sup>ST</sup> March, 2015 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ;**(Not applicable to the Company during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**
- (6) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with other laws as per representation given by the company, some of which are as follows:
  1. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
  2. Employees' State Insurance Act, 1948,
  3. The Payment of Gratuity Act 1972
  4. The Payment of Bonus Act, 1965
  5. U.P. Shop and Commercial Establishments Act 1962
  6. Service Act under Finance Act 1994
  7. Uttar Pradesh- Value Added Tax.



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

**These will be effective from 01.07.2015 & hence not applicable to the Company during the audit period.**

- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange Limited ;

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

We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

As informed, the Company has responded to notices of statutory/regulatory authorities.

I further report that during the audit period, there were no other events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. during the period under review.

Place :Kanpur  
Date :30<sup>th</sup>July,2015

Signature  
Banthia and Company  
Company Secretaries  
G.K. Banthia(Prop.)  
ACS No.:4933; CP No.:1405

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**'Annexure A'**

**To,  
The Members,  
Super House Limited,  
150 Feet Road,Jajmau  
Kanpur.**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company.  
Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 30<sup>th</sup> July 2015  
Place: Kanpur

Signature:  
Banthia and Company  
(G.K. Banthia Prop.)  
Practising Company Secretary  
Membership ACS4933;C.P.No.1405



## **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 for investor protection. Good Corporate Governance provides an appropriate framework 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 and one is women director.

Mr. Vinay Sanan (00014536) retires by rotation at the ensuing Annual General Meeting and being eligible, he offers himself for re-election.

### **3. Selection of Independent Directors:-**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, in every financial year, gives a declaration that he meets the criteria of independence as provided under law. The terms and conditions of appointment of Independent Directors are disclosed at the Companies' Website at the link <http://superhouse.in/pdf/Terms-and-Conditions.pdf>.

### **4. Familiarisation programmes for Board Members:-**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors held during the year. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://superhouse.in/pdf/Familiarisation-Programme.pdf>.

### **5. Meeting of Independent Directors :-**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and to present their views to the Chairman and Managing Director.

One meetings of Independent Directors were held during the year.

### **6. Directors' Profile :-**

Brief profiles of directors of the Company are given below :-

Mr. Mukhtarul Amin (DIN: 00012108) is a science graduate and joined the board of the company on 02.09.1984. He is one of the promoter directors of the company having enriched experience of 42 years in Leather Industry. He was born on 17.02.1952. He established many units specializing in manufacturing and export of Leather, Leather Products 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 Briggs Industrial Footwear Limited, U.K. v- M/s Linea De Seguridad S.L. Spain. vi- Superhouse GmbH, Germany, 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 established under the aegis of Ministry of Commerce and Industry. Mr. Mukhtarul Amin has been Chairman of Council for Leather Export and Footwear Design Development Institute working under the aegis of Ministry of Commerce and Industry . He is also chairman of Corporate Social Responsibility Committee and Risk Management Committee. 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 (DIN: 00015442) joined the board of the company on 14.01.1980. She is one of the promoter directors of the company having enriched experience of 35 years in Leather Industry. She was born on 05.01.1956. She is also director of M/s Superhouse Educational Foundation. She is not a member of any committee of directors. 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 (DIN: 00015533) is a Leather Technologist and joined the board of the company on 30.01.2002. He is one of the promoter directors of the company having enriched experience of 13 years in Tanning, Export Marketing and Administration. He was born on 27.01.1983. He is neither director in any other body corporate nor a member of the committee of directors. 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. Nemi Chand Jain (DIN: 00031283) is previous Chairman of Income Tax Settlement Commission and joined the board of the company on 05.09.2005. He was born on 16.05.1939. He is also director of M/s Laws4 India Consultants Pvt. Limited. He is not a member of any committee of directors. 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 (DIN: 00014536) is a graduate and having experience in management and export marketing and joined the board of the company 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. He is not a member of any committee of directors. He is not related to any director of the company.

Mr. Mohammad Shadab (DIN: 00098221) is a footwear technologist from Leicester College, UK and joined the board of the company on 22.08.1998 He is having experience in management and export marketing. He was born on 16.01.1977. He is running Fashion Shoe Units of the company. He is neither director in any other body corporate nor a member of any committee of directors. 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. Anil Kumar Agarwal (DIN: 00014645) is a Chartered Accountant and joined the board of the company 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, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility and Risk Management Committee of the company. He is not related to any director of the company.

Mr. Syed Javed Ali Hashmi (DIN: 00014726) is a M.F.C from Aligarh University and joined the board of the company on 30.01.2010. He is having enriched experience in Finance and Administration. 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 chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee and member of Corporate Social Responsibility and Risk Management 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 (DIN: 00022904) is a graduate and joined the board of the company on 28.01.2006. He is having experience in management and export marketing. 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, Nomination and Remuneration Committee and Stakeholders Relationship 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.

Dr. Krishna Kumar Agarwal (DIN: 00022719) is a well known Doctor of Kanpur and joined the board of the company on 06.03.2004. He is having vast experience in the medical field. He was born on 31.01.1953. He is also director of M/s Innovarka International Pvt. Ltd. He is not a member of any committee of directors. 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 (DIN: 00023188) is a graduate and having vast experience in Automobile Industry and joined the board of the company on 06.03.2004. He was born on 22.08.1961. He is also director of M/s i- Agriyah Safety Gear Pvt. Limited ii- M/s Agriyah International LLP. He is not a member of any committee of directors 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 (DIN: 0003341879) is a B. Tech from I I T Kanpur and joined the board of the company on 13.11.2010. He is having enriched experience in Finance and Administration. He was born on 01.03.1950. He is also director of M/s Knowledgehouse Limited and member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility and Risk Management 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 five Board Meetings were held. The dates of the meetings were as follows :- 30<sup>th</sup> May, 2014, 01<sup>st</sup> July, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 14<sup>th</sup> February, 2015.

The composition of the Board of Directors as on 31<sup>st</sup> March, 2015, 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	3	No	15	0	2
Mr. Zafarul Amin	Joint Managing Director	3	Yes	0	0	0
Mrs. Shahina Mukhtar	Executive Director	1	No	1	0	0
Mr. Vinay Sanan	Executive Director	3	No	2	0	0
Mr. A. K. Agarwal	Executive Director	4	Yes	9	4	0
Mr. Mohd. Shadab	Executive Director	4	Yes	0	0	0
Mr. N. C. Jain	Director, Independent	3	No	1	0	0
Dr. K. K. Agarwal	Director, Independent	1	No	1	0	0
Mr. Anil Soni	Director, Independent	1	No	2	0	0
Mr. Kamal Agarwal	Director, Independent	1	No	1	3	0
Mr. Dilip Kumar Dheer	Director, Independent	4	No	1	5	0
Mr. Syed Javed Ali Hashmi	Director, Independent	2	No	8	2	3





**7. Audit Committee :-**

During the year, five meetings were held one of which was held before finalization of accounts. The said meetings were held on 30th May, 2014, 1st July, 2014, 14th August, 2014, 14th November, 2014 and 14th February, 2015.

The composition of the Audit Committee and attendance of each member of the Committee as on 31st March, 2015 is given below :-

**Composition of the Committee**

Name	Category	Designation	No of Meetings Attended
Mr. Syed Javed Ali Hashmi	Non Executive- Independent	Chairman	4
Mr. Kamal Agarwal	Non Executive-Independent	Member	1
Mr. Dilip Kumar Dheer	Non Executive-Independent	Member	5
Mr. Anil Kumar Agarwal	Executive	Member	2

**Brief description of terms of reference:**

**Powers of the Audit Committee**

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

**Role of the Audit Committee inter alia, includes the following:**

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and the fixation of audit fees and other terms of appointment.

Approving payment to statutory auditors, including cost auditors for any other services rendered by them.

Reviewing with the management, annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- Significant adjustments made in financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of related party transactions.
- Qualifications in draft audit report.

Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

Reviewing with the management, the statement of uses / application of funds.

Reviewing and monitoring the auditors independence and performance and effectiveness of the audit process.

Approval or any subsequent modification of transactions of the Company with related parties.

Scrutiny of inter corporate loans and investments.

Valuation of undertakings or assets of the Company, wherever it is necessary.

Evaluation of internal financial controls and risk management systems.

Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems.

Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department reporting structure, coverage and frequency of internal audit.

Discussion with internal auditors, any significant findings and follow up there on.

Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board.

Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

To review the functioning of the Whistle Blower mechanism.

Approval of appointment of the CFO (i.e. the whole-time/Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate.

Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.

Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

Reviewing the following information:-

- The Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letter/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of internal auditors / chief internal auditor.



To call for comments of the auditors about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issues with the internal and statutory auditors and the management of the Company.

**8. Nomination and Remuneration Committee :-**

The company had formed a Nomination and Remuneration Committee and this Committee consists of Mr. Syed Javed Ali Hashmi, Mr. Kamal Agarwal and Mr. Dilip Kumar Dheer. The constitution of the Remuneration Committee and attendance of each member of the Committee as on 31st March, 2015 is given below :-

**Composition of the Committee**

Name	Category	Designation	No of Meetings Attended
Mr. Syed Javed Ali Hashmi	Non Executive- Independent	Chairman	2
Mr. Kamal Agarwal	Non Executive-Independent	Member	1
Mr. Dilip Kumar Dheer	Non-Executive- Independent	Member	2

**Meeting Details**

During the year, two meetings were held on 7th July, 2014 and 14th February, 2015.

The remuneration policy presently followed by the company to fix the remuneration of Executive/Whole-time Directors take 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 2014-2015 are as under :-

Sl. No	Name of Directors	Remuneration paid during the year 2014-15								Total
		Salary	P.F.	Per-Quisites	Bonus/ LTC/ Ex-gratia	Commission	Sitting Fee	Allow-ances	Notice Period	
<b>Executive/Whole-time Directors</b>										
1.	Mr. Mukhtarul Amin	5076923	576000	12303	450353	15400000	0	0	0	21515579
2.	Mrs. Shahina Mukhtar	1903846	216000	750	322518	7700000	0	0	0	10143114
3.	Mr. Zafarul Amin	3105084	352284	1145532	0	7700000	0	0	0	12302900
4.	Mr. Vinay Sanan	2685462	194400	77880	134946	0	0	0	0	3092688
5.	Mr. A. K. Agarwal	1243513	114549	43643	81825	0	0	0	0	1483530
6.	Mr. Mohd. Shadab	2125736	153582	58067	0	0	0	0	0	2337385
<b>Non Executive Directors</b>										
7.	Mr. N.C.Jain	0	0	0	0	0	4000	0	0	4000
8.	Mr. Anil Soni	0	0	0	0	0	1000	0	0	1000
9.	Mr. Kamal Agarwal	0	0	0	0	0	1000	0	0	1000
10.	Mr. Dilip Kumar Dheer	0	0	0	0	0	3000	0	0	3000
11.	Mr. K. K. Agarwal	0	0	0	0	0	1000	0	0	1000
12.	Mr. Syed Javed Ali Hashmi	0	0	0	0	0	2000	0	0	2000

**The Terms of Reference of the Committee, inter alia, includes the following:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance .
- To formulate the criteria for determining qualifications, positive attributes and Independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s) and Wholetime Director(s) based on their performance and defined assessment criteria:
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme, if any.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**9. Stakeholders Relationship Committee:**

During the year fourteen meetings of Stakeholders Relationship Committee were held. The said meetings were held on 10th April, 2014, 30th May, 2014, 20th June, 2014, 1st July, 2014, 14th August, 2014, 10th October, 2014, 14th November, 2014, 21st November, 2014, 29th November, 2014, 20th December, 2014, 7th January, 2015, 14th February, 2015, 28th February, 2015 and 31st March, 2015.



The details of composition of Stakeholders Relationship Committee/Investors Grievances Committee and attendance of each member of the Committee as on 31st March, 2015 is as under :-

**Composition of the Committee**

Sl. No.	Name	Category	Designation	No of Meetings Attended
1.	Mr. Syed Javed Ali Hashmi	Non-Executive-Independent	Chairman	12
2.	Mr. Kamal Agarwal	Non-Executive-Independent	Member	1
3.	Mr. Dilip Kumar Dheer	Non-Executive-Independent	Member	14
4.	Mr. Anil Kumar Agarwal	Executive	Member	3

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders'/ investors' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

**The Terms of Reference of the Committee, inter alia, includes the following:**

- Oversee and review all matters connected with the transfer of the Company's securities .
- Approve issue of the Company's duplicate share / debenture certificates.
- Monitor redressal of investors'/shareholders'/ security holders' grievances.
- Oversee the performance of the Company's Registration and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time or modification as may be applicable.

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

The Company has received 16 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, 2015.

**10. Constitution of Corporate Social Responsibility Committee:**

**Composition of the Committee**

Sl. No.	Name	Category	Designation	No of Meetings Attended
1.	Mr. Mukhtarul Amin	Chairman and Managing Director	Chairman	3
2.	Mr. Anil Kumar Agarwal	Director Finance	Member	2
3.	Mr. Syed Javed Ali Hashmi	Non-Executive-Independent	Member	1
4.	Mr. Dilip Kumar Dheer	Non-Executive-Independent	Member	3

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy', observe practices of Corporate Social Responsibility at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into the matters related to sustainability and overall governance.

**The Terms of Reference of the Committee, inter alia, includes the following:**

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the framework of the CSR Policy.
- To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities.
- To observe corporate governance practices at all levels and to suggest remedial measures wherever necessary.
- To ensure compliance with corporate governance norms prescribed under Listing Agreements with Stock Exchanges, the Companies Act and other statutes or any modification or re-enactment thereof.
- To advise the Board periodically with respect to significant developments in the law and practice of corporate governance, and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines.
- To monitor the Company's compliance with Corporate Governance Guidelines and applicable laws and regulations, and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate.
- To review and assess the adequacy of the Company's Corporate Governance Manual, Code of Conduct for Directors and Management Personnel.
- To formulate / approve codes and / or policies for better governance.
- To provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- To disseminate factually correct information to investors, institutions and the public at large.
- To establish oversight on important corporate communication on behalf of the Company with the assistance of consultants / advisors, if necessary.



- To ensure institution of standardized channels of internal communications across the Company to facilitate a high level of disciplined participation.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

**11. Risk Management:-**

During the year under review your directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the board in (1) To carry out risk assessment from time to time especially with regard to foreign exchange variation, threat to fixed assets, current assets and investments of the company, any risk pertaining to directors or employees of the company and risk pertaining to goodwill and image of the company. (2) To frame, update and monitor risk management plan and policy from time to time. (3) To suggest and monitor risk minimization procedures from time to time. (4) To keep the Board apprised of major developments in this regard.

The company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objects.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across the company wide Risk Management, Internal Control and Internal Audit methodologies and processes.

**12. Vigil Mechanism:-**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://superhouse.in/pdf/Vigil-Mechanis-and-Whistle-Blower-Policy.pdf>.

**13. General Body Meetings :-**

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

Year	Date and Time	Location	Special Resolution
2011-12	29th September, 2012 at 10.00 A.M	150 Feet Road, Jajmau, Kanpur-208010	No Special Resolution was passed
2012-13	30th September, 2013 at 10.00 A.M	150 Feet Road, Jajmau, Kanpur-208010	One Special Resolution passed
2013-14	23rd September, 2014 at 10.00 A.M	150 Feet Road, Jajmau, Kanpur-208010	Seven Special Resolutions were passed

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

**b. Passing of resolution by Postal Ballot :-**

During the year under review, the member of the company have approved amendments in Objects Clause and other Clauses of the Memorandum of Association of the company by passing two special resolutions through postal ballot. Both the resolutions were approved by promoter and promoter group by 100% of their votes polled, by public-others by 98.58% of their votes polled. The public-institutional holders did not voted on the resolutions. Hence, both the resolutions were passed by 99.99% of total votes polled.

The board appointed Mr. Gautam Kumar Banthia a Practicing Company Secretary, Kanpur as Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner. At the forthcoming Annual General Meeting , there is no item on the agenda that needs approval by Postal Ballot.

**14. Disclosures :-**

**i. Related Party Transactions :-**

All transactions entered into with the Related Parties as defined under the Companies Act,2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the note 36 of notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form the transaction with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Clause 49, the Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. The Policy is available on the website of the company <http://superhouse.in/pdf/Policy-on-Materiality.pdf>.

None of the transactions with related parties were in conflict with the interest of the company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis on fair value.

**ii. Details of non compliance by the Company:-**

The company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non compliance of any matter related to the capital markets during the last three years.

**iii. Whistle Blower Policy:-**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the



unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

iv. **Compliance with Governance Framework:-**

The company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement. Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

v. **Disclosure of Accountanting Treatment :-**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

vi. **Risk Management:-**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

vii. **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, 2014	No of shareholders: 4752 No. of share : 283267
ii Number of shareholders who approached the company for transfer of shares from the Unclaimed Suspense Account during the year.	35
iii Numbers of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	35
iv. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31st March, 2015.	No. of Shareholders: 4717 No. of Shares : 280072

15. **Governance Codes:-**

**The Code of Conduct :** The Company has in place a comprehensive Code of Conduct applicable to all the employees and Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities.

**Our Code :** Our Code gives guidance and support needed for ethical conduct of business and compliance of law. Our Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information :** In terms of the SEBI (Prohibition of Insider Trading) Regulation 2015, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been formulated by the Company.

The above Codes have also been put on the Company's website ([www.superhouse.in](http://www.superhouse.in)) and circulated to Directors and employees and other concerned persons.

16. **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 institutional investors or analysts, however official news releases are being placed on the website of the company. The financial results are displayed on the company's website [www.superhouse.in](http://www.superhouse.in).

17. **General Shareholders Information :-**

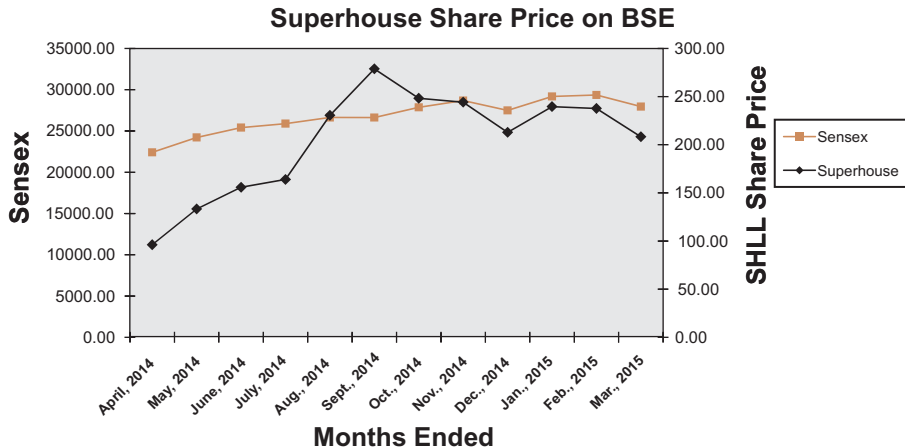
i. Date of Annual General Meeting, time and venue	23 <sup>rd</sup> September, 2015 at 10.00 A.M. at 150 Feet Road, Jajmou, Kanpur-208010
ii. <b>Financial Calendar</b> Ist Quarterly Results IInd Quarterly Results IIIrd Quarterly Results IVth Quarterly Results Annual General Meeting	During second week of August, 2015 During second week of November, 2015 During second week of February, 2016 During last week of May, 2016 During last week of September, 2016
iii. <b>Date of Book Closure</b>	10 <sup>th</sup> September, 2015 to 23 <sup>rd</sup> September, 2015 (both days inclusive)
iv. <b>Dividend Payment Date</b>	Credit/dispatch of dividend warrants between 24 <sup>th</sup> September, 2015 and 30th September, 2015.
v. <b>Listing at Stock Exchanges</b>	The Stock Exchange, Mumbai and The National Stock Exchange of India Ltd.
vi. a. <b>Stock Code</b>	523283 at BSE SUPERHOUSE at NSE
b. <b>Demat/ISIN for NSDL and CDSL</b>	INE 712B01010



vii. Stock Market price data of the company for the year 2014-2015 are as follows :-

Months	The Stock Exchange, Mumbai	
	Highest (Rs.)	Lowest (Rs.)
April, 2014	105.85	86.50
May, 2014	144.50	95.60
June, 2014	163.80	121.15
July, 2014	191.00	154.35
August, 2014	257.50	145.00
September, 2014	295.00	212.10
October, 2014	295.90	230.00
November, 2014	276.00	226.35
December, 2014	244.70	179.85
January, 2015	273.25	211.10
February, 2015	245.00	208.50
March, 2015	259.80	198.30

viii. Performance of the Company's Equity Shares vis-a-vis the Mumbai Stock Exchange Sensex (Closing Rates) :-



ix. 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  
Email: viren@skylinerta.com

x. 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.

xi. a. Distribution of Shareholders:- Distribution of shareholding as at 31st March, 2015 are as under :-

Range	No. of Members	%age	No. of Shares held	%age
Upto- 500	32056	97.68	2697791	24.47
501- 1000	407	1.24	310062	2.81
1001-2000	174	0.53	257173	2.33
2001-3000	52	0.16	129890	1.18
3001-4000	29	0.09	104411	0.95
4001-5000	19	0.06	88495	0.80
5001-10000	38	0.12	277637	2.52
10001- above	41	0.12	7159541	64.94
<b>TOTAL</b>	<b>32816</b>	<b>100.00</b>	<b>11025000</b>	<b>100.00</b>



b. Shareholding Pattern as at 31<sup>st</sup> March, 2015 is as under :-

Category		No. of shares held	Percentage of Shareholding
<b>A Promoter's Holding (1+2)</b>		<b>6050874</b>	<b>54.88</b>
1.	Promoters		
	Indian Promoters	6050874	54.88
	Foreign Promoters	–	–
2.	Persons acting in Concert	–	–
<b>Sub -Total</b>		<b>6050874</b>	<b>54.88</b>
<b>B. Non- Promoters Holding ( 3+4)</b>		<b>4974126</b>	<b>45.12</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>	3525	0.03
c.	FIs	–	–
4.	<b>Others</b>		
a.	Private Corporate Bodies	578593	5.25
b.	Indian Public	4192246	38.03
c.	NRI's/OCBs	196175	1.78
d.	Any Other(Please specify)	–	–
<b>Sub-Total (3+4)</b>		<b>4974126</b>	<b>45.12</b>
<b>GRAND TOTAL (A+B)</b>		<b>11025000</b>	<b>100.00</b>

xii. a. 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, 2015 is as under :-

Total No. of Equity Shares : 11025000  
 Total No. of Shareholders/Beneficial Owners : 32816

Mode	No of Equity Shares		% of Equity Shares	
Physical		2007549		18.21
Demat		9017451		81.79
National Securities Depository Limited	8051725		73.03	
And Central Depository Services Limited	965726		8.76	
<b>TOTAL</b>		<b>11025000</b>		<b>100%</b>

b. Liquidity :- The Company's Equity Shares are regularly traded on the Stock Exchange, Mumbai and The National Stock Exchange of India Limited in the compulsory Demat Segment.

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

xiv. Plant Location :-

Name of Division	Location
Fashion Shoe Division I	D-15, UPSIDC Industrial Area, Site-II, Unnao-209801
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, UPSIDC Industrial Area, Site-II, Unnao-209801
Tannery II	B-16, UPSIDC Industrial Area, Site-II, Unnao-209801
Shoe Upper Division	71-A, Jajmau, Kanpur-208010
Safety Footwear Division I	B-6, UPSIDC Industrial Area, Site-I, Unnao-209801
Safety Footwear Division II	Banthal, 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, Sikandarabad, 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



**xv. Address for Communication**

150 FEET ROAD, JAJMAU, KANPUR-208010  
Phone No. (0512) 2462124, 2465995  
Fax No. (0515) 2829325, Email share@superhouse.in

**18. CEO and CFO Certification:-**

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

**Certificate on Compliance with Code of Conduct:-**

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2014-15.

**(MUKHTARUL AMIN)**  
**Chairman and Managing Director**

**Kapoor Tandon & Co.**

**Chartered Accountants**

21, Daya Nand Marg, Above Muthoot Finance,  
Darya Ganj, Delhi-110003



**Branches :**

- ★ 24/57, First Floor, Birhana Road,  
Kanpur-208-001
- ★ C/o Rajesh Parasramka,  
Room No. 1577, IIIrd Floor, Building No. 42B,  
Gangadhar Cooperative Housing Society  
Vartak Nagar, Thane (West)-400606

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The members**  
**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, 2015, 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  
Firm Reg.No. 000952C

**(RAJESH PARASRAMKA)**

PARTNER.  
M No. 074192

PLACE : KANPUR  
DATE : 30<sup>th</sup> July, 2015





## Kapoor Tandon & Co.

### Chartered Accountants

21, Daya Nand Marg, Above Muthoot Finance,  
Darya Ganj, Delhi-110003



### Branches :

- ★ 24/57, First Floor, Birhana Road,  
Kanpur-208001
- ★ C/o Rajesh Parasramka,  
Room No. 1577, IIIrd Floor, Building No. 42B,  
Gangadhar Cooperative Housing Society  
Vartak Nagar, Thane (West)-400606

## INDEPENDENT AUDITORS' REPORT

### To the Members of Superhouse Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Superhouse Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 38 to the financial statements;
- ii. In our opinion and as per the information and explanations provided to us, the company has not entered into any long term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

PLACE : KANPUR  
DATE : 30<sup>th</sup> July, 2015

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

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone financial statements of Superhouse Limited ("the Company") for the year ended March 31, 2015]

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its 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.
- ii. (a) The inventories of the Company have been physically verified by the management at regular interval during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) 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 189 of the Act excepting unsecured loan/advance to two such public limited companies and interest free unsecured loan to two Wholly Owned Subsidiaries.
- (b) No irregularity was noticed during the year in respect of repayment of principal amount and interest on loan, wherever stipulated.
- (c) There is no amount overdue in respect of loans granted to companies/firms or other parties listed in the register maintained under Section 189 of the Act.
- iv. In our opinion, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposit from the public and accordingly the provisions of clause (v) of paragraph 3 of the Order are not applicable during the year.
- vi. In our opinion and according to information and explanations given to us, the requirement of maintenance of Cost Records pursuant to Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under sub-section (1) of Section 148 of the Act are not applicable to the company for the year under audit.



- vii. (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and which have not been deposited on account of any dispute, except mentioned as below:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (Rs.)
Trade Tax and Central Sales Tax Act	Tax & interest	Joint Commissioner of Trade Tax	2001-02, 2005-06 & 2009-10	2,39,303
		Dy. Commissioner of Trade Tax	2008-09	7,28,106
	Entry Tax	Joint Commissioner of Trade Tax	2005-06	5,86,500
Income Tax Act, 1961	Income Tax & Interest	CIT (Appeals) Kanpur	A.Y. 2010-11	9,39,370
		ITAT (Appeals), Lucknow	A.Y. 2007-08 & 2008-09	159,99,260
	Income Tax (TDS) & Interest	CIT (Appeals), Kanpur	A.Y. 2010-11 & 2015-16	24,84,848

- (c) According to the information and explanations given to us, the amount that required to be transferred to Investors Education and Protection Fund during the year in accordance with the relevant provisions of the Companies Act, 1956 and rules framed thereunder has been transferred to such fund within time.
- viii. The company does not have any accumulated losses as at the end of the year and has not incurred cash losses during the financial year covered by audit report and in the immediately preceding financial year.
- ix. According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders during the year.
- x. The company has given corporate guarantees aggregating to Rs. 51,18.76 Lacs for loans taken by its wholly owned subsidiaries (WOS) from Banks. The terms and conditions thereof are, prima facie, not prejudicial to the interest of the company.
- xi. In our opinion, the term loans have been applied for the purposes for which they were obtained.
- xii. 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.

PLACE : KANPUR  
DATE : 30<sup>th</sup> July, 2015

**FOR KAPOOR TANDON & CO.**  
Chartered Accountants  
Firm Reg.No. 000952C  
**(RAJESH PARASRAMKA)**  
PARTNER.  
M No. 074192



**BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No.	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (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	2,117,114,640	1,824,858,146
		<b>2,231,312,358</b>	1,939,055,864
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	4	345,754,534	352,532,681
(b) Deferred Tax Liabilities (Net)	5	140,694,000	140,610,000
		<b>486,448,534</b>	493,142,681
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	6	1,350,398,561	1,221,032,054
(b) Trade Payables	7	996,837,212	1,003,372,117
(c) Other Current Liabilities	8	580,819,876	603,667,455
(d) Short Term Provisions	9	48,693,762	76,917,242
		<b>2,976,749,411</b>	2,904,988,868
<b>TOTAL</b>		<b>5,694,510,303</b>	<b>5,337,187,413</b>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	1,627,375,093	1,591,553,127
(ii) Intangible Assets		2,261,882	3,357,873
(iii) Capital Work-in-Progress		161,834,571	32,193,285
(b) Non Current Investments	11	349,711,523	323,072,723
(c) Long Term Loans and Advances	12	102,771,823	70,554,279
		<b>2,243,954,892</b>	2,020,731,287
<b>2. Current Assets</b>			
(a) Inventories	13	1,732,964,367	1,451,704,068
(b) Trade Receivables	14	1,051,636,072	1,263,547,619
(c) Cash and Bank Balances	15	284,237,051	258,058,697
(d) Short Term Loans and Advances	16	164,118,298	153,741,977
(e) Other Current Assets	17	217,599,623	189,403,765
		<b>3,450,555,411</b>	3,316,456,126
<b>TOTAL</b>		<b>5,694,510,303</b>	<b>5,337,187,413</b>

**Significant Accounting Policies** 1

See accompanying notes to the financial statements.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
*Chartered Accountants*  
 Firm Reg. No. 000952C

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

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	Note No.	2014-15 (Rupees)	2013-14 (Rupees)
<b>REVENUE</b>			
Revenue from operations (gross)	18	7,100,531,409	6,695,369,693
Less: Excise Duty		<u>34,339,795</u>	<u>35,499,919</u>
Revenue from operations (net)		7,066,191,614	6,659,869,774
Other Income	19	53,993,714	57,665,991
<b>Total Revenue</b>		<u><u>7,120,185,328</u></u>	<u><u>6,717,535,765</u></u>
<b>EXPENSES</b>			
Cost of Materials consumed	20	3,893,626,032	3,570,568,007
Purchases of Stock-in-trade	21	537,791,668	515,294,350
(Increase)/decrease in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	22	(153,986,331)	(64,798,312)
Employee Benefits Expense	23	417,311,796	355,353,056
Finance Costs	24	190,684,076	233,413,270
Depreciation and Amortisation	25	132,480,908	130,508,704
Other Expenses	26	1,592,965,122	1,481,397,602
<b>Total Expenses</b>		<u><u>6,610,873,271</u></u>	<u><u>6,221,736,677</u></u>
<b>Profit Before Tax</b>		509,312,057	495,799,088
<b>Tax Expenses</b>			
- Current Tax		174,000,000	160,500,000
- Deferred Tax		10,654,000	10,682,000
- Tax adjustments relating to earlier years		-	155,224
<b>Profit for the year</b>		324,658,057	324,461,864
<b>Earning per Equity Share (EPS)</b>			
(Face value of Rs 10 each)	27		
EPS - Basic (Rupees per share)		29.45	29.43
EPS - Diluted (Rupees per share)		29.45	29.43

**Significant Accounting Policies**

1

See accompanying notes to the financial statements.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
 Chartered Accountants  
 Firm Reg. No. 000952C

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

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

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>509,312,057</b>	<b>495,799,088</b>
Adjustment for :		
Depreciation	132,480,908	130,508,704
Finance Cost	190,684,076	233,413,270
Interest Income	(17,177,239)	(15,976,855)
Dividend Income	(5,461,550)	(5,444,241)
Fixed Assets - Loss on sale	6,134,696	6,772,783
Fixed Assets - Profit on sale	(2,231,529)	(4,330,659)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>813,741,419</b>	<b>840,742,090</b>
ADJUSTMENTS FOR :		
Trade and Other Receivables	141,121,824	(490,601,441)
Inventories	(281,260,299)	(132,213,464)
Trade and Other Payables	(48,188,639)	151,444,720
<b>CASH GENERATED FROM OPERATIONS</b>	<b>625,414,305</b>	<b>369,371,905</b>
Income Tax Paid (net of Refunds)	(210,723,604)	(127,605,878)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>414,690,701</b>	<b>241,766,027</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including CWIP)	(350,692,718)	(170,916,575)
Sale of Fixed Assets	17,574,211	9,415,962
Purchase of Investments	(26,638,800)	(27,145,000)
Other Bank Balances (including Margin Money)	(8,091,173)	(6,146,660)
Interest Income	17,177,239	15,976,855
Dividend Income	5,461,550	5,444,241
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(345,209,691)</b>	<b>(173,371,177)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Borrowings	296,177,819	241,051,025
Repayments of Long term Borrowings	(276,433,260)	(225,690,681)
Net Increase/(Decrease) in working capital loans and short term loans	129,366,507	209,502,251
Finance Cost (net of adjustment in FCMITD a/c)	(181,384,322)	(245,076,466)
Dividend paid	(16,310,025)	(15,724,266)
Dividend Distribution Tax paid	(2,810,548)	(2,810,548)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	<b>(51,393,829)</b>	<b>(38,748,685)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>18,087,181</b>	<b>29,646,165</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>99,584,689</b>	<b>69,938,524</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b> (refer Note no. 15)	<b>117,671,870</b>	<b>99,584,689</b>

**Significant accounting policies**

1

See accompanying notes to the financial statements.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
*Chartered Accountants*  
 Firm Reg. No. 000952C

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

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

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**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 under the relevant provisions of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India.

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 under the relevant provisions of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India.

**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 II to the Companies Act, 2013 except for leasehold land and intangible assets. Leasehold Land is amortised over the period of lease. Depreciation attributable to appreciation due to revaluation of fixed assets (other than leasehold land) is provided over the remaining useful life of the asset in accordance with Schedule II to the Companies Act, 2013 and equivalent amount is withdrawn from Revaluation Reserve and credited to Statement of Profit and Loss. In case of impaired assets, depreciation is charged on the adjusted cost net of impairment. However the assets costing below Rs. 5000 are depreciated fully in the year of addition. 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 at lower of cost and market/fair value.

**1.8 Inventories :**

Raw materials, Chemicals, Components & Spares parts and Stock-in-Trade are valued at lower of cost, arrived at on FIFO method (net of CENVAT) and net realisable value. Finished Goods (including stock at port or in transit) and Work in Process are valued at lower of cost and 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 and 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**

- i) 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.
- ii) Revenue is accounted for on accrual basis when its collection or receipt is reasonably certain.
- iii) All expenses are accounted for on accrual basis. However the claims are recognised on settlement.

**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**

- i) All foreign currency transactions are recorded at the rates prevailing on the date of the transaction.
- ii) All foreign currency assets and liabilities other than investments are restated/reported at the closing exchange rate prevailing on the date of Balance Sheet.
- iii) Gains and losses arising out of fluctuations in the exchange rates are recognised in Statement of Profit and Loss.
- iv) 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**

- i) 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.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

- ii) 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.
- iii) 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.

**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. Borrowing Cost include exchange fluctuation to the extent regarded as adjustment to interest cost.

**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	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>2. SHARE CAPITAL</b>		
<b>Authorised</b>		
1,50,00,000 Equity Shares of Rs.10/- each	150,000,000	150,000,000
<b>Issued</b>		
1,49,72,718 Equity Shares of Rs.10/- each	149,727,180	149,727,180
<b>Subscribed and fully paid up</b>		
1,10,25,000 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 2015		As at 31st March 2014	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
<i>Subscribed and fully paidup share of Rs.10/- each</i>				
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>	<b>11,025,000</b>	<b>110,250,000</b>

**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	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% held	No. of Shares	% held
Mr. Mukhtarul Amin	1,324,487	12.01%	1,324,487	12.01%
Steven Construction Limited	1,315,119	11.93%	1,315,119	11.93%





NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>3. RESERVES AND SURPLUS</b>		
<b>Capital Reserves</b>		
Balance as per last Balance Sheet	101,995,571	101,995,571
<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	26,325,240	32,957,270
Less: Amount transferred to the Statement of profit and loss as reduction from depreciation	1,826,232	6,632,030
	<b>24,499,008</b>	26,325,240
<b>Foreign Currency Monetary Item Translation Difference (FCMITD) Account (refer Note No. 3.1)</b>		
Balance as per last Balance Sheet	(21,494,014)	(9,830,818)
Exchange fluctuation on payment/restatement of loan	5,286,995	(19,645,206)
	(16,207,019)	(29,476,024)
Amount charged to Statement of Profit & Loss (debited in Finance Cost - refer Note no. 24)	4,012,759	7,982,010
	<b>(12,194,260)</b>	(21,494,014)
<b>General Reserves</b>		
Balance as per last Balance Sheet	700,000,000	600,000,000
Add : From the Statement of Profit and Loss	100,000,000	100,000,000
	<b>800,000,000</b>	700,000,000
<b>Surplus in the Statement of profit and loss</b>		
Balance as per last Balance Sheet	839,309,752	634,195,936
Profit for the year	324,658,057	324,461,864
Adjustment related to Fixed Asset (refer Note no.10.3)	(19,970,939)	-
	1,143,996,870	958,657,800
Less: Appropriations		
Transfer to General Reserve	100,000,000	100,000,000
Proposed Dividend on Equity Share [Rs. 1.50 per share (Rs 1.50 per share)]	16,537,500	16,537,500
Dividend Distribution Tax	3,366,646	2,810,548
	<b>1,024,092,724</b>	839,309,752
<b>TOTAL</b>	<b>2,117,114,640</b>	1,824,858,146

3.1 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 Gain/Loss and amortise the same over balance period of such long term asset/liability.

**4. LONG TERM BOROWINGS**

**Secured**

**Term Loans**

Indian rupee loan from bank(s)	172,069,382	123,196,718
Foreign currency loan from bank(s)	169,059,113	226,842,682
Indian rupee vehicle loan from bank(s) (refer Note no. 4.5)	4,626,039	2,493,281

**TOTAL**

<b>345,754,534</b>	<b>352,532,681</b>
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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 Maturity profile of Secured Loans from Banks is as under:

Repayable in Next one year	226,328,782	199,806,076
Repayable in Next two to five years	345,754,534	321,892,973
Repayable in Next six to seven years	NIL	30,639,708

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.

4.5 Vehicle loans are secured against vehicle financed.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
on account of		
Depreciation	149,051,000	144,209,000
<b>Gross deferred tax liability</b>	<b>149,051,000</b>	144,209,000
<b>Deferred Tax Assets</b>		
on account of		
Provision for doubtful debts	2,147,000	175,000
Provision for Gratuity	3,282,000	747,000
Other Timing Differences	2,928,000	2,677,000
<b>Gross deferred tax assets</b>	<b>8,357,000</b>	3,599,000
<b>Net Deferred Tax Liability @</b>	<b>140,694,000</b>	140,610,000
<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)	1,243,319,792	1,172,942,708
Foreign currency loan from bank(s)	107,078,769	48,089,346
<b>TOTAL</b>	<b>1,350,398,561</b>	1,221,032,054
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>		
Micro and Small Enterprises	-	-
Sundry Creditors	996,837,212	1,003,372,117
<b>TOTAL</b>	<b>996,837,212</b>	1,003,372,117
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	226,328,782	199,806,076
Interest accrued but not due on borrowings	793,923	704,167
Interest accrued and due on borrowings	4,131,154	4,382,418
Advance from Customers	71,470,541	71,499,903
Book overdraft from bank(s)	4,077,242	-
Unclaimed dividend (refer Note 8.1)	11,431,724	11,204,249
Other Liabilities	262,586,510	316,070,642
<b>TOTAL</b>	<b>580,819,876</b>	603,667,455
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	614,600,000	440,600,000
Less: Advance Tax (including TDS)	604,129,564	393,405,960
Provision for Gratuity	10,470,436	47,194,040
Provision for Leave Encashment	9,482,471	2,198,856
Proposed Dividend	8,461,709	7,876,298
Provision for Dividend Distribution Tax	16,537,500	16,537,500
Provision for Wealth Tax	3,366,646	2,810,548
	375,000	300,000
<b>TOTAL</b>	<b>48,693,762</b>	76,917,242



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

10. FIXED ASSETS :-

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK			
	As at 01.04.2014	Additions	Sales/ Adj.	As at 31.03.2015	Up to 31.03.2014	For The Year	On Revaluation	Adjustment	Adj. from retained earnings	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible Assets</b>												
Land Leasehold	143,026,658	24,765,660	-	167,792,318	13,898,503	1,300,823	275,080	-	-	15,474,406	152,317,912	129,128,155
Land Freehold	5,301,129	-	-	5,301,129	-	-	-	-	-	-	5,301,129	5,301,129
<b>Building :</b>												
Factory	793,226,107	48,581,196	-	841,807,303	200,025,482	22,882,801	1,347,647	-	2,036,903	226,292,833	615,514,470	593,200,625
Non-Factory	105,421,068	-	-	105,421,068	10,550,456	3,543,112	-	94	-	14,093,662	91,327,406	94,870,612
Plant and Machinery	1,430,785,017	116,717,124	31,907,674	1,515,594,467	768,981,123	80,725,710	203,505	13,095,915	23,060,505	859,873,928	655,720,539	661,803,894
Furniture & Fittings	58,687,386	4,222,212	203,892	62,705,706	33,636,489	4,334,573	-	154,464	483,875	38,300,473	24,405,233	25,050,897
Vehicles	100,992,527	21,550,017	6,525,963	116,016,591	39,501,003	12,086,028	-	4,139,046	509,826	47,957,811	68,058,780	61,491,524
Office Equipments	32,357,250	2,663,604	244,390	34,776,464	15,815,652	4,813,786	-	83,008	3,413,534	23,959,964	10,816,500	16,541,598
Computer	32,701,763	2,251,619	149,375	34,804,007	28,537,070	2,214,637	-	80,473	219,649	30,890,883	3,913,124	4,164,693
<b>TOTAL - A</b>	<b>2,702,498,905</b>	<b>220,751,432</b>	<b>39,031,284</b>	<b>2,884,219,053</b>	<b>1,110,945,778</b>	<b>131,901,470</b>	<b>1,826,232</b>	<b>17,553,906</b>	<b>29,724,386</b>	<b>1,256,843,960</b>	<b>1,627,375,093</b>	<b>1,591,553,127</b>
<b>Intangible Assets</b>												
Computer Software	5,562,716	300,000	-	5,862,716	2,204,843	579,438	-	-	816,553	3,600,834	2,261,882	3,357,873
<b>TOTAL - B</b>	<b>5,562,716</b>	<b>300,000</b>	<b>-</b>	<b>5,862,716</b>	<b>2,204,843</b>	<b>579,438</b>	<b>-</b>	<b>-</b>	<b>816,553</b>	<b>3,600,834</b>	<b>2,261,882</b>	<b>3,357,873</b>
<b>TOTAL (A + B)</b>	<b>2,708,061,621</b>	<b>221,051,432</b>	<b>39,031,284</b>	<b>2,890,081,769</b>	<b>1,113,150,621</b>	<b>132,480,908</b>	<b>1,826,232</b>	<b>17,553,906</b>	<b>30,540,939</b>	<b>1,260,444,794</b>	<b>1,629,636,975</b>	<b>1,594,911,000</b>
PREVIOUS YEAR	2,541,692,279	193,528,927	27,159,585	2,708,061,621	991,311,386	130,508,704	6,632,030	15,301,499	-	1,113,150,621	1,594,911,000	-

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. 1,42,51,818 (Rs. 1,45,45,039) and Rs. 5,88,705 (Rs. 6,22,345) 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 and 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 The depreciation had been charged on Straight Line Method (SLM Method) in accordance with the then applicable Schedule XIV to the Companies Act, 1956 upto financial year 2013-14. Subsequent upon Schedule II being specified in the Companies Act, 2013 with effect from 01.04.2014, the depreciation for the current year has been charged on SLM Method in accordance with the useful life provided in the aforesaid Schedule II. In terms of Note no. 7(b) of Schedule II, Rs. 199,70,939 (net of Deferred Tax Rs. 105,70,000) being the carrying amount of the assets after retaining the residual value has been charged against the opening balance in retained earnings (Surplus in the Statement of Profit and Loss) where useful life of an assets is Nil. Had there been no change, depreciation for the year had been higher and profit before tax for the year would have been lower by Rs. 111,73,029.

10.4 Subsidy amounting to Rs. 14,96,772 (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.

10.5 Fixed Assets given on operating Lease

Particular	(Rupees)		
	Building Factory	Plant & Machinery	
	2014-15	2013-14	2013-14
Gross carrying amount	5,101,357	5,101,357	28,124,302
Accumulated Depreciation	2,484,864	2,314,479	26,233,518
Depreciation for the year	170,385	170,385	2,104,233



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (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 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. 58,000 Shares of Euro 6.01 each fully paid (previous year 53,000 shares)	147,410,476	130,808,476
vi. Superhouse GMBH Share Capital Euro 25000	<u>1,701,350</u>	<u>1,701,350</u>
	<b>301,637,223</b>	285,035,223
<b>B. INVESTMENT IN ASSOCIATES</b>		
i. Steven Construction Ltd. 21,00,000 Equity Shares of Rs. 10/- each fully paid	21,000,000	21,000,000
ii. Unnao Tanneries Pollution Control Company 153,080 Equity Shares of Rs.10/- each fully paid	1,530,800	1,530,800
iii. Knowledgehouse Ltd. 860,000 Equity Shares of Rs.10/- each fully paid	8,600,000	8,600,000
iv. Creemos International Ltd 836,400 Equity Share of Rs 10/- Each Fully Paid (previous year NIL shares)	10,036,800	-
v. Amin International Ltd. 304,900 Equity Shares of Rs.10/- each fully paid	<u>3,049,000</u>	<u>3,049,000</u>
	<b>44,216,600</b>	34,179,800
<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. 2,00,000 Equity Shares of Rs. 10/- each fully paid	<u>2,000,000</u>	<u>2,000,000</u>
	<b>3,851,200</b>	3,851,200
<b>Total (A)</b>	<b>349,705,023</b>	323,066,223
<b>Others (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	<u>261,000</u>	<u>261,000</u>
	<b>667,500</b>	667,500
Less: Provision for diminution in value	<u>661,000</u>	<u>661,000</u>
<b>Total (B)</b>	<b>6,500</b>	6,500
<b>TOTAL (A+B)</b>	<b>349,711,523</b>	323,072,723
<b>Book value of Quoted Investments (Net of Provisions)</b>	<b>6,500</b>	6,500
<b>Book value of Unquoted Investments</b>	<b>349,705,023</b>	323,066,223
<b>Market value of Quoted Investments</b>	<b>16,350</b>	4,770



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>12. LONG TERM LOANS &amp; ADVANCES</b> (unsecured considered good)		
Capital Advances	79,817,621	57,777,084
Security Deposits	12,968,303	12,238,185
Balance with Government/Revenue Authorities	1,000,000	–
Advance to Subsidiaries (refer Note 43)	1,984,320	539,010
Advance to associate (refer Note 43)	7,001,579	–
<b>TOTAL</b>	<b>102,771,823</b>	<b>70,554,279</b>
<b>13. INVENTORIES</b> (valued at lower of cost and net realisable value)		
Raw Materials	442,899,926	344,602,694
Work in Process (refer Note 28)	527,224,067	473,674,816
Finished Goods (refer Note 29)	493,572,452	407,935,372
[including Stock at Port Rs. 12,93,46,437 (Rs. 9,52,13,091)]		
Chemicals, Components and Spare Parts	254,467,922	225,491,186
Import Entitlements/Licenses in hand	14,800,000	–
<b>TOTAL</b>	<b>1,732,964,367</b>	<b>1,451,704,068</b>
Finished Goods include Stock in Trade, as both are stocked together		
<b>14. TRADE RECEIVABLES</b> (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	110,082,537	67,651,094
Considered Doubtful	6,202,421	515,525
Less: Provision for Doubtful Receivables	6,202,421	515,525
Others		
Considered Good	941,553,535	1,195,896,525
<b>TOTAL</b>	<b>1,051,636,072</b>	<b>1,263,547,619</b>
<b>Trade receivable include:</b>		
Due from subsidiary companies	149,963,881	104,939,763
Due from associates	8,651,910	2,045,153
Due from other related parties	40,243,712	28,820,439
<b>15. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on Hand (as Certified by the Management)	18,441,889	11,456,374
Cheques in hand/Remittance in Transit	7,506,409	–
Balances with Banks on:		
Current Accounts	90,452,773	85,596,317
Foreign Currency Account (EEFC A/c)	1,270,799	2,531,998
	117,671,870	99,584,689
<b>Other bank balances</b>		
Deposits having maturity between 3 to 12 months	–	60,121,282
Margin Money Deposit Accounts	155,133,457	87,148,478
Unclaimed Dividend Account	11,431,724	11,204,248
	166,565,181	158,474,008
<b>TOTAL</b>	<b>284,237,051</b>	<b>258,058,697</b>
<b>16. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured considered good)		
Advance recoverable in cash or kind or for value to be received	109,655,492	98,596,261
Balance with Government/Revenue Authorities	39,946,006	36,861,613
Loan to Associates (refer Note 43)	–	8,034,837
Other Loans	14,516,800	10,249,266
<b>TOTAL</b>	<b>164,118,298</b>	<b>153,741,977</b>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>17. OTHER CURRENT ASSETS</b>		
(Unsecured considered good)		
Interest accrued on fixed deposits	12,048,172	8,705,585
Export Incentive Receivable	204,182,847	180,196,450
Other Claim Receivable	1,368,604	501,730
<b>TOTAL</b>	<b>217,599,623</b>	<b>189,403,765</b>
<b>Particulars</b>	<b>2014-15 (Rupees)</b>	<b>2013-14 (Rupees)</b>
<b>18. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
<b>Sale of products (refer Note 18.1)</b>		
Sales (Export)	5,765,418,454	5,557,277,900
Sales (Indigenous)	818,408,269	692,457,496
	<b>6,583,826,723</b>	<b>6,249,735,396</b>
<b>Other operating revenue</b>		
Export Incentives (refer Note 18.2)	516,704,686	445,634,297
<b>Revenue from operations (gross)</b>	<b>7,100,531,409</b>	<b>6,695,369,693</b>
<b>18.1 Details of product sold</b>		
Gross Sales	6,583,826,723	6,249,735,396
Less: Excise Duty	34,339,795	35,499,919
	<b>6,549,486,928</b>	<b>6,214,235,477</b>
<b>Breakup of Sales (net of excise)</b>		
Leather Footwear	3,121,801,053	3,189,696,415
Finished Leather	1,653,775,374	1,370,730,228
Leather Shoe Upper	314,217,387	340,300,225
Other Leather Products	261,097,981	238,506,201
Textile Products	1,138,069,322	935,144,024
Others	60,525,811	139,858,384
<b>TOTAL</b>	<b>6,549,486,928</b>	<b>6,214,235,477</b>
<b>18.2 Details of other operating revenue</b>		
Export Incentives		
- Duty Draw Back Received	406,328,150	372,782,849
- Licences/Entitlements Received	110,376,536	72,851,448
<b>TOTAL</b>	<b>516,704,686</b>	<b>445,634,297</b>
<b>19. OTHER INCOME</b>		
<b>Other Operating Income</b>		
Interest income		
- from Fixed Deposit with Banks	14,360,765	12,508,271
- from Others	2,816,474	3,468,584
	<b>17,177,239</b>	<b>15,976,855</b>
Miscellaneous Income	16,572,380	15,651,585
Exchange Difference (net)	7,188,102	11,939,864
	<b>40,937,721</b>	<b>43,568,304</b>
<b>Other Non Operating Income</b>		
Dividend income		
- from subsidiary companies	5,446,400	5,429,091
- from Investments - non trade	15,150	15,150
	<b>5,461,550</b>	<b>5,444,241</b>
Commission on Corporate Guarantee from Subsidiaries	2,343,724	1,764,387
Profit on Sale of Fixed Assets	2,231,529	4,330,659
Rent	3,019,190	2,558,400
<b>TOTAL</b>	<b>13,055,993</b>	<b>14,097,687</b>
	<b>53,993,714</b>	<b>57,665,991</b>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>20. COST OF MATERIAL CONSUMED</b>		
Raw Material consumed		
Finished Leather	873,861,809	906,188,602
Raw Hide/Skin	682,471,721	559,473,848
Fabric	522,868,791	445,307,373
Sole	231,263,766	216,055,239
PU / PVC Compound	166,473,642	163,983,270
Others	157,225,480	138,581,378
Raw Material consumed	2,634,165,209	2,429,589,710
Chemicals, Components and Spare Parts consumed	1,088,533,216	993,011,396
Packing Material consumed	170,927,607	147,966,901
<b>Cost of material consumed</b>	3,893,626,032	3,570,568,007
<b>21. PURCHASE OF STOCK-IN-TRADE</b>		
Leather and Leather Products	536,308,579	511,433,298
Textile Products	1,483,089	3,861,052
<b>TOTAL</b>	537,791,668	515,294,350
<b>22. DECREASE/(INCREASE) IN INVENTORIES</b>		
<b>Inventories at the commencement of the year</b>		
Finished Goods	407,935,372	364,646,042
Work in process	473,674,816	424,156,252
Import Entitlements/Licenses in hand	—	28,009,582
<b>TOTAL 'A'</b>	881,610,188	816,811,876
<b>Inventories at the end of the year</b>		
Finished Goods	493,572,452	407,935,372
Work in process	527,224,067	473,674,816
Import Entitlements/Licenses in hand	14,800,000	—
<b>TOTAL 'B'</b>	1,035,596,519	881,610,188
<b>Decrease/(Increase) in Stocks (A-B)</b>	(153,986,331)	(64,798,312)
<b>23. EMPLOYEE BENEFITS EXPENSES</b>		
Salary, Wages and Bonus	298,463,596	255,266,310
Directors Remuneration (including Sitting Fee)	50,887,196	47,620,536
Contribution to Provident and other funds	25,417,503	20,409,198
Contribution to Gratuity Fund	15,383,152	6,234,911
Workmen and Staff Welfare expenses	27,160,349	25,822,101
<b>TOTAL</b>	417,311,796	355,353,056
(refer Note 35 for disclosure in terms of AS-15, Employee Benefits)		
<b>24. FINANCE COSTS</b>		
Interest on		
- Term Loan	38,214,836	39,278,097
- Others	122,452,144	103,779,870
	160,666,980	143,057,967
Bank Charges	39,592,111	41,839,081
Exchange fluctuation to the extent to be regarded as adjustment to interest cost	(2,235,222)	51,925,767
	198,023,869	236,822,815
Less: Interest capitalised	7,339,793	3,409,545
<b>TOTAL</b>	190,684,076	233,413,270
<b>25. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation	134,307,140	137,140,734
Less: recoupment from revaluation reserve	1,826,232	6,632,030
<b>TOTAL</b>	132,480,908	130,508,704



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>26. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumable Stores	60,119,434	59,725,993
Production Charges	582,314,931	464,553,721
Job Work Charges	44,379,299	50,062,552
Power and Fuel	156,403,257	150,655,705
Effluent Treatment Expenses	7,447,705	5,447,513
Repairs and Maintenance		
- Building	13,918,550	8,108,107
- Machinery	34,740,675	33,513,327
	899,323,851	772,066,918
<b>Selling and Distribution Expenses</b>		
Freight, Handling and Other Sales and Distribution Expenses	252,741,838	241,220,092
Commission on Sale	237,246,226	282,114,677
Advertisement and Publicity	1,478,859	10,893,106
Bad Debts - Provision/write off	7,316,012	3,380,842
	498,782,935	537,608,717
<b>Establishment Expenses</b>		
Rent	5,135,128	5,008,054
Rates and Taxes	15,061,508	13,496,861
Insurance	14,691,848	15,759,721
Communication cost	11,538,585	10,857,196
Travelling and Conveyance	35,672,316	37,638,067
Vehicle Running and Maintenance	27,591,225	22,613,088
Repairs and Maintenance - Others	28,254,355	20,534,404
Printing and Stationery	6,326,608	5,732,773
Legal and Professional Charges	8,126,650	6,613,285
Auditor's Remuneration (refer Note No. 26.1)	1,225,289	1,218,590
Miscellaneous Expenses	21,211,089	19,731,084
Research & Development Expenses	3,708,485	3,976,997
Charity and Donation	2,724,776	1,769,064
Loss on Sale of Fixed Assets	6,134,696	6,772,783
Corporate Social Responsibility Expenses	7,455,778	-
	194,858,336	171,721,967
<b>TOTAL</b>	1,592,965,122	1,481,397,602
<b>26.1 Payment to auditor</b>		
<b>As Auditor:</b>		
Audit Fees	921,352	898,880
Tax audit Fee	101,124	89,888
<b>In other capacity:</b>		
Taxation & other services	202,813	229,822
<b>TOTAL</b>	1,225,289	1,218,590
<b>27. Earning per share (EPS)</b>		
Profit for the year	324,658,057	324,461,864
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)	29.45	29.43
<b>28. Closing Inventory of Work-in-process</b>		
Leather and Leather Products	473,619,978	416,904,903
Textile Products	53,019,089	55,314,913
Others	585,000	1,455,000
<b>TOTAL</b>	527,224,067	473,674,816
<b>29. Closing Inventory of Finished Goods</b>		
Leather and Leather Products	428,360,954	366,948,068
Textile Products	63,175,191	36,224,093
Others	2,036,307	4,763,211
<b>TOTAL</b>	493,572,452	407,935,372





NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

30. Imported and indigenous raw materials, components and spare parts consumed

PARTICULARS	2014-15		2013-14	
	Rupees	%	Rupees	%
<b>Raw Material</b>				
Imported (Direct)	552,150,313	20.96%	457,510,766	18.83%
Indigenous	2,082,014,896	79.04%	1,972,078,944	81.17%
<b>Chemicals Components, Stores &amp; Spare parts (including Packing Material)</b>				
Imported (Direct)	350,321,659	27.82%	297,995,848	26.12%
Indigenous	909,139,164	72.18%	842,982,449	73.88%

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.

31. Value of Imports on CIF basis

(excluding purchases from canalising agencies and imported items purchased locally)

	2014-15 (Rupees)	2013-14 (Rupees)
Raw Materials	612,263,714	491,744,264
Chemicals, Stores, Components and Spare Parts	307,691,311	283,092,693
Capital Goods	54,497,569	34,657,818
Finished Goods	24,693,664	31,294,516
	<b>999,146,258</b>	<b>840,789,291</b>

32. Earnings in foreign exchange

Export of goods calculated on FOB Basis	5,714,268,556	5,487,426,284
Dividend from Wholly Owned Subsidiaries	5,446,400	5,429,091
Others (Commission on Corporate Guarantee)	2,343,724	1,764,387

33. Expenditure in foreign currency

- Travelling	8,071,691	10,976,829
- Commission on Sales	230,524,487	270,836,965
- Interest on Loans	17,511,321	22,376,514
- Foreign Bank Charges	14,200,415	20,215,808
- Others	52,018,035	19,688,675

34. Remittance in foreign currency on account of Dividend

NIL NIL

35. Disclosure in terms of AS 15

**Defined Benefit Plan**

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.

*Reconciliation of Opening and Closing balance of present value of defined benefit obligation for Gratuity*

Present Value of Obligation at beginning of the year	35,333,808	30,880,622
Current Service Cost	5,479,924	4,410,647
Interest Cost	3,180,043	2,779,256
Benefits paid	(3,343,928)	(3,758,132)
Actuarial (Gain)/Loss on Obligations	9,381,767	1,021,415
Present Value of Obligation at end of the year	50,031,614	35,333,808

*Reconciliation of Opening and Closing Fair Value of Plan Assets*

Fair Value of Plan Assets at beginning of the year	33,134,952	24,709,212
Expected Return on Plan Assets	2,899,308	2,285,602
Contributions	8,000,000	10,142,561
Benefit Paid	(3,343,928)	(3,758,132)
Actuarial Gain / (Loss) on Plan Assets	(141,189)	(244,291)
Fair Value of Plan Assets at end of the year	40,549,143	33,134,952



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<i>Reconciliation of Present Value of Obligations and Fair Value of Plan Assets</i>		
Fair Value of Plan Assets at end of the year	40,549,143	33,134,952
Present Value of Obligation at end of the year	50,031,614	35,333,808
Asset/(Liability) recognised in the Balance Sheet	(9,482,471)	(2,198,856)
<i>Expenses recognised during the year</i>		
Current Service Cost	5,479,924	4,410,647
Interest Cost	3,180,043	2,779,256
Expected Return on Plan Assets	(2,899,308)	(2,285,602)
Total Actuarial Loss/(Gain) recognised during the year	9,522,956	1,265,706
<b>Net Cost recognised in Statement of Profit and Loss</b>	<b>15,283,615</b>	<b>6,170,007</b>
<i>Assumptions</i>		
Discount Rate (p.a.)	7.78%	9.00%
Expected Rate of increase in Salary (p.a.)	5.00%	5.00%
Expected Rate of return on Plan Assets (p.a.)	8.75%	8.75%
Mortality	IALM 06-08 ultimate	IALM 06-08 ultimate
Withdrawal Rate	2.00%	2.00%
<b>Defined Contribution Plan</b>		
Employers contribution to PF and FPF	18,751,958	14,943,591
Employers contribution to ESI	6,665,545	5,465,607

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

A. Relationship

i. Subsidiary (Wholly owned) Companies

- 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 31.03.2015                      As at 31.03.2014

Joint Venture: Nil

Associates:

- |  |        |        |
|--|--------|--------|
| a) Unnao Tanneries Pollution Control Company<br>(A company registered under Section 25 of erstwhile the Companies Act, 1956) | 34.05% | 34.05% |
| b) Steven Construction Ltd.  | 46.67% | 46.67% |
| c) Amin International Ltd.   | 31.13% | 31.13% |
| d) Knowledgehouse Ltd.   | 31.85% | 31.85% |
| e) Creemos International Ltd.  | 48.63% | —      |

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) - CFO
- e) Mr. Mohd. Shadab – Director
- f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin)
- g) Mr. R. K. Agrawal - Company Secretary
- h) 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 significant 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) Rivera Trendz Pvt. Ltd.
- i) Super Shoes Ltd.
- j) Mayfair Leather Exports Ltd.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

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

**Key Management Personnel and relatives:**

(Rupees)

Particulars	2014-15	2013-14
Rent paid	2,460,000	1,775,278
Directors Remuneration	50,875,196	47,608,536
Salary, Wages and Bonus	3,465,252	3,371,068
Remuneration Payable (including Provisions)	38,092,729	32,079,654

**Subsidiary/Associates/Others :**

(Rupees)

Particulars	Subsidiary Companies	Associates	Others	Total
Purchases of Materials/Finished Goods	Nil	1,462,627	270,017,695	271,480,322
	(Nil)	(14,534,072)	(279,492,754)	(294,026,826)
Sale of Materials/Finished Goods	310,325,224	58,077,111	91,533,375	459,935,710
	(254,925,712)	(28,984,368)	(111,854,661)	(395,764,741)
Purchase of Fixed Assets	Nil	Nil	Nil	Nil
	(Nil)	(433,946)	(Nil)	(433,946)
Sale of Fixed Assets	Nil	1,397,806	Nil	1,397,806
	(Nil)	(Nil)	(17,850)	(17,850)
Services rendered/other receipts	Nil	613,492	3,058,569	3,672,061
	(1,764,387)	(268,748)	(1,162,071)	(3,195,206)
Services availed	117,109,146	6,513,238	13,365,643	136,988,027
	(78,994,235)	(5,051,519)	(21,793,815)	(105,839,569)
Rent received	Nil	204,726	2,468,916	2,673,642
	(Nil)	(142,928)	(2,939,478)	(3,082,406)
Interest received	Nil	1,074,159	Nil	1,074,159
	(Nil)	(1,216,295)	(726,246)	(1,942,541)
Dividend received	5,446,400	Nil	Nil	5,446,400
	(5,429,091)	(Nil)	(Nil)	(5,429,091)
Rent paid	Nil	415,000	480,000	895,000
	(Nil)	(Nil)	(480,000)	(480,000)
Commission received on Corporate Guarantee	2,343,724	Nil	Nil	2,343,724
	(1,764,387)	(Nil)	(Nil)	(1,764,387)
<b>Balances at the end of the year:</b>				
Receivables	149,963,881	8,651,910	40,243,712	198,859,503
	(104,939,763)	(2,045,153)	(31,754,542)	(138,739,458)
Loans and Advances (refer Note no. 43)	1,984,320	7,001,579	Nil	8,985,899
	(539,010)	(8,034,837)	(Nil)	(8,573,847)
Payables (Trade payable & other liabilities)	Nil	1,170,131	26,824,487	27,994,618
	(920,219)	(518,045)	(15,130,064)	(16,568,328)
Investments (refer Note no. 11)	301,637,223	44,216,600	6,500	345,860,323
	(285,035,223)	(34,179,800)	(6,500)	(319,221,523)

Figures in bracket pertains to previous year.

C. No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.

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

(Rupees)

Particulars	2014-15	2013-14	Particulars	2014-15	2013-14
<b>Purchases of Materials/Finished Goods</b>			<b>Sale of Materials/Finished Goods</b>		
Amin International Ltd.	1,462,627	14,534,072	Superhouse (U.K.) Ltd., UK	99,540,837	128,461,682
Modriba Hygiene Solutions Ltd.	38,033,761	18,551,917	Superhouse Middle East FZC, Azman	67,409,680	34,656,355
Superhouse Accessories Ltd.	55,824,303	32,716,964	Briggs Industrial Footwear Ltd. (U.K.)	104,468,842	81,902,035
Chowdhary Overseas Ltd.	41,694,921	42,506,179	Linea De Seguridad SLU, Spain	38,905,865	9,905,640
Rojus Enterprises Ltd.	607,105	357,761	Amin International Ltd.	58,077,111	28,984,368
Rivera Trendz Pvt. Ltd.	53,880,678	95,386,676	Modriba Hygiene Solutions Ltd.	82,785	17,250
Super Tannery Ltd.	30,437	37,960	Creemos International Ltd.	-	1,058,836
Super Shoes Ltd.	79,946,490	89,935,297	Superhouse Accessories Ltd.	333,988	6,187,723



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(Rupees)

Particulars	2014-15	2013-14
Chowdhary Overseas Ltd.	36,325,026	43,803,852
Rojus Enterprises Ltd.	9,839,357	20,450,329
Rivera Trendz Pvt. Ltd.	5,221,067	619,790
Super Tannery Ltd.	243,630	309,561
Super Shoes Ltd.	39,487,522	39,407,320
<b>Purchase of Fixed Assets</b>		
Amin International Ltd.	–	433,946
<b>Sale of Fixed Assets</b>		
Amin International Ltd.	1,397,806	–
Chowdhary Overseas Ltd.	–	17,850
<b>Services rendered/other receipts</b>		
Superhouse (U.K.) Ltd., UK	–	146,566
Superhouse Middle East FZC, Azman	–	288,355
Briggs Industrial Footwear Ltd. (U.K.)	–	1,152,743
Linea De Seguridad SLU, Spain	–	176,723
Amin International Ltd.	613,492	268,748
Modriba Hygiene Solutions Ltd.	2,967,272	284,437
Chowdhary Overseas Ltd.	31,969	822,542
Rojus Enterprises Ltd.	59,328	55,092
<b>Services availed</b>		
Superhouse (U.K.) Ltd., UK	87,498,640	72,412,160
Superhouse (USA) International Inc., USA	1,755,598	1,204,854
Superhouse Middle East FZC, Azman	4,344,717	463,642
Briggs Industrial Footwear Ltd. (U.K.)	2,722,155	19,791
Linea De Seguridad SLU, Spain	15,347,261	148,128
Superhouse GMBH, Germany	5,440,775	4,745,660
Unnao Tanneries Pollution Control Company	5,735,691	5,004,256
Amin International Ltd.	777,547	47,263
Creemos International Ltd.	–	824,569
Modriba Hygiene Solutions Ltd.	–	1,278,761
Superhouse Accessories Ltd.	12,458,096	18,156,044
Chowdhary Overseas Ltd.	880,580	1,432,534
Rojus Enterprises Ltd.	–	101,907
Super Tannery Ltd.	26,967	–
<b>Rent paid</b>		
Chowdhary Overseas Ltd.	480,000	480,000
Steven Construction Ltd.	415,000	–
Mr. Mukhtarul Amin	480,000	480,000
Mrs. Shahina Mukhtar	1,800,000	990,000
Mr. Deepak Sanan	180,000	305,278
<b>Rent received</b>		
Steven Construction Ltd.	6,740	6,740
Knowledgehouse Ltd.	1,356	1,356
Amin International Ltd.	196,630	134,832
Modriba Hygiene Solutions Ltd.	271,020	271,020
Superhouse Accessories Ltd.	1,685,400	1,685,400
Chowdhary Overseas Ltd.	337,080	850,788
Rojus Enterprises Ltd.	175,416	132,270

Particulars	2014-15	2013-14
<b>Interest received</b>		
Steven Construction Ltd.	1,074,159	1,216,295
Superhouse Accessories Ltd.	–	452,835
Rojus Enterprises Ltd.	–	273,411
<b>Dividend received</b>		
Superhouse (U.K.) Ltd., UK	416,700	404,591
Briggs Industrial Footwear Ltd. (U.K.)	5,029,700	5,024,500
<b>Commission received on Corporate Guarantee</b>		
Superhouse (U.K.) Ltd., UK	146,044	146,566
Superhouse Middle East FZC, Azman	290,079	288,355
Briggs Industrial Footwear Ltd. (U.K.)	1,741,552	1,152,743
Linea De Seguridad SLU, Spain	166,049	176,723
<b>Receivables</b>		
Superhouse (U.K.) Ltd., UK	49,666,047	62,205,771
Superhouse Middle East FZC, Azman	43,615,186	10,232,355
Briggs Industrial Footwear Ltd. (U.K.)	31,250,047	26,974,303
Linea De Seguridad SLU, Spain	25,432,601	5,527,334
Steven Construction Ltd.	10,300	10,300
Amin International Ltd.	8,640,580	2,034,853
Creemos International Ltd.	1,030	1,058,836
M/s Shoe House	6,455,621	6,604,802
Chowdhary Overseas Ltd.	12,788,057	3,785,601
Rojus Enterprises Ltd.	18,455,526	18,197,151
Super Shoes Ltd.	1,044,508	608,152
Mayfair Leather Exports Ltd.	1,500,000	1,500,000
<b>Payables (Trade payable &amp; other liabilities)</b>		
Superhouse GMBH, Germany	–	920,219
Unnao Tanneries Pollution Control Company	1,170,131	518,045
Modriba Hygiene Solutions Ltd.	4,584,939	4,501,102
Superhouse Accessories Ltd.	14,338,716	2,456,653
Rivera Trendz Pvt. Ltd.	7,862,384	8,134,349
Super Tannery Ltd.	38,448	37,960
Mr. Mukhtarul Amin	18,363,385	15,553,847
Mrs. Shahina Mukhtar	8,802,615	7,744,207
Mr. Zafarul Amin	9,710,024	7,844,019
Mr. Vinay Sanan	339,511	380,801
Mr. A.K. Agarwal	116,228	76,510
Mr. Mohd. Shadab	202,953	117,905
Mr. R.K. Agrawal	206,610	69,703
Mr. Deepak Sanan	201,403	142,662
Mr. Manu Sanan	150,000	150,000
<b>Remuneration</b>		
Mr. Mukhtarul Amin	21,515,579	21,155,072
Mrs. Shahina Mukhtar	10,143,114	9,858,596
Mr. Zafarul Amin	12,302,900	11,001,098
Mr. Vinay Sanan	3,092,688	3,103,933
Mr. A.K. Agarwal	1,483,530	1,227,441
Mr. Mohd. Shadab	2,337,385	1,262,396
Mr. R.K. Agrawal	1,065,252	971,068
Mr. Deepak Sanan	600,000	600,000
Mr. Manu Sanan	1,800,000	1,800,000

37. Capital and other commitments

(Rupees)

	2014-15	2013-14
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	159,140,483	141,989,294
ii. Forward Exchange Contracts	966,090,369	781,101,859
iii. 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.U., Spain	147,410,476	130,808,476
iv. Other Capital Commitments	NIL	12,343,500



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

38. Contingent liabilities

(Rupees)

	2014-15	2013-14
Claim against the company not acknowledged as debt	1,808,514	3,769,874
<b>Contingent Liabilities in respect of:</b>		
i. Guarantees issued by the Bank	74,429,780	9,719,340
ii. Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain	511,875,964	348,384,293
iii. Letter of Credit opened and outstanding	239,105,701	324,410,665
iv. Duty on Export obligation pending	61,565,983	73,678,570
v. Electricity demand pending litigation	2,860,000	1,583,688

vi. The detail of disputed dues (net of amounts paid) as per the clause 3 (vii)(b) of Section 143 (11) of the Companies Act, 2013

(Rupees)

Forum where dispute is pending	Period to which relates	2014-15	2013-14
<b>Income Tax - u/s 143(3) of the Income Tax Act, 1961:</b>			
CIT Appeals, Kanpur	A.Y. 2010-11	939,370	939,370
ITAT Appeals, Lucknow	A.Y. 2003-04	Nil	2,069,740
ITAT Appeals, Lucknow	A.Y. 2007-08	8,272,270	8,272,270
ITAT Appeals, Lucknow	A.Y. 2008-09	7,726,990	7,726,990
<b>Income Tax (TDS)-u/s 201(1)/(1A) of the Income Tax Act, 1961:</b>			
CIT Appeals, Kanpur	A.Y. 2010-11	217,509	Nil
CIT Appeals, Kanpur	A.Y. 2011-12	585,609	Nil
CIT Appeals, Kanpur	A.Y. 2012-13	439,545	Nil
CIT Appeals, Kanpur	A.Y. 2013-14	445,864	Nil
CIT Appeals, Kanpur	A.Y. 2014-15	456,875	Nil
CIT Appeals, Kanpur	A.Y. 2015-16	339,446	Nil
<b>Entry Tax:</b>			
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	2008-2009	728,106	728,106
Joint Commissioner of Trade Tax, Kanpur	2001-2002	151,473	151,473
Joint Commissioner of Trade Tax, Kanpur	2005-2006	28,000	28,000
Joint Commissioner of Trade Tax, Kanpur	2007-2008	Nil	93,556
Joint Commissioner of Trade Tax, Kanpur	2009-2010	59,830	59,830
Joint Commissioner of Trade Tax, Kanpur	2010-2011	Nil	578,089

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

39. Disclosure in respect of Derivative Instruments :

a) Derivative instruments outstanding

(Foreign Currency in Millions)

Forward Contracts		2014-15	2013-14
Against Exports	USD/INR	4.73	4.47
	EURO/INR	5.96	3.67
	GBP/INR	2.93	2.13

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

c) Foreign Currency exposures that are not hedged by derivative Instruments :

(Foreign Currency in Millions)

Particulars	USD		EURO		GBP	
	14-15	13-14	14-15	13-14	14-15	13-14
Debtors	1.81	1.90	1.65	2.52	2.84	3.04
Creditors	0.66	0.78	0.30	0.17	*	0.05
Other Payables	0.99	0.31	0.50	0.91	0.65	0.51
Loan Taken (Principal)	4.35	3.19	0.94	1.18	0.75	1.00
Advances	0.20	0.32	0.01	0.13	*	-
Cash & Bank Balances	*	0.02	*	*	0.01	0.01
Corporate Guarantee	-	-	*	0.42	4.58	2.58
Letter of Credit	0.03	0.49	0.61	0.52	-	-

\* denotes amount less than 0.01 million



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

40. 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.

**41. 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.

**42. Disclosure in terms of AS 29**

The company has recognised contingent liabilities as disclosed in Note 38 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.

**43. Disclosure as per clause 32 of the Listing Agreement**

**a) Loans and Advances:**

*(Rupees)*

Name of the company	Relationship	Amount Outstanding as on		Maximum balance outstanding during the year	
		31.03.2015	31.03.2014	2014-15	2013-14
Superhouse (USA) International Inc.	WOS	374,880	539,010	539,010	539,010
Linea De Seguridad SLU, Spain	WOS	1,609,440	NIL	1,745,520	NIL
Rojus Enterprises Ltd	Associate	NIL	NIL	NIL	2,583,669
Steven Constructions Ltd.	Associate	7,001,579	8,034,837	8,311,298	8,617,993
Superhouse Accessories Ltd	Associate	NIL	NIL	NIL	5,148,928

The aforesaid advances has been given to meet the working capital requirements and the same has been utilised for the same purposes.

**b) Investments :** Refer Note No. 11(A) & (B).

**c) Guarantee given :**

The company has given corporate guarantee, for securing the credit facilities (Term Loans, Working Capital Loans and other Non-Fund Based credit facilities) availed by WOS from Bank(s), aggregating to Rs. 51,18,75,964 (GBP 42,90,000 for Briggs Industrial Footwear Ltd. GBP 2,90,000 for Superhouse (UK) Ltd. Euro 416,162.52 for Linea De Seguridad SLU. Spain and AED 35,43.714 for Superhouse Middle East FZC, UAE) and the same has been utilised for the same purposes.

**d) Security provided :**

The company has not provided any other security to/for any of its subsidiaries and associates excepting the corporate guarantee as mentioned at para (c) herein above.

44. Trade Receivables include Rs. 2,72,02,128 being amount outstanding for more than two years and/or under litigation. Management is confident that entire amount is recoverable hence the same has been considered as good and no provision is required.

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

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

*(Rupees)*

Particulars	Leather & Leather Products		Textile Garments		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue	5,853,695,025	5,628,794,514	1,176,188,300	959,558,678	36,308,289	71,516,582	7,066,191,614	6,659,869,774
Intra Segment Revenue	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>5,853,695,025</b>	<b>5,628,794,514</b>	<b>1,176,188,300</b>	<b>959,558,678</b>	<b>36,308,289</b>	<b>71,516,582</b>	<b>7,066,191,614</b>	<b>6,659,869,774</b>
Eliminations	-	-	-	-	-	-	-	-
<b>Net Revenue</b>	<b>5,853,695,025</b>	<b>5,628,794,514</b>	<b>1,176,188,300</b>	<b>959,558,678</b>	<b>36,308,289</b>	<b>71,516,582</b>	<b>7,066,191,614</b>	<b>6,659,869,774</b>
Profit Before Tax & Finance Cost	613,977,082	640,608,190	92,008,430	79,831,794	(5,989,379)	8,772,374	699,996,133	729,212,358
Finance Cost	(155,990,371)	(198,241,818)	(33,003,332)	(32,934,451)	(1,690,373)	(2,237,001)	(190,684,076)	(233,413,270)
Profit Before Tax	457,986,711	442,366,372	59,005,098	46,897,343	(7,679,752)	6,535,373	509,312,057	495,799,088
Segment Assets	4,898,507,668	4,709,891,453	789,077,323	654,166,549	6,925,312	32,716,701	5,694,510,303	5,396,774,703
Segment Liabilities	2,995,702,868	3,026,641,546	473,305,453	384,564,598	(5,810,376)	25,018,681	3,463,197,945	3,436,224,825
Capital Expenditure	295,252,076	142,177,809	75,949,483	36,023,829	1,531,695	271,465	372,733,254	178,473,103
Depreciation	111,696,184	115,079,093	20,180,382	14,954,533	604,342	475,078	132,480,908	130,508,704



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

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

*(Rupees)*

Particulars	Within India		Outside India		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
External	1,300,773,160	1,102,591,874	5,765,418,454	5,557,277,900	7,066,191,614	6,659,869,774
Inter Segments	-	-	-	-	-	-
Total Revenue	1,300,773,160	1,102,591,874	5,765,418,454	5,557,277,900	7,066,191,614	6,659,869,774
Eliminations	-	-	-	-	-	-
Net Revenue	1,300,773,160	1,102,591,874	5,765,418,454	5,557,277,900	7,066,191,614	6,659,869,774
Carring amount of Segment Assets	5,694,510,303	5,396,774,703	-	-	5,694,510,303	5,396,774,703
Segment Liabilities	3,463,197,945	3,436,224,825	-	-	3,463,197,945	3,436,224,825
Capital Expenditure	372,733,254	178,473,103	-	-	372,733,254	178,473,103
Depreciation on Fixed Assets	132,480,908	130,508,704	-	-	132,480,908	130,508,704

46. The company has investment of Rs. 14,74,10,476 in the shares of Linea De Seguridad SLU, a wholly owned subsidiary of the company (WOS). Further the company has Trade Receivable amounting to Rs. 2,54,32,601 from the WOS. The net worth of WOS has substantially eroded due to operational losses. Losses incurred by the 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.

**47. Debtors include due from firm in which director is interested as partner**

*(Rupees)*

Name of the Firm	Amount Outstanding as on	
	31.03.2015	31.03.2014
M/s Shoe House	6,455,621	6,604,802

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

**49. Expenditure on Research and Development**

*(Rupees)*

Nature	2014-15	2013-14
Capital Expenditure	309,070	597,800
Revenue Expenditure	3,708,485	3,976,997

**50. 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 have been rounded off to the nearest rupee.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
 Chartered Accountants  
 Firm Reg. No. 000952C

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

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

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015



## **Kapoor Tandon & Co.**

### **Chartered Accountants**

21, Daya Nand Marg, Above Muthoot Finance,  
Darya Ganj, Delhi-110003



### **Branches :**

- ★ 24/57, First Floor, Birhana Road,  
Kanpur-208001
- ★ C/o Rajesh Parasramka,  
Room No. 1577, IIIrd Floor, Building No. 42B,  
Gangadhar Cooperative Housing Society  
Vartak Nagar, Thane (West)-400606

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Superhouse Limited**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Superhouse Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While

conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March





31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### Other Matters

We did not audit the financial statements / financial information of four subsidiaries, whose financial statements/financial information reflect total assets of Rs. 105,72.43 Lacs as at March 31, 2015, total revenues of Rs. 125,30.43 Lacs and net cash flows amounting to Rs. 3,25.69 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. There are no subsidiary companies incorporated in India and jointly controlled entities.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated

Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note no. 36 to the consolidated financial statements.
  - ii. The Group and its associate companies incorporated in India did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate companies incorporated in India.

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

(RAJESH PARASRAMKA)

Partner

M.No. 074192

Place : KANPUR  
Date : 30<sup>th</sup> July, 2015



**ANNEXURE TO THE AUDITORS' REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the consolidated financial statements of Superhouse Limited ("the Holding Company") for the year ended March 31, 2015]

There are no subsidiary companies incorporated in India and jointly controlled entities; hence our reporting on the Order includes Holding Company and its associate companies incorporated in India, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- i. (a) The Holding Company and its associate companies incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the holding company and its associate companies are physically verified in a phased manner by the management of respective company. In our opinion, the frequency of physical verification of fixed assets is reasonable, having regard to the size of the holding company and its associate companies 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.
- ii. (a) The inventories have been physically verified by the management of respective company at regular interval during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management of respective company are reasonable and adequate in relation to the size of the respective company and nature of its business.
- (c) In our opinion, the holding company and its associate companies have 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 respective company.
- iii. (a) The Holding company and one of its associate has granted unsecured loan/ advance to the companies, firms or other parties listed in the register maintained under Section 189 of the Act.
- (b) No irregularity was noticed during the year in respect of repayment of principal amount and interest on loan, wherever stipulated.
- (c) There is no amount overdue in respect of loans granted to companies/firms or other parties listed in the register maintained under Section 189 of the Act.
- iv. In our opinion, there is adequate internal control system commensurate with the size of the respective Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In our opinion and according to information and explanations given to us, the holding Company and its associate companies have not accepted any deposit from the public and accordingly the provisions of clause (v) of paragraph 3 of the Order are not applicable.
- vi. In our opinion and according to information and explanations given to us, the requirement of maintenance of Cost Records pursuant to Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under sub-section (1) of Section 148 of the Act are not applicable to the Holding company and its associate companies incorporated in India.
- vii. (a) According to the books and records produced and examined by us, the respective Company is generally regular in depositing undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable to the respective company with the appropriate authorities and no undisputed amount payable by the respective company in respect of aforesaid statutory dues were outstanding as at March 31, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and which have not been deposited on account of any dispute, except mentioned as below:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (Rs.)
In respect of Holding Company :				
Trade Tax and Central Sales Tax Act	Tax & interest	Joint Commissioner of Trade Tax	2001-02, 2005-06 & 2009-10	2,39,303
		Dy. Commissioner of Trade Tax	2008-09	7,28,106
	Entry Tax	Joint Commissioner of Trade Tax	2005-06	5,86,500
Income Tax Act, 1961	Income Tax & Interest	CIT (Appeals) Kanpur	A.Y. 2010-11	9,39,370
		ITAT (Appeals), Lucknow	A.Y. 2007-08 & 2008-09	159,99,260
	Income Tax (TDS) & Interest	CIT (Appeals), Kanpur	A.Y. 2010-11 to 2015-16	24,84,848



- (c) According to the information and explanations given to us, the amount that required to be transferred to Investors Education and Protection Fund during the year in accordance with the relevant provisions of the Companies Act, 1956 and rules framed thereunder has been transferred to such fund within time by the respective company.
- viii. The Holding company and its associate companies do not have any accumulated losses as at the end of the year and has not incurred cash losses during the financial year covered by audit report and in the immediately preceding financial year.
- ix. According to the information and explanations given to us and based on the documents and records produced to us, the Holding company and its associate companies have not defaulted in repayment of dues to a financial institution, bank or debenture holders during the year.
- x. The holding company has given corporate guarantees aggregating to Rs. 51,18.76 Lacs for loans taken by its wholly owned subsidiaries (WOS) from Banks. The terms and conditions thereof are, prima facie, not prejudicial to the interest of the company.
- xi. In our opinion, the term loans have been applied for the purposes for which they were obtained by the respective companies.
- xii. Based on the audit procedures performed and according to the information and explanations given to us, no fraud on or by the holding Company and its associate companies have been noticed or reported during the year.

**FOR KAPOOR TANDON & CO.**

Chartered Accountants

Firm Reg.No. 000952C

PLACE : KANPUR  
DATE : 30<sup>th</sup> July, 2015

**(RAJESH PARASRAMKA)**

PARTNER.

M No. 074192



**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No.	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (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>2,344,022,943</u>	<u>2,004,149,504</u>
		<b>2,458,220,661</b>	2,118,347,222
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	4	350,975,454	368,964,074
(b) Deferred Tax Liabilities (Net)	5	<u>84,640,859</u>	<u>71,220,027</u>
		<b>435,616,313</b>	440,184,101
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	6	1,490,574,486	1,344,140,804
(b) Trade Payables	7	1,055,905,274	1,219,630,878
(c) Other Current Liabilities	8	876,604,510	626,853,206
(d) Short Term Provisions	9	<u>60,872,625</u>	<u>89,914,882</u>
		<b>3,483,956,895</b>	3,280,539,770
<b>TOTAL</b>		<b><u>6,377,793,869</u></b>	<b><u>5,839,071,093</u></b>
<b>II. ASSETS :</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets :			
(i) Tangible Assets	10	1,930,777,806	1,718,929,632
(ii) Intangible Assets		2,291,359	3,535,090
(iii) Capital Work in Progress		161,834,571	32,193,285
(b) Non Current Investments	11	87,007,454	61,574,544
(c) Long Term Loans and Advances	12	<u>103,586,642</u>	<u>70,563,502</u>
		<b>2,285,497,832</b>	1,886,796,053
<b>2. Current Assets</b>			
(a) Inventories	13	2,113,561,633	1,863,858,720
(b) Trade Receivables	14	1,260,287,261	1,454,906,641
(c) Cash and Bank Balances	15	335,073,438	278,215,560
(d) Short Term Loans and Advances	16	164,850,879	163,601,599
(e) Other Current Assets	17	<u>218,522,826</u>	<u>191,692,520</u>
		<b>4,092,296,037</b>	3,952,275,040
<b>TOTAL</b>		<b><u>6,377,793,869</u></b>	<b><u>5,839,071,093</u></b>

**Significant Accounting Policies**

1

See accompanying notes to the financial statements.

As per our report of even date  
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

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

Place : Kanpur  
Date : 30<sup>th</sup> July, 2015

**A.K. AGARWAL**  
Chief Financial Officer

**R.K. AGRAWAL**  
Company Secretary



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	Note No.	2014-15 (Rupees)	2013-14 (Rupees)
<b>REVENUE</b>			
Revenue from operations (gross)	18	8,035,371,618	7,565,321,455
Less: Excise Duty		34,339,795	35,499,919
Revenue from operations (net)		8,001,031,823	7,529,821,536
Other Income	19	85,259,248	52,549,911
<b>Total Revenue</b>		<b>8,086,291,071</b>	<b>7,582,371,447</b>
<b>EXPENSES</b>			
Cost of Material consumed	20	3,963,133,270	3,626,417,547
Purchase of Stock-in-trade	21	1,125,561,935	1,109,639,853
(Increase)/decrease in Inventories of Finished Goods, Work-in-Process and Traded Goods	22	(115,968,767)	(165,358,527)
Employee Benefits Expense	23	576,982,340	523,929,307
Finance Costs	24	205,439,524	251,154,420
Depreciation and Amortisation	25	141,244,050	138,517,643
Other Expenses	26	1,638,570,362	1,561,579,808
<b>Total Expenses</b>		<b>7,534,962,714</b>	<b>7,045,880,051</b>
<b>Profit Before Tax</b>		<b>551,328,357</b>	<b>536,491,396</b>
<b>Tax Expenses</b>			
- Current Tax		182,497,579	168,171,551
- Deferred Tax		11,943,288	(2,587,932)
- Tax adjustments relating to earlier years		-	155,224
<b>Profit for the year</b>		<b>356,887,490</b>	<b>370,752,553</b>
<b>Earning per Equity Share (EPS)</b>			
(Face value of Rs 10 each)	27		
EPS - Basic (Rupees per share)		32.37	33.63
EPS - Diluted (Rupees per share)		32.37	33.63
<b>Significant Accounting Policies</b>	1		

See accompanying notes to the financial statements.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
*Chartered Accountants*  
 Firm Reg. No. 000952C

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

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

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>551,328,357</b>	<b>536,491,396</b>
Adjustment for :		
Depreciation	141,244,050	138,517,643
Finance Cost	205,439,524	251,154,420
Interest Income	(17,282,158)	(15,986,754)
Dividend Income	(15,150)	(15,150)
Fixed Assets - Loss on sale	6,264,204	6,916,932
Fixed Assets - Profit on sale	(2,301,956)	(4,559,312)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>884,676,871</b>	<b>912,519,175</b>
ADJUSTMENTS FOR :		
Trade and Other receivables	133,516,654	(521,077,587)
Inventories	(249,702,913)	(234,385,032)
Trade and Other Payables	(168,365,962)	226,086,493
<b>CASH GENERATED FROM OPERATIONS</b>	<b>600,124,650</b>	<b>383,143,049</b>
Income Tax Paid (net of Refunds)	(220,374,314)	(136,781,723)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>379,750,336</b>	<b>246,361,326</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (including CWIP)	(537,119,983)	(178,937,819)
Deferred Tax Assets on acquisition/consolidation of WOS	12,047,544	(8,841,041)
Sale of Fixed Assets	19,292,189	10,370,112
Purchase of Investments	(10,036,802)	(1,000,000)
Other Bank Balances (including Margin Money)	(9,333,045)	(6,040,117)
Interest Income	17,282,158	15,986,754
Dividend Income	15,150	15,150
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(507,852,789)</b>	<b>(168,446,961)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Borrowings	532,097,680	241,029,412
Repayments of Long term Borrowings	(287,643,733)	(237,494,940)
Net Increase/(Decrease) in working capital loans and short term loans	146,433,682	243,010,926
Finance Cost (net of adjustment in FCMITD a/c)	(196,139,770)	(262,817,616)
Dividend paid	(16,310,025)	(15,724,266)
Dividend Distribution Tax paid	(2,810,548)	(2,810,548)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	<b>175,627,286</b>	<b>(34,807,032)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>47,524,833</b>	<b>43,107,333</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>119,561,539</b>	<b>76,454,206</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>167,086,372</b>	<b>119,561,539</b>
(refer Note no. 15)		

**Significant accounting policies** 1 - -

See accompanying notes to the financial statements.

As per our report of even date  
**For KAPOOR TANDON & CO.,**  
*Chartered Accountants*  
 Firm Reg. No. 000952C

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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

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

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

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

**A) Basis of Consolidation**

- 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, 2015.
- The consolidated financial statements 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:

- 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.
- 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.
- Exchange differences arising on consolidation is recognized in the Statement of Profit and Loss.
- Investments in 100% foreign subsidiaries have been eliminated with the corresponding Share Capital of the subsidiary company.
- 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'.
- 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.
- 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, 2015		As at 31st March, 2014	
	(Rupees)		(Rupees)	
<b>2. SHARE CAPITAL</b>				
<b>Authorised</b>				
1,50,00,000 Equity Shares of Rs.10/- each		<b>150,000,000</b>		150,000,000
<b>Issued</b>				
1,49,72,718 Equity Shares of Rs.10/- each		<b>149,727,180</b>		149,727,180
<b>Subscribed and fully paid up</b>				
11,025,000 Equity Shares of Rs.10/- each fully paid up		<b>110,250,000</b>		110,250,000
Add: Equity shares forfeited (amount originally paid up in respect of 39,47,718 Shares)		<b>3,947,718</b>		3,947,718
<b>Total</b>		<b>114,197,718</b>		114,197,718

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

Equity shares	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
<b>Subscribed and Paidup</b>				
At the beginning of the year	<b>11,025,000</b>	<b>110,250,000</b>	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



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**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 2015		As at 31st March 2014	
	No. of Shares	% held	No. of Shares	% held
Mr. Mukhtarul Amin	1,324,487	12.01%	1,324,487	12.01%
Steven Construction Limited	1,315,119	11.93%	1,315,119	11.93%

Particulars	As at 31st March, 2015 (Rupees)		As at 31st March, 2014 (Rupees)	
<b>3. RESERVES AND SURPLUS</b>				
<b>Capital Reserves</b>				
Balance as per last Balance Sheet	111,325,783		111,325,783	
Less: Subsidies/Grants from Public Bodies	8,595		—	
		111,317,188		111,325,783
<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	38,495,501		45,127,531	
Less: Amount transferred to the Statement of profit and loss as reduction from depreciation	1,826,233		6,632,030	
		36,669,268		38,495,501
<b>Foreign Currency Monetary Item Translation Difference (FCMITD) Account</b>				
Balance as per last Balance Sheet	(21,494,014)		(9,830,818)	
Exchange fluctuation on payment/restatement of loan	5,286,995		(19,645,206)	
	(16,207,019)		(29,476,024)	
Amount charged to Statement of Profit & Loss (debited in Finance Cost - refer Note no. 24)	4,012,759	(12,194,260)	7,982,010	(21,494,014)
<b>General Reserves</b>				
Balance as per last Balance Sheet	700,000,000		600,000,000	
Add : From the Statement of Profit and Loss	100,000,000		100,000,000	
		800,000,000		700,000,000
<b>Surplus in the Statement of profit and loss</b>				
Balance as per last Balance Sheet	997,100,637		737,818,994	
Profit for the year	356,887,490		370,752,553	
Adjustment related to Fixed Assets (refer Note no. 10.3)	(19,970,939)		—	
Share of Profits of Associates	15,396,108		7,877,138	
	1,349,413,296		1,116,448,685	
Less: Appropriations				
Transfer to General Reserve	100,000,000		100,000,000	
Proposed Dividend on Equity Share [Rs. 1.50 per share (Rs 1.50 per share)]	16,537,500		16,537,500	
Dividend Distribution Tax	3,366,646		2,810,548	
		1,229,509,150		997,100,637
<b>TOTAL</b>		<b>2,344,022,943</b>		<b>2,004,149,504</b>





NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>4. LONG TERM BOROWINGS</b>		
<b>Secured</b>		
<b>Term Loans</b>		
Indian rupee loan from bank(s)	172,069,382	123,196,718
Foreign currency loan from bank(s)	174,280,033	243,070,147
Indian rupee vehicle loan from bank(s) (refer Note no. 4.5)	4,626,039	2,697,209
<b>TOTAL</b>	<b>350,975,454</b>	<b>368,964,074</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 Maturity profile of Secured Loans from Banks is as under:		
Repayable in Next one year	474,583,661	212,141,094
Repayable in Next two to five years	350,975,454	338,324,366
Repayable in Next six to seven years	Nil	30,639,708
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.		
4.5 Vehicle loans are secured against vehicle financed.		
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
<i>on account of</i>		
Depreciation	149,051,000	144,209,000
Others	778,276	1,596,290
<b>Gross deferred tax liability</b>	<b>149,829,276</b>	<b>145,805,290</b>
<b>Deferred Tax Assets</b>		
<i>on account of</i>		
Provision for doubtful debts	2,147,000	175,000
Provision for Gratuity	3,282,000	747,000
Other Timing Differences	59,759,417	73,663,263
<b>Gross deferred tax assets</b>	<b>65,188,417</b>	<b>74,585,263</b>
<b>Net Deferred Tax Liability @</b>	<b>84,640,859</b>	<b>71,220,027</b>
@ 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 AS 22.		
<b>6. SHORT TERM BOROWING</b>		
<b>Secured</b>		
<b>Working Capital Loans</b>		
Indian rupee loan from bank(s)	1,243,319,792	1,172,942,708
Foreign currency loan from bank(s)	247,254,694	171,198,096
<b>TOTAL</b>	<b>1,490,574,486</b>	<b>1,344,140,804</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>		
Micro and Small Enterprises	-	-
Sundry Creditors	1,055,905,274	1,219,630,878
<b>TOTAL</b>	<b>1,055,905,274</b>	<b>1,219,630,878</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
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	474,583,661	212,141,094
Interest accrued but not due on borrowings	793,923	704,167
Interest accrued and due on borrowings	4,132,777	4,386,478
Advance from customers	71,656,359	71,899,892
Book overdraft from banks	4,077,242	-
Unpaid dividend (refer Note 8.1)	11,431,724	11,204,249
Other Liabilities	309,928,824	326,517,326
<b>TOTAL</b>	<b>876,604,510</b>	<b>626,853,206</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	625,620,585	452,640,312
Less: Advance Tax	604,262,968	393,405,960
Provision for Gratuity	10,690,755	3,042,343
Provision for Leave Encashment	8,545,107	7,990,139
Proposed Dividend	16,537,500	16,537,500
Provision for Dividend Distribution Tax	3,366,646	2,810,548
Provision for Wealth Tax	375,000	300,000
<b>TOTAL</b>	<b>60,872,625</b>	<b>89,914,882</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

10. FIXED ASSETS

(Rupees)

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION					NET BLOCK			
	As at 01.04.2014	Additions	Sales/ Adj.	As at 31.03.2015	Up to 31.03.2014	For The Year	On Revaluation	Adjustment	On retained earnings	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>Tangible Assets</b>												
Goodwill	58,484,851	-	-	58,484,851	-	-	-	-	-	-	58,484,851	58,484,851
Land leasehold	143,026,658	24,765,660	-	167,792,318	13,898,502	1,300,823	275,081	-	-	15,474,406	152,317,912	129,128,156
Land Freehold	19,490,140	-	-	19,490,140	-	-	-	-	-	-	19,490,140	19,490,140
<b>Building:</b>												
Factory	818,316,904	48,581,196	-	866,898,100	213,769,059	23,721,414	1,347,647	-	2,036,903	240,875,023	626,023,077	604,547,845
Non-Factory	126,720,597	181,285,303	-	308,005,900	10,550,456	5,028,411	-	94	-	15,578,961	292,426,939	116,170,141
Plant and Machinery	1,586,240,728	119,132,508	36,562,611	1,688,810,625	915,067,907	84,199,048	203,505	17,751,739	23,060,505	1,004,779,226	664,031,399	671,172,821
Furniture & Fittings	85,072,263	4,969,549	203,892	89,837,920	58,152,979	4,791,934	-	154,464	483,875	63,274,224	26,563,696	26,919,284
Vehicles	117,527,191	23,247,086	12,394,374	128,379,903	45,473,485	14,364,382	-	8,230,738	509,826	52,116,955	76,262,948	72,053,706
Office Equipment	32,733,141	2,663,604	244,390	35,152,355	16,014,556	4,825,965	-	83,008	3,413,534	24,171,047	10,981,308	16,718,585
Computer	35,481,571	2,525,196	278,277	37,728,490	31,237,468	2,284,995	-	209,158	2,19,648	33,532,954	4,195,536	4,244,103
<b>TOTAL- A</b>	<b>3,023,094,044</b>	<b>407,170,102</b>	<b>49,683,544</b>	<b>3,380,580,602</b>	<b>1,304,164,412</b>	<b>140,516,872</b>	<b>1,826,233</b>	<b>26,429,107</b>	<b>29,724,386</b>	<b>1,449,802,796</b>	<b>1,930,777,806</b>	<b>1,718,929,632</b>
<b>Intangible Assets</b>												
Computer Software	10,678,843	300,000	-	10,978,843	7,152,589	718,342	-	-	816,553	8,687,484	2,291,359	3,526,254
Brands & Trademark	2,218,396	-	-	2,218,396	2,209,560	8,836	-	-	-	2,218,396	-	8,836
<b>TOTAL- B</b>	<b>12,897,239</b>	<b>300,000</b>	<b>-</b>	<b>13,197,239</b>	<b>9,362,149</b>	<b>727,178</b>	<b>-</b>	<b>-</b>	<b>816,553</b>	<b>10,905,880</b>	<b>2,291,359</b>	<b>3,535,090</b>
<b>TOTAL- (A+B)</b>	<b>3,035,991,283</b>	<b>407,470,102</b>	<b>49,683,544</b>	<b>3,393,777,841</b>	<b>1,313,526,561</b>	<b>141,244,050</b>	<b>1,826,233</b>	<b>26,429,107</b>	<b>30,540,939</b>	<b>1,460,708,676</b>	<b>1,933,069,165</b>	<b>1,722,464,722</b>
PREVIOUS YEAR	2,864,937,620	201,550,171	30,496,508	3,035,991,283	1,186,145,664	138,517,643	6,632,030	17,768,776	-	1,313,526,561	1,722,464,722	-

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. 1,42,51,818 (Rs. 1,45,45,039) and Rs. 5,88,705 (Rs. 6,22,345) 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 The depreciation had been charged on Straight Line Method (SLM Method) in accordance with the then applicable Schedule XIV to the Companies Act, 1956 upto financial year 2013-14. Subsequent upon Schedule II being specified in the Companies Act, 2013 with effect from 01.04.2014, the depreciation for the current year has been charged on SLM Method in accordance with the useful life provided in the aforesaid Schedule II. In terms of Note no. 7(b) of Schedule II, Rs. 199,70,939 (net of Deferred Tax Rs. 105,70,000) being the carrying amount of the assets after retaining the residual value has been charged against the opening balance in retained earnings (Surplus in the Statement of Profit and Loss) where useful life of an assets is Nil. Had there been no change, depreciation for the year had been higher and profit before tax for the year would have been lower by Rs. 111,73,029.

10.4 Subsidy amounting to Rs. 14,96,772 (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.

10.5 Fixed Assets given on operating Lease

(Rupees)

Particular	Building Factory		Plant & Machinery	
	2014-15	2013-14	2014-15	2013-14
Gross carrying amount	5,101,357	5,101,357	28,124,302	28,124,302
Accumulated Depreciation	2,484,864	2,314,479	26,718,087	26,233,518
Depreciation for the year	170,385	170,385	484,569	2,104,233



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)		As at 31st March, 2014 (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 Equity Shares of Rs. 10/- each fully paid (Cost of Investment)	21,000,000		21,000,000	
Add: Share of post acquisition profit/loss (net)	<u>6,489,340</u>	27,489,340	<u>5,053,429</u>	26,053,429
ii. Unnao Tanneries Pollution Control Company 153,080 Equity Shares of Rs.10/- each fully paid		1,530,800		1,530,800
iii. 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	<u>8,357,945</u>	16,957,945	<u>6,967,780</u>	15,567,780
iv. 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	<u>24,085,869</u>	27,134,869	<u>11,515,835</u>	14,564,835
v. Creemos International Ltd. 836400 Equity Shares of Rs.10/- each fully paid		<u>10,036,800</u>		-
<b>Total (A)</b>		<b>83,149,754</b>		<b>57,716,844</b>
<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. 2,00,000 Equity Shares of Rs. 10/- each fully paid	<u>2,000,000</u>		<u>2,000,000</u>	
<b>Total (B)</b>		<b>3,851,200</b>		<b>3,851,200</b>
<b>Others - (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	<u>261,000</u>		<u>261,000</u>	
	<b>667,500</b>		<b>667,500</b>	
Less: Provision for Diminution in value	<u>661,000</u>		<u>661,000</u>	
<b>Total (C)</b>		<b>6,500</b>		<b>6,500</b>
<b>TOTAL (A+B+C)</b>		<b>87,007,454</b>		<b>61,574,544</b>
<b>Book value of Quoted Investments (Net of Provisions)</b>		<b>6,500</b>		<b>6,500</b>
<b>Book value of Unquoted Investments</b>		<b>87,000,954</b>		<b>61,568,044</b>
<b>Market value of Quoted Investments</b>		<b>16,350</b>		<b>4,770</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>12. LONG TERM LOANS &amp; ADVANCES</b> (unsecured considered good)		
Capital Advances	79,817,621	57,777,084
Balance with Government/Revenue Authorities	1,000,000	–
Security Deposits	15,767,442	12,786,418
Advance to associate (refer Note No. 33)	7,001,579	–
<b>TOTAL</b>	<b>103,586,642</b>	<b>70,563,502</b>
<b>13. INVENTORIES</b> (valued at lower of cost and net realisable value)		
Raw Materials	450,723,785	350,801,809
Work in Process (refer Note 28)	539,214,446	480,910,393
Finished Goods (refer Note 29)	849,520,046	806,655,332
[including stock at port Rs. 12,93,46,437 (Rs. 9,52,13,091)]		
Chemicals, Components and Spare Parts	259,303,356	225,491,186
Import Entitlements/Licenses in hand	14,800,000	–
<b>TOTAL</b>	<b>2,113,561,633</b>	<b>1,863,858,720</b>
Finished Goods include Stock in Trade, as both are stocked together		
<b>14. TRADE RECEIVABLES</b> (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	115,963,618	74,802,635
Considered Doubtful	6,202,421	2,604,221
Less: Provision for Doubtful Receivables	6,202,421	2,604,221
Others		
Considered Good	1,144,323,643	1,380,104,006
Considered Doubtful	554,760	171,271
Less: Provision for Doubtful Receivables	554,760	171,271
<b>TOTAL</b>	<b>1,260,287,261</b>	<b>1,454,906,641</b>
<b>Trade receivable include:</b>		
Due from associates	8,651,910	2,045,153
Due from other related parties	40,243,712	28,820,439
<b>15. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on Hand (as Certified by the Management)	18,909,594	11,764,810
Cheques in hand/Remittance in Transit	7,506,409	–
Balances with Banks on:		
Current Accounts	139,399,570	105,264,731
Foreign Currency Account (EEFC A/c)	1,270,799	2,531,998
	<b>167,086,372</b>	<b>119,561,539</b>
<b>Other bank balances</b>		
Deposits having maturity between 3 to 12 months	–	60,121,282
Margin Money Deposit Accounts	156,555,342	87,328,491
Unclaimed Dividend Account	11,431,724	11,204,248
	<b>167,987,066</b>	<b>158,654,021</b>
<b>TOTAL</b>	<b>335,073,438</b>	<b>278,215,560</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	As at 31st March, 2015 (Rupees)	As at 31st March, 2014 (Rupees)
<b>16. SHORT TERM LOANS &amp; ADVANCES</b> (Unsecured considered good)		
Advance recoverable in cash or kind or for value to be received	110,112,908	105,163,091
Balance with Government/Revenue Authorities	40,221,171	40,154,405
Advance to associate (refer Note No. 33)	—	8,034,837
Other Loans	14,516,800	10,249,266
<b>TOTAL</b>	<b>164,850,879</b>	<b>163,601,599</b>
<b>17. OTHER CURRENT ASSETS</b> (Unsecured considered good)		
Interest accrued on fixed deposits	12,048,172	8,705,585
Export Incentive Receivable	204,182,847	180,196,450
Other Claim Receivable	2,291,807	2,790,485
<b>TOTAL</b>	<b>218,522,826</b>	<b>191,692,520</b>
Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>18. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
<b>Sale of products (refer Note 19.1)</b>		
Sales (Export)	6,700,258,663	6,280,474,201
Sales (Indigenous)	818,408,269	839,212,957
	<b>7,518,666,932</b>	<b>7,119,687,158</b>
<b>Other operating revenue</b>		
Export Incentives (refer Note 19.2)	516,704,686	445,634,297
<b>Revenue from operations (gross)</b>	<b>8,035,371,618</b>	<b>7,565,321,455</b>
<b>18.1 Details of product sold</b>		
Gross Sales	7,518,666,932	7,119,687,158
Less: Excise Duty	34,339,795	35,499,919
	<b>7,484,327,137</b>	<b>7,084,187,239</b>
<b>Breakup of Sales (net of excise)</b>		
Leather and Leather Products	6,271,830,548	6,009,184,831
Textile Products	1,176,188,300	935,144,024
Others	36,308,289	139,858,384
<b>TOTAL</b>	<b>7,484,327,137</b>	<b>7,084,187,239</b>
<b>18.2 Export Incentives</b>		
– Duty Draw Back Received	406,328,150	372,782,849
– Licences/Entitlements Received	110,376,536	72,851,448
<b>TOTAL</b>	<b>516,704,686</b>	<b>445,634,297</b>
<b>19. OTHER INCOME</b>		
<b>Other Operating Income</b>		
Interest income		
– from Fixed Deposit with Banks	14,361,136	12,518,170
– from Others	2,921,022	3,468,584
	<b>17,282,158</b>	<b>15,986,754</b>
Exchange Difference gain/(loss) (net) (including exchange difference on Consolidation)	25,374,197	(3,965,339)
Miscellaneous Income	29,178,074	33,395,634
	<b>71,834,429</b>	<b>45,417,049</b>
<b>Other Non Operating Income</b>		
Dividend income		
– from Investments – non trade	15,150	15,150
Profit on Sale of Fixed Assets	2,301,956	4,559,312
Rent	11,107,713	2,558,400
	<b>13,424,819</b>	<b>7,132,862</b>
<b>TOTAL</b>	<b>85,259,248</b>	<b>52,549,911</b>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>20. COST OF MATERIAL CONSUMED</b>		
Raw Material consumed		
Finished Leather	873,861,809	906,188,602
Raw Hide/Skin	682,471,721	559,473,848
Fabric	522,868,791	445,307,373
Sole	231,263,766	216,055,239
PU / PVC Compound	166,473,642	163,983,270
Others	224,268,321	192,827,591
Raw Material consumed	2,701,208,050	2,483,835,923
Chemicals, Components and Spare Parts consumed	1,090,997,613	993,564,041
Packing Material consumed	170,927,607	149,017,583
<b>Cost of material consumed</b>	3,963,133,270	3,626,417,547
<b>21. PURCHASE OF STOCK-IN-TRADE</b>		
Leather and Leather Products	1,124,078,846	1,105,778,801
Textile Products	1,483,089	3,861,052
<b>TOTAL</b>	1,125,561,935	1,109,639,853
<b>22. DECREASE/(INCREASE) IN INVENTORIES</b>		
<b>Inventories at the commencement of the year</b>		
Finished Goods	806,655,332	662,921,650
Work in Process	480,910,393	431,275,966
Import Entitlements/Licenses in hand	–	28,009,582
<b>TOTAL 'A'</b>	1,287,565,725	1,122,207,198
<b>Inventories at the end of the year</b>		
Finished Goods	849,520,046	806,655,332
Work in Process	539,214,446	480,910,393
Import Entitlements/Licenses in hand	14,800,000	–
<b>TOTAL 'B'</b>	1,403,534,492	1,287,565,725
<b>Decrease/(Increase) in Stocks (A–B)</b>	(115,968,767)	(165,358,527)
<b>23. EMPLOYEE BENEFITS EXPENSES</b>		
Salary, Wages and Bonus	411,925,524	381,123,851
Directors Remuneration (including Sitting Fee)	79,196,782	71,575,936
Contribution to Provident and other funds	42,410,087	30,040,570
Gratuity – contribution/provision	15,705,291	6,359,454
Workmen and Staff Welfare expenses	27,744,656	34,829,496
<b>TOTAL</b>	576,982,340	523,929,307
<b>24. FINANCE COSTS</b>		
Interest on		
– Term Loan	43,999,543	43,757,418
– Others	126,388,247	111,288,904
	170,387,790	155,046,322
Bank Charges	44,593,239	47,547,113
Exchange fluctuation to the extent to be regarded as adjustment to interest cost	(2,201,712)	51,970,530
	212,779,317	254,563,965
Less: Interest capitalised	7,339,793	3,409,545
<b>TOTAL</b>	205,439,524	251,154,420
<b>25. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of tangible assets	143,070,283	156,286,419
Less: recoupment from revaluation reserve	1,826,233	17,768,776
<b>TOTAL</b>	141,244,050	138,517,643



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Particulars	2014-15 (Rupees)	2013-14 (Rupees)
<b>26. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumable Stores	60,119,434	59,725,993
Production Charges	582,314,931	464,553,721
Job Work Charges	44,379,299	50,062,552
Power and Fuel	163,432,193	158,336,052
Effluent Treatment Expenses	7,633,841	5,688,012
Repairs and Maintenance		
– Building	13,961,004	8,113,543
– Machinery	35,066,028	33,732,162
	<b>906,906,730</b>	780,212,035
<b>Selling and Distribution Expenses</b>		
Freight, Handling and Other Sales and Distribution Expenses	282,906,906	270,739,232
Commission on Sale	166,268,317	241,400,338
Advertisement and Publicity	19,256,870	22,799,506
Bad Debts – Provision/write off	8,061,216	7,027,616
	<b>476,493,309</b>	541,966,692
<b>Establishment Expenses</b>		
Rent	11,643,406	11,911,579
Rates and Taxes	22,504,455	20,076,301
Insurance	20,783,867	21,611,716
Communication cost	18,258,779	17,658,971
Travelling and Conveyance	47,492,871	49,127,808
Vehicle Running and Maintenance	32,017,821	29,701,685
Repairs and Maintenance – Others	31,154,194	24,079,277
Printing and Stationery	9,724,303	9,247,004
Legal and Professional Charges	15,602,007	15,888,601
Auditor's Remuneration (refer Note No. 26.1)	2,643,945	2,168,662
Miscellaneous Expenses	23,190,348	25,266,484
Research & Development Expenses	3,708,485	3,976,997
Charity and Donation	2,725,860	1,769,064
Loss on Sale of Fixed Assets	6,264,204	6,916,932
CSR Expenses	7,455,778	–
	<b>255,170,323</b>	239,401,081
<b>TOTAL</b>	<b>1,638,570,362</b>	1,561,579,808
<b>26.1 Payment to auditor</b>		
<b>As Auditor:</b>		
Audit Fees	2,340,008	1,848,952
Tax audit Fee	101,124	89,888
<b>In other capacity:</b>		
Taxation & other services	202,813	229,822
<b>TOTAL</b>	<b>2,643,945</b>	2,168,662
<b>27. Earning per share (EPS)</b>		
Profit for the year	356,887,490	370,752,553
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)	32.37	33.63
<b>28. Closing Inventory of Work-in-process</b>		
Leather and Leather Products	485,610,357	424,140,480
Textile Products	53,019,089	55,314,913
Others	585,000	1,455,000
<b>TOTAL</b>	<b>539,214,446</b>	480,910,393
<b>29. Closing Inventory of Finished Goods</b>		
Leather and Leather Products	783,749,998	765,668,028
Textile Products	64,083,741	36,224,093
Others	1,686,307	4,763,211
<b>TOTAL</b>	<b>849,520,046</b>	806,655,332





**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

30. Linea De Seguridad, Superhouse (UK) Ltd. and Briggs Industrial Footwear Ltd. in respect of certain assets 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. The relevant figures are as under: (Rs. in Lacs)

Description of Item	As Per CFS Of The Group		As per the Balance Sheet of Superhouse (U.K.) 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 31.03.2015		as at 31.03.2015		as at 31.03.2015		as at 31.03.2015	
	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)	33,937.78	1,412.44	254.53	6.03	2,119.14	49.28	2,626.57	29.98

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

31. 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 (i.e. for the year ended 31.03.2014) and Capital Reserve/Goodwill has been recognized accordingly.

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

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

*(Rupees)*

Particulars	Leather & Leather Products		Textile Garments		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Revenue	6,788,535,234	6,498,746,276	1,176,188,300	959,558,678	36,308,289	71,516,582	8,001,031,823	7,529,821,536
Intra Segment Revenue	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>6,788,535,234</b>	<b>6,498,746,276</b>	<b>1,176,188,300</b>	<b>959,558,678</b>	<b>36,308,289</b>	<b>71,516,582</b>	<b>8,001,031,823</b>	<b>7,529,821,536</b>
Eliminations	-	-	-	-	-	-	-	-
<b>Net Revenue</b>	<b>6,788,535,234</b>	<b>6,498,746,276</b>	<b>1,176,188,300</b>	<b>959,558,678</b>	<b>36,308,289</b>	<b>71,516,582</b>	<b>8,001,031,823</b>	<b>7,529,821,536</b>
Profit Before Tax & Finance Cost	670,748,830	699,041,648	92,008,430	79,831,794	(5,989,379)	8,772,374	766,767,881	787,645,816
Finance Cost	(170,745,819)	(215,982,968)	(33,003,332)	(32,934,451)	(1,690,373)	(2,237,001)	(205,439,524)	(251,154,420)
Profit Before Tax	500,003,011	483,058,680	59,005,098	46,897,343	(7,679,752)	6,535,373	551,328,357	536,491,396
Segment Assets	5,581,791,234	5,197,053,551	789,077,323	654,166,549	6,925,312	32,716,701	6,377,793,869	5,883,936,801
Segment Liabilities	3,452,078,131	3,334,512,287	473,305,453	384,564,598	(5,810,376)	25,018,681	3,919,573,208	3,744,095,566
Capital Expenditure	476,895,747	150,199,053	80,724,483	36,023,829	1,531,695	271,465	559,151,925	186,494,347
Depreciation	120,459,326	123,088,032	20,180,382	14,954,533	604,342	475,078	141,244,050	138,517,643

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".

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

*(Rupees)*

Particulars	Within India		Outside India		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
External Revenue	1,300,773,160	1,102,591,874	6,700,258,663	6,427,229,662	8,001,031,823	7,529,821,536
Inter Segments	-	-	-	-	-	-
<b>Total Revenue</b>	<b>1,300,773,160</b>	<b>1,102,591,874</b>	<b>6,700,258,663</b>	<b>6,427,229,662</b>	<b>8,001,031,823</b>	<b>7,529,821,536</b>
Eliminations	-	-	-	-	-	-
<b>Net Revenue</b>	<b>1,300,773,160</b>	<b>1,102,591,874</b>	<b>6,700,258,663</b>	<b>6,427,229,662</b>	<b>8,001,031,823</b>	<b>7,529,821,536</b>
Segment Assets	5,694,510,303	5,396,774,703	683,283,566	487,162,098	6,377,793,869	5,883,936,801
Segment Liabilities	3,463,197,945	3,436,224,825	456,375,263	307,870,741	3,919,573,208	3,744,095,566
Capital Expenditure	372,733,255	178,473,103	186,418,670	8,021,244	559,151,925	186,494,347
Depreciation on Fixed Assets	132,480,908	130,508,704	8,763,142	8,008,939	141,244,050	138,517,643



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

33. 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 31.03.2015 As at 31.03.2014

**Joint Venture: Nil**

**Associates:**

a) Unnao Tanneries Pollution Control Company (A company registered under Section 25 of erstwhile the Companies Act, 1956)	34.05%	34.05%
b) Steven Construction Ltd.	46.67%	46.67%
c) Amin International Ltd.	31.13%	31.13%
d) Knowledgehouse Ltd.	31.85%	31.85%
e) Creemos International Ltd.	48.63%	—

**ii. 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) - CFO
- e) Mr. Mohd. Shadab – Director
- f) Mrs. Shahina Mukhtar – Director (Wife of Mr. Mukhtarul Amin)
- g) Mr. R. K. Agrawal - Company Secretary
- h) Mr. Deepak Sanan & Mr Manu Sanan (Son of Mr. Vinay Sanan)
- i) Mr. Akbar Waris, Director of Subsidiary
- j) Mr. A Davis, Director of Subsidiary
- k) Mr. G Lomas, Director of Subsidiary

**iii. Others: Enterprise over which KMP or relatives of KMP are able to exercise significant 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) Rivera Trendz Pvt. Ltd.
- i) Super Shoes Ltd.
- j) Mayfair Leather Exports Ltd.

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	
	2014-15	2013-14	2014-15	2013-14
Purchases of Materials/Finished Goods	1,462,627	14,534,072	270,017,695	279,492,754
Sale of Materials/Finished Goods	58,077,111	28,984,368	91,533,375	111,854,661
Purchase of Fixed Assets	Nil	433,946	Nil	Nil
Sale of Fixed Assets	1,397,806	Nil	Nil	17,850
Services rendered/other receipts	613,492	268,748	3,058,569	1,162,071
Services availed	6,513,238	5,051,519	13,365,643	21,793,815
Rent received	204,726	142,928	2,468,916	2,939,478
Interest received	1,074,159	1,216,295	Nil	726,246
Rent paid	415,000	Nil	480,000	480,000
<b>Balances at the end of the year:</b>				
Receivables	8,651,910	2,045,153	40,243,712	31,754,542
Loans and Advances	7,001,579	8,034,837	Nil	Nil
Payables (Trade payable & other liabilities)	1,170,131	518,045	26,824,487	15,130,064
Investments	44,216,600	34,179,800	6,500	6,500

**Key Management Personnel and relatives:**

(Rupees)

Particulars	2014-15	2013-14
Rent paid	2,460,000	1,775,278
Directors Remuneration	79,184,782	71,563,935
Salary, Wages and Bonus	3,465,252	3,371,068
Remuneration Payable (including Provisions)	40,305,852	32,374,845



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**C. No amount has been written off/back or provided as doubtful debts during the year in respect of related parties.**

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

Particulars	2014-15	2013-14
<b>Purchases of Materials/Finished Goods</b>		
Amin International Ltd.	1,462,627	14,534,072
Modriba Hygiene Solutions Ltd.	38,033,761	18,551,917
Superhouse Accessories Ltd.	55,824,303	32,716,964
Chowdhary Overseas Ltd.	41,694,921	42,506,179
Rojus Enterprises Ltd.	607,105	357,761
Rivera Trendz Pvt. Ltd.	53,880,678	95,386,676
Super Tannery Ltd.	30,437	37,960
Super Shoes Ltd.	79,946,490	89,935,297
<b>Sale of Materials/Finished Goods</b>		
Amin International Ltd.	58,077,111	28,984,368
Modriba Hygiene Solutions Ltd.	82,785	17,250
Creemos International Ltd.	–	1,058,836
Superhouse Accessories Ltd.	333,988	6,187,723
Chowdhary Overseas Ltd.	36,325,026	43,803,852
Rojus Enterprises Ltd.	9,839,357	20,450,329
Rivera Trendz Pvt. Ltd.	5,221,067	619,790
Super Tannery Ltd.	243,630	309,561
Super Shoes Ltd.	39,487,522	39,407,320
<b>Purchase of Fixed Assets</b>		
Amin International Ltd.	–	433,946
<b>Sale of Fixed Assets</b>		
Amin International Ltd.	1,397,806	–
Chowdhary Overseas Ltd.	–	17,850
<b>Services rendered/other receipts</b>		
Amin International Ltd.	613,492	268,748
Modriba Hygiene Solutions Ltd.	2,967,272	284,437
Chowdhary Overseas Ltd.	31,969	822,542
Rojus Enterprises Ltd.	59,328	55,092
<b>Services availed</b>		
Unnao Tanneries Pollution Control Company	5,735,691	5,004,256
Amin International Ltd.	777,547	47,263
Modriba Hygiene Solutions Ltd.	–	1,278,761
Creemos International Ltd.	–	824,569
Superhouse Accessories Ltd.	12,458,096	18,156,044
Chowdhary Overseas Ltd.	880,580	1,432,534
Rojus Enterprises Ltd.	–	101,907
Super Tannery Ltd.	26,967	–
<b>Rent paid</b>		
Chowdhary Overseas Ltd.	480,000	480,000
Steven Construction Ltd.	415,000	–
Mr. Mukhtarul Amin	480,000	480,000
Mrs. Shahina Mukhtar	1,800,000	990,000
Mr. Deepak Sanan	180,000	305,278
<b>Rent received</b>		
Steven Construction Ltd.	6,740	6,740
Knowledgehouse Ltd.	1,356	1,356

Particulars	2014-15	2013-14
Amin International Ltd.	196,630	134,832
Modriba Hygiene Solutions Ltd.	271,020	271,020
Superhouse Accessories Ltd.	1,685,400	1,685,400
Chowdhary Overseas Ltd.	337,080	850,788
Rojus Enterprises Ltd.	175,416	132,270
<b>Interest received</b>		
Steven Construction Ltd.	1,074,159	1,216,295
Superhouse Accessories Ltd.	–	452,835
Rojus Enterprises Ltd.	–	273,411
<b>Receivables</b>		
Steven Construction Ltd.	10,300	10,300
Amin International Ltd.	8,640,580	2,034,853
Creemos International Ltd.	1,030	1,058,836
M/s Shoe House	6,455,621	6,604,802
Chowdhary Overseas Ltd.	12,788,057	3,785,601
Rojus Enterprises Ltd.	18,455,526	18,197,151
Super Shoes Ltd.	1,044,508	608,152
M/s Mayfair Leather Exports Limited	1,500,000	1,500,000
<b>Payables (Trade payable &amp; other liabilities)</b>		
Unnao Tanneries Pollution Control Company	1,170,131	518,045
Modriba Hygiene Solutions Ltd.	4,584,939	4,501,102
Superhouse Accessories Ltd.	14,338,716	2,456,653
Rivera Trendz Pvt. Ltd.	7,862,384	8,134,349
Super Tannery Ltd.	38,448	37,960
Mr. Mukhtarul Amin	18,363,385	15,553,847
Mrs. Shahina Mukhtar	8,802,615	7,744,207
Mr. Zafarul Amin	9,710,024	7,844,019
Mr. Vinay Sanan	339,511	380,801
Mr. A.K. Agarwal	116,228	76,510
Mr. Mohd. Shadab	202,953	117,905
Mr. R.K. Agarwal	206,610	69,703
Mr. Deepak Sanan	201,403	142,662
Mr. Manu Sanan	150,000	150,000
Mr. Akbar Waris	396,091	295,191
<b>Remuneration</b>		
Mr. Mukhtarul Amin	21,515,579	21,155,072
Mrs. Shahina Mukhtar	10,143,114	9,858,596
Mr. Zafarul Amin	12,302,900	11,001,098
Mr. Vinay Sanan	3,092,688	3,103,933
Mr. A.K. Agarwal	1,483,530	1,227,441
Mr. Mohd. Shadab	2,337,385	1,262,396
Mr. Akbar Waris	5,066,674	3,413,855
Mr. A Davis	13,089,261	11,627,494
Mr. G Lomas	10,153,651	8,914,050
Mr. R.K. Agarwal	1,065,252	971,068
Mr. Deepak Sanan	600,000	600,000
Mr Manu Sanan	1,800,000	1,800,000

**34. Expenditure on Research and Development (Rupees)**

Particulars	2014-15	2013-14
Capital Expenditure	309,070	597,800
Revenue Expenditure	3,708,485	3,976,997

**35. Capital and other commitments (Rupees)**

Particulars	2014-15	2013-14
i. Estimated value of contracts remaining to be executed on capital account (net of advances)	159,140,483	141,989,294
ii. Forward Exchange Contracts	966,090,369	781,101,859



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**36. Contingent liabilities**

(Rupees)

	2014-15	2013-14
Claim against the company not acknowledged as debt	1,808,514	3,769,874
<b>Contingent Liabilities in respect of:</b>		
i. Guarantees issued by the Bank	74,429,780	9,719,340
ii. Corporate Guarantee(s) to bank(s) against credit facilities extended to Wholly Owned Subsidiaries in U.K., UAE and Spain	511,875,964	348,384,293
iii. Letter of Credit opened and outstanding	239,105,701	324,410,665
iv. Duty on Export obligation pending	61,565,983	73,678,570
v. Electricity demand pending litigation	2,860,000	1,583,688

vi. The detail of disputed dues (net of amounts paid) as per the clause 3 (vii)(b) of Section 143 (11) of the Companies Act, 2013

(Rupees)

Forum where dispute is pending	Period to which relates	2014-15	2013-14
<b>Income Tax - u/s 143(3) of the Income Tax Act, 1961:</b>			
CIT Appeals, Kanpur	A.Y. 2010-11	939,370	939,370
ITAT Appeals, Lucknow	A.Y. 2003-04	Nil	2,069,740
ITAT Appeals, Lucknow	A.Y. 2007-08	8,272,270	8,272,270
ITAT Appeals, Lucknow	A.Y. 2008-09	7,726,990	7,726,990
<b>Income Tax (TDS)-u/s 201(1)/(1A) of the Income Tax Act, 1961:</b>			
CIT Appeals, Kanpur	A.Y. 2010-11	217,509	Nil
CIT Appeals, Kanpur	A.Y. 2011-12	585,609	Nil
CIT Appeals, Kanpur	A.Y. 2012-13	439,545	Nil
CIT Appeals, Kanpur	A.Y. 2013-14	445,864	Nil
CIT Appeals, Kanpur	A.Y. 2014-15	456,875	Nil
CIT Appeals, Kanpur	A.Y. 2015-16	339,446	Nil
<b>Entry Tax:</b>			
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	2008-2009	728,106	728,106
Joint Commissioner of Trade Tax, Kanpur	2001-2002	151,473	151,473
Joint Commissioner of Trade Tax, Kanpur	2005-2006	28,000	28,000
Joint Commissioner of Trade Tax, Kanpur	2007-2008	Nil	93,556
Joint Commissioner of Trade Tax, Kanpur	2009-2010	59,830	59,830
Joint Commissioner of Trade Tax, Kanpur	2010-2011	Nil	578,089

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

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

a) Derivative instruments outstanding

(Foreign Currency in Millions)

Forward Contracts		2014-15	2013-14
Against Exports	USD/INR	4.73	4.47
	EURO/INR	5.96	3.67
	GBP/INR	2.93	2.13

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

**38. 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 have been rounded off to the nearest rupee.

As per our report of even date  
**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

**MUKHTARUL AMIN**  
 Chairman and Managing Director

**ZAFARUL AMIN**  
 Joint Managing Director

Place : Kanpur  
 Date : 30<sup>th</sup> July, 2015

**A.K. AGARWAL**  
 Chief Financial Officer

**R.K. AGRAWAL**  
 Company Secretary



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.**

Name of Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (Figure in Rs.)	As % of consolidated Profit or Loss	Amount (Figure in Rs.)
<b>Parrent</b>				
Superhouse Limited	82.01%	2,231,312,358	89.60%	324,658,058
<b>Subsidiaries</b>				
<b>Foreign</b>				
Superhouse UK Ltd. UK	1.90%	51,569,230	0.21%	757,472
Superhouse USA International INC USA	0.06%	1,673,087	0.03%	125,398
Superhouse Middle East FZC	2.44%	66,291,320	5.97%	21,643,519
Briggs Industrial Footwear Ltd. UK	9.52%	259,100,239	5.13%	18,589,268
Linea De Seguridad SLU, Spain	4.08%	110,980,171	-0.44%	(1,587,772)
Superhouse GMBH Germany	0.00%	(1,675)	-0.51%	(1,852,053)
<b>Minority Interests in all subsidiaries</b>	Nil	Nil	Nil	Nil
<b>Associates (Investments as per the equity method)</b>				
<b>Indian</b>				
<b>Last Audited Balance Sheet as on 31.03.2014</b>				
Steven Construction Limited	2.07%	56,416,269	0.85%	3,076,733
Knowledgehouse Limited	2.02%	55,047,192	1.20%	4,364,724
Amin International Limited	5.58%	151,798,942	11.14%	40,379,164
Creemos International Limited	0.24%	6,553,207	0.08%	277,811
Unnao Tanneries Pollution Control Company	0.44%	11,917,560	Note-A	Note-A
<b>Joint Ventures</b>	N. A.	N. A.	N. A.	N. A.

**NOTES:**

A) Unnao Tanneries Pollution Control Company is a company registered under section 25 as the Companies Act, 1956 and it operates under severe long term restrictions that significantly impair its ability to transfer funds to the parent company.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY/ASSOCIATES/JOINT VENTURES AS PER COMPANIES ACT, 2013**

**PART "A" SUBSIDIARIES**

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.	Closing Exchange Rate	92.46	= 1 GBP	62.59	= 1 USD	17.02	= 1 AED	92.46	= 1 GBP	67.51	= 1 EURO	67.51	= 1 EURO
2.	Share Capital	10,618,924	150,000	5,025,924	113,070	2,419,366	200,000	134,461,183	408,441	24,995,818	348,580	1,701,350	25,000
3.	Reserves & Surplus	40,950,306	467,987	(3,352,837)	(86,350)	63,871,954	3,741,181	124,639,056	2,321,157	85,984,353	419,459	(1,703,025)	(25,025)
4.	Total Assets	161,167,893	1,803,350	2,137,220	34,146	120,161,049	7,094,661	688,869,390	7,377,761	206,488,428	2,182,766	717,281	10,625
5.	Total Liabilities (refer note 3)	161,167,893	1,803,350	2,137,220	34,146	120,161,049	7,094,661	688,869,390	7,377,761	206,488,428	2,182,766	717,281	10,625
6.	Investments	-	-	-	-	-	-	-	-	-	-	-	-
7.	Turnover/Total Income	239,058,413	2,415,448	7,065,458	114,492	145,941,030	8,668,769	853,966,832	8,552,167	155,172,195	1,905,401	4,845,953	82,223
8.	Profit/(Loss) Before Taxation	1,520,228	35,697	125,398	1,000	21,643,519	1,175,458	26,324,158	375,124	(298,484)	57,185	(1,852,120)	(4,237)
9.	Provision for Taxation	762,756	7,739	-	-	-	-	7,734,890	78,479	1,289,288	19,097	(67)	(1)
10.	Profit/(Loss) After Taxation	757,472	27,958	125,398	1,000	21,643,519	1,175,458	18,589,268	296,645	(1,587,772)	38,088	(1,852,053)	(4,236)
11.	Proposed Dividend	416,700	4,500	-	-	-	-	5,029,700	52,000	-	-	-	-
12.	% of Shareholding	100%	-	100%	-	100%	-	100%	-	100%	-	100%	-

**NOTES:**

- Names of Subsidiaries which are yet to commence operations - Nil
- Names of Subsidiaries which have been liquidated or sold during the year - Nil
- Total Liability includes Share Capital and Reserves & Surplus

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

**For KAPOOR TANDON & CO.,**

Chartered Accountants  
Firm Reg. No. 000952C

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

**RAJESH PARASRAMKA**

Partner  
M. No. 074192

**A.K. AGARWAL**  
Chief Financial Officer

**R.K. AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 30<sup>th</sup> July, 2015



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015**

**PART “B” ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129(3) of the companies Act 2013 related to Associates Companies and Joint Ventures.

Name of Associate/ Joint Venture Company	Steven Construction Limited	Knowledgehouse Limited	Amin International Limited	Creemos International Limited	Unnao Tanneries Pollution Control Company
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>I. ASSOCIATE COMPANIES:</b>					
1 Latest Audited Balance Sheet Date	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
<b>2 Shares of Associate/Joint Ventures held by the company on the year end</b>					
- Number of Shares	2,100,000	860,000	304,900	836,400	153,080
- Amount of Investment (Rupees)	21,000,000	8,600,000	3,049,000	1,036,800	1,530,800
- % of Holding	46.67%	31.85%	31.13%	48.63%	34.05%
3 Description of how there is significant influence	Note-A	Note-A	Note-A	Note-A	Note-A
4 Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	Note-E
5 Net worth attributable to Shareholding as per latest audited Balance Sheet	26,329,473	17,532,531	47,255,011	3,186,825	4,057,929
<b>6 Profit/(Loss) for the year of Associate Company</b>					
i) Considered in Consolidation (Refer Note-'D')	3,076,733	4,364,724	40,379,164	277,811	–
ii) Not Considered in Consolidation	–	–	–	–	–
<b>II. JOINT VENTURES:</b>	N.A.	N.A.	N.A.	N.A.	N.A.

**NOTES:**

- A) There is significant influence due to percentage (%) of Share Capital.
- B) Names of associates or joint ventures which are yet to commence operations - Nil
- C) Names of associates or joint ventures which have been liquidated or sold during the year - Nil
- D) Investments are accounted for using equity method in accordance with AS '23' Accounting for Investments in Associates in Consolidated Financial Statements.
- E) Unnao Tanneries Pollution Control Company is a company registered under section 25 as the Companies Act, 1956 and it operates under severe long term restrictions that significantly impair its ability to transfer funds to the parent company.

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

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

**MUKHTARUL AMIN**  
Chairman and Managing Director

**ZAFARUL AMIN**  
Joint Managing Director

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

**A.K. AGARWAL**  
Chief Financial Officer

**R.K. AGRAWAL**  
Company Secretary

Place : Kanpur  
Date : 30<sup>th</sup> July, 2015



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